



How to read your Explanation of Benefits (EOB) Statement

Make sure to read and properly interpret your explanation of benefits statement each time, every time!

The [explanation of benefits \(EOB\)](#) statement and the electronic remittance advice (ERA) that you receive at your office are critical to ensuring that:

- You are receiving the correct payment for the services you have rendered.
- Your patients are receiving clear and accurate communication about their dental benefits and payments.

Look for [Note: Not all EOB’s use these terms but all EOB’s should explain this information clearly]:

- **What is the negotiated or allowed amount [“Plan Allowance”]?** –This is the reimbursement level determined by the administrator of a dental benefit plan for a specific dental procedure.
- **What portion of this fee will the plan pay [“Co-insurance” or “Covered %”]?** – The percentage of the maximum plan benefit the plan will pay.
- **How much is applied to the patient’s deductible [“Deductible Applied”]?** – The amount patient pays before the benefit is applied. Typically, most plans do not count diagnostic and preventive services towards the deductible.
- **How much has the plan paid [“Amount Paid”]?** Dollar amount of the claim paid by the plan.
- **How much does the patient have to pay [“Patient Responsibility”]?** Dollar amount that the beneficiary (i.e., patient) owes directly to the dental office.
- **Remark Code(s)** – This is the fine print at the bottom of the payment table and provides an explanation for the adjudication and payment decision when necessary. [LEAT clauses](#), [bundling and downcoding](#) and requests for additional documentation are often noted here. Remember [explanation of benefits \(EOB\)](#) language should provide information that clearly delineates the benefit limitations of the plan and any balance due to the dentist by the patient. It should not contain language, e.g., “the procedure was not necessary” that may disparage the dentist or otherwise wrongfully interfere with the dentist-patient relationship. If you feel that your patient’s claim was not properly adjudicated, you should appeal the adverse decision with the dental plan in writing as failure to follow this step will usually bar further recourse. Learn how to file a [proper claims appeal](#).

Check the Math!

	In-network	Out-of-network
Procedures covered by patient’s benefit	Plan payment + Patient payment [Deductible amount + co-insurance amount] = Plan Maximum Allowable Fee	Plan payment + Patient payment [Deductible amount + co-insurance amount + balance] = Dentists’ Full Fee
Procedures not covered by patient’s benefit	States with non-covered service* laws: Patient payment = Dentists’ Full Fee States without non-covered service laws: Patient payment = Plan Maximum Allowable Fee	Patient payment = Dentists’ Full Fee

*A non-covered service is a procedure that is excluded from coverage (not to be confused with a bundled, downcoded or alternate benefitted procedure).

Growth of Exclusive Provider Organization (EPO) plans

These types of plans are gaining in popularity with employers (i.e., plan purchasers). EPO plans are closed panel plans that require that beneficiaries use only participating dentists for services covered by the plan i.e., the patient will need to



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bear all costs of care if they choose to go to an out-of-network dentist; there is no benefit payable to an out-of-network dentist under an EPO plan.

Coordinating Benefits & How to Calculate Write-Offs

A write-off is the difference between the dentist's full fee and the sum of all other payments. Write-offs should not be posted until all plans have paid. If a write-off is posted after the primary pays and then posted again based on the secondary payment, it is possible the dental office may incorrectly apply a credit to the patients' balance. You will want to be careful **not** to do this! Learn more about COB using an [ADA resource](#) and [a recent educational Webinar](#).

A Note about Payments Received by Electronic Funds Transfer (EFT)

Did you know, dental offices should not be charged for a dentist to receive a standard EFT payment? Beware of hidden fees! Always report your full fee when you submit a claim form! Check out the ADA's [model EOB](#).

For additional educational, ready-to-use information on handling other dental insurance issues, visit [ADA.org/dentalinsurance](https://www.ada.org/dentalinsurance).