# ADA<sub>®</sub> Fee Schedule Negotiation Guide

Dentistry is facing increasing costs due to heightened standards for infection control and other economic conditions. Under these circumstances, dental offices may see the need to adjust their fee schedules. The ADA anticipates that the costs of providing care will substantially increase for many dental procedures.

If you are a participating provider with one or more dental benefit plans, you may want to negotiate with those plans to increase your reimbursement rates. These negotiations should be conducted individually, between only you and your plan, and not with or on behalf of other dentists. Do not discuss fee schedules or other contract points with your colleagues or peers.

Before you enter negotiations with a payer, prepare your talking points and do your homework.

### YOUR STRENGTHS: DO YOU HAVE ADVANTAGES IN TERMS OF ACCESS?

- Number of dentists in your locality
  - Understand that typically, supply and demand market forces are affected by geography. Dentists from areas that do not have as many dentists stand a better chance of gaining concessions than those who come from areas with a higher density of practicing dentists.
- Wait times for available appointments, impacting the patients covered under the plan
- Influx of new patients covered under the plan

#### YOUR NUMBERS: WHAT DATA DO YOU NEED TO NEGOTIATE EFFECTIVELY?

Know which procedure codes generate the highest total revenue for your practice, including:

- Frequency with which each procedure is reported
- Current allowed amount (i.e., your current discounted fee)
- Extent of these procedure codes' contribution to your overall practice revenue
- Your desired fee for each procedure code

# YOUR DESIRED FEE FOR EACH PROCEDURE CODE

- Extent of preventive services that your office provides
- Costs associated with operating your business
- Patient satisfaction rates (most recent available)
- Date when your fees were last revised

## EFFICIENCIES YOU OFFER: WHICH OF YOUR BUSINESS PRACTICES ARE FAVORABLE TO THE PAYER?

- Electronic claims submission
- Use of online portals to verify eligibility and benefits
- EFT enabled for receipt of claim payments

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# REVIEW THE ADA'S 2020 SURVEY OF DENTAL FEES

- Use all of the above the information you have gathered to tell your story.
- Identify the payer's provider representative assigned to your region who you can contact to begin to make your case. This may be someone known to your business staff, typically with the title of "provider relations manager".
- Begin with email introductions. If comfortable, request a phone call or continue making your case in writing.
- Always be respectful. Let the provider relations representative know that you value the patients garnered from being a network dentist.
- Be patient and don't give up! The first offer you receive may not be the best offer.
- Set realistic expectations. Negotiating with plans can be an uphill battle and frustrating process that will rarely result in complete success in getting all of the changes you desire.
- Reguest information on whether the carrier leases their network and whether the revised fees will apply to any networks you have been leased into.
- Representations or assurances on important matters made by a payer's provider representative(s) should be reduced to writing. Mere oral representations are not sufficient.
- After you succeed, make sure you have copies of all signed documents.
- Check the next Explanation of Benefits statements to ensure the fee changes are appropriately reflected.
- Remember to re-negotiate periodically.

Good practice is to review your contracted fee schedules annually. Additionally, remember that it is very important to report your full fee on the claim form. Several payers set fees based on market rates. Payers may use the charges you submit to determine maximum-allowable fees. The fee schedules are typically part of the participating provider agreement – a legal contract between the dentist and the third-party payer.

Other clauses in the contract along with documents referenced in the contract (i.e., the provider's office reference manual) may impact the final payment from the third-party payer. For example, details about a policy that bundles the fee for a core buildup with the fee for the crown are in the provider's office reference manual along with details on other processing policies. It is important to review these documents carefully before trying to project revenues and negotiating fees with the payer.

The ADA Contract Negotiation Guide discusses the basic mechanics of how to negotiate non-fee related clauses prior to entering into your agreement and/or when the agreement comes up for renewal.

Additional information on contracts, processing policies and other valuable educational ready-to-use resources on innovative dental insurance solutions for dentists are available at ADA.org/dentalinsurance.

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