

Most Common PPO Insurance Pitfalls & How to Avoid Them

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The purpose of the Dental Business Institute Program is to educate, train, and develop entrepreneurial dentists to successfully lead, manage, govern, and grow dental practices of any shape or size from solo practice, to managed group practice, to corporate models.



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Session One: How PPOs Work and the Value of PPO Participation

TYPES OF PPO PLAN:

Preferred Provider Organization (PPO) - a PPO plan offers a network of providers that patients can use knowing “preferred providers” have agreed to provide care at a discounted rate and have been vetted by the insurance company and found to be in good standing. Members can go to in-network or OON dentists but will likely pay more going OON. PPO patients will have a set annual maximum.

Dental Health Maintenance Organization (DHMO) - members are assigned to a provider who receives a monthly capitation payment per patient. With the exception of preventative care, members typically always have a copay but no annual maximum. The fees tend to be lower than PPOs’

Network Umbrella Companies - typically not insurance companies, rather they contract providers on a fee schedule and lease the provider to PPOs in their network. They do not pay the claims, but are a middle man to facilitate discounts. (Connection, Zelis, Careington, Dentemax)

Exclusive Provider Organization (EPO) - members can choose their provider but must go to an in-network provider because they have zero out-of-network benefits. In-network providers use their PPO FS-not sep. Most practices won’t even know it’s EPO unless OON, important FFS

Non-traditional PPOs - Level/Bento: these companies offer employers an alternative to traditional PPO enrollment by setting up an HSA-type account for employees that gives them a certain amount of allowance to use each year and what isn’t used is rolled over. Going to in-network providers will stretch their allowance further due to negotiated, discounted rates.

Discount Plans - the patient buys a discount off the provider’s cash price. No claims are filed but the dentist honors the fee schedule amount as payment in full and the patient pays out of pocket.

Session Two: Setting Office Fees at a Competitive Level in a PPO Insurance Environment

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- **Evaluate UCR office fees every 2 years at a minimum**
 - Ensure office fees are set at a level that provides a consistent revenue stream to the practice, covers the cost of providing ongoing high quality care to patients and that generates a fair profit margin to the practice owner
 - **Use available resources as a guide to setting/adjusting Office Fees**
 - Henry Schein UCR Fee Analysis
 - **UCR Office Fees correlate to PPO Reimbursements**
 - Helpful to compare UCR Office Fees to current PPO rates of reimbursement
 - **An In-House plan can be a great tool to mitigate high office fees**
 - **Need help evaluating your office fee UCRs? Schedule a complimentary consultation with Uritas Dental**

Session Four: Networking Sharing Relationships: Payor to Payor

Payors and PPO Provider Network Agreement Provider Leasing Provisions

“Payor” means the party responsible for providing reimbursement for dental services (i.e. PPO insurance company)

A Network Sharing Relationship (Provider Leasing) is an arrangement that allows one entity to share its contracted network of providers with another entity

Example of Network Agreement Leasing/Network Sharing Provision: [Payor/Insurance Company] shall be permitted to lease or rent its provider network to third parties and affiliated entities, and shall be permitted to enter into claims re-pricing agreements with third parties

Items to Remember:

- Network Relationships can be beneficial or detrimental
- In most cases, direct contracts with Payor controls reimbursement
 - Watch for the exceptions
- Complexities
 - Network sharing relationships change
 - Not all relationships are reciprocal
 - Payors can limit network sharing relationships
 - Relationships may be state specific and limited to specialty types
 - Determine whether you can opt-out
 - Multiple network sharing relationships applicable to the same PPO
- Understand and maintain a current map of the relationships that affect your practice (EOB audits)
- Be Careful! Seek professional guidance before optimizing participation on your own. Schedule a complimentary consultation with Unitas Dental.

Session Six: Common Credentialing Mistakes Offices Make

Each insurance company has its own required documents that must be completed and returned to them.

These May Include:

- Application
- Agreement/Contract
- Attestation
- PPO-specific fee schedule addendum
- Up-to-date CAQH profile

What Does “Credentialed” Mean for a Dentist?

- Becoming in-network with an insurance company
- Accepting a discounted reimbursement rate when treating patients from the carrier
- Listed on the insurance company’s online directory of preferred providers
- Potentially agreeing to also be leased to other PPOs in their network.

Top 5 Credentialing Mistakes:

1. Incomplete applications
2. Missing the opportunity to negotiate fees when first enrolling with a PPO
3. Do your homework on plan selection when you come across it on an application
4. Understand that you can be in-network with PPOs that you never signed a contract with
5. If you add an associate to your practice, make sure you mirror existing participation and fees when enrolling

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