

WHAT IS HAPPENING WITH FEE NEGOTIATING?

Consider: The dentist next door may be paid higher more than you from the exact same insurance company.

Dental insurance fee negotiating is similar in some ways to contacting your credit card company to see if they will lower your interest rate. They look at a detailed profile of your office, local demographics, etc. This tells the agent if you are eligible - but they are never going to call you if you are.

Some insurances normally consider raising/lowering fees only once per year – July and January are common months – but even this is not locked in stone. There are many factors they consider before they will raise fees, but what's the worst that could happen? If they tell you "No" you have lost nothing. There is a decent chance you will be surprised with one or two. Keep in mind it can be to the advantage of an insurance to raise fees in order to facilitate your loyalty – a veritable win-win.

HOW TO USE THIS INFORMATION:

- I'd try email first (it's easier.)
- I'd suggest first asking if you can get an increase in reimbursement due to your costs increasing (supply, lab, etc.)
- If you are not yet a provider, tell them you are seriously considering contracting with them but first want to see the best paying fee schedule they can offer you. After they send it, you can always reply that you want your top 15 procedures reimbursed at a higher rate – see if they will negotiate from there.
- If they send a new fee schedule, make sure it is actually more profitable. Sometimes they will raise procedure's payment but Lower another's. A weighted average of profitability can determine if the new fees will increase your income.
- Be sure to read the fine print – they might add addendums which state that they will adjust down the number of certain procedures they will pay for during a specified period of time IF you sign for the new fees.
- If these contacts have moved to another department, be direct in asking for the new one's personal business email and/or direct extension.
- Lastly, be sure to include your NPI & Tax ID numbers if you email – they'll need this information if they can raise your reimbursements.

WHAT THEY MIGHT SAY:

- "Send us the fees you want raised." If so, send them Your Fees on your top procedures (by production).
- "We only negotiate once per year." If so, make sure they tell you when that time will be and contact them then.
- "Here is the new fee schedule we can offer you." Look at the Fee Schedule code – is it the same number as the one you have. If so, tell them so and ask for a better one.
- "We are not offering any higher fees at this time." If so, try the 2nd contact if there is one. If you get the same response, then contact them next year (the situation can change year to year depending on many factors.)

Because dental insurances can legally give dentists next door to each other different fee schedules it is important to stay on top of how profitable (or Unprofitable) each one is with your specific practice. In order to assure accuracy, be sure to include the weighted average of your procedures, your costs (minus cash management costs) and all other relevant factors (there are many that ought to be included.) Keep in mind that simply calculating write-off percentages does *Not* tell you if an insurance is profitable as it does not include the numbers noted above. Without those figures you could miss finding profitable insurances that can bring many patients to your door.

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