

# Insurance Education Letter

## Facts About Dental Insurance

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As an optimal care dental practice, we strongly believe our patients deserve the best possible dental services we can provide. In an effort to maintain a high quality of care, we would like to share some facts about dental insurance with you.

**Fact #1:** Your dental insurance is based upon a contract between your employer and the insurance company. Should questions arise regarding your dental insurance benefits, it is best for you to contact your employer or the insurance company directly.

**Fact #2:** Dental insurance benefits differ greatly from traditional medical health insurance benefits and can vary quite a bit from plan to plan. When dental insurance plans first appeared in the early 1970s, most plans had a yearly maximum of \$ 1,000. Today, some 25+ years later, most plans still have an annual maximum of \$ 1,000. Have the premiums remained the same? Allowing for a conservative 6% yearly rate of inflation, your yearly plan maximums should be in excess of \$4,500 today. Your premiums have increased, but your benefits have not. Therefore, dental insurance is never a pay-all; it is only an aid.

**Fact #3:** You may receive a notification from your insurance company stating that dental fees are **higher than usual and customary**. Insurance companies never reveal how they **determine usual, customary, and reasonable (UCR) fees**. A recent survey done in the State of Washington found at least eight different UCR fee schedules for one zip code in the Seattle area. They are at least determined by taking some percentage of an average fee for a particular procedure in a geographic area. Average has been defined as **the worst of the best or the best of the worst**. We do not provide average dentistry nor do we charge average fees.

**Fact #4:** Many plans tell their participants that they will be covered **up to 80% or up to 100%**, but do not clearly specify

plan fee schedule allowances, annual maximum, or limitations. It is more realistic to expect dental insurance to cover 35% to 50% of major services. Remember, the amount a plan pays is determined by how much the employer paid for the plan. You get back only what your employer puts in, less the profits of the insurance company.

## SUMMARY

- Fees for services rendered are the same charged to all patients for similar services regardless of whether the patient is covered by insurance.
- Your policy may base its allowance on a schedule which may or may not coincide with current acceptable fees in our area.
- Insurance companies vary greatly in the types of coverage available.
- You are financially responsible for your accounts. The insurance company, of course, is responsible to you the patient. We strongly suggest that you become familiar with the provisions of your dental insurance coverage. We will cooperate in any way that we can to help you obtain maximum benefit.
- Benefits have nothing to do with fees charged.
- Insurance coverage is a matter between your employer and the insurance company. We are not involved with any carrier. Your insurance benefits are determined by your employer and not by our office.