



Dr. Patti-Anne Jones

Insurance Audit—Don't Let It Be You!

Although only a small group of dentists are audited each year, the process can cause considerable stress for the dentist and significant disruption to the day-to-day operation of a dental practice.

Insurance companies have the right to conduct audits and recover overpayments resulting from inappropriate billing. They are accountable to the plan purchasers and plan members and therefore have a responsibility to ensure that plan funds are appropriately spent.

How is a dentist identified for an audit?

1. **Staff, patients and other dentists:** Alert insurance companies of questionable [or unethical] billing practices via letters, emails or calls to the 'hotline'.
2. **Dental consultants:** Identify unusual billing practices during the process of reviewing treatment pre-authorizations.
3. **Data analysis software:** Profiles common procedure codes to identify a dentist who is billing these codes much more frequently than a similar dentist. The practitioner must be a significant outlier to be flagged for audit.
4. **Claims examiners:** Detect suspicious billing behaviour during routine review of dental claims.

What can a dentist do to prevent an insurance audit?

1. **Bill using the unique identification number (UIN) of the dentist who**

performed the treatment (required by CDAnet). Billing associate fees under the UIN of the principal dentist will artificially inflate the billing frequencies of the principal dentist.

2. **Be certain that the codes billed properly reflect the treatment performed.** Follow the guidance in the preambles and descriptors of the British Columbia Dental Association's (BCDA) *Suggested Fee Guide*. For additional help we have created a series of articles, "Clear on Codes", published in *the bridge* and available on the BCDA website.
3. **Be cautious of billing advice provided by sales reps, continuing education courses and practice management consultants.** In some instances, this advice may help to increase practice revenues but in a way that does not align with the descriptors and preambles in the *Suggested Fee Guide*.
4. **Ensure that the patient records and appointment schedule clearly reflect the treatment that was provided and the period of time the patient was receiving care.**
5. **Don't make light of inquiries from insurance companies questioning billing patterns.** Take the time to respond appropriately and in a timely fashion. This is the best opportunity to resolve the issues early and prevent the situation from escalating into a full audit. Call BCDA Member Services early in the game for guidance and support.

What can a dentist expect in the initial stages of an audit?

- **Questionable codes may be 'blocked':** Corresponding treatment will not be covered without submission of additional information (e.g. X-rays, clinical description, before and after photographs). These codes will remain blocked throughout the audit process and in some instances for months afterwards.
- **Letters sent to patients requesting consent for records release:** The dentist will be notified by mail that approximately 200-300 of their patients will receive a letter requesting consent to release their records.
- **Dentist asked to submit copies of patient records:** The insurance company will notify the dentist of patients who provide consent, and in turn ask the dentist to submit a copy of the records for all corresponding patients. The request for records may include, the chart (full or in part), radiographs, photographs, and appointment book.

Should a dentist release patient records to an insurance company?

If a patient has authorized the release of their records, it is the duty of the dentist to release this

information in accordance with the consent form. Be aware that a signed standard dental claim form is not adequate consent for general release of records.

If a patient calls the dental office unsure about whether or not they want to provide consent, the dentist can offer two options:

1. Provide a copy of the records to the patient for consideration in their decision.
2. Allow the patient to review the records in the office and decide which portions they are comfortable releasing to the insurance company. However, the dentist and staff should not use this as an opportunity to dissuade the patient from providing consent.

An April 2013 memo from the College of Dental Surgeons of BC (CDSBC) cautioned dentists

about interfering with the process by requesting that patients rescind their consent after they have already authorized the release of their records. According to CDSBC, "Depending on the content of the request, it may constitute unethical or unprofessional misconduct. It may also constitute the unauthorized provision of legal advice." The full memo, "Patient Confidentiality and Insurance Audits" is available at cdsbc.org.

Encouraging patients to deny or withdraw consent can also lengthen the process. Furthermore, insurance companies may be motivated to issue additional batches of patient letters to ensure an adequate sample of charts for audit.

How does an audit get resolved?

Upon review of the records, the insurance company may come to one or more of the following decisions:

1. **No evidence of inappropriate billing:** Billing behavior may be monitored for a period of months.
2. **Additional information is required:** Further consideration is necessary before a decision is rendered.

3. **Evidence of over-billing:** Recovery of overpayments is sought. In some cases, the BCDA has been able to mediate the audit to significantly reduce recovery. This mediation service is still in the exploratory stages and is considered on a case-by-case basis.
4. **Evidence of professional misconduct:** Formal letter of complaint sent to CDSBC.

In conclusion, an insurance audit can be a very trying experience for both the dentist and their team. The BCDA continues to advocate on behalf of dentists to the insurance industry for a fair, transparent audit process. Many resources are available to help members avoid an insurance audit or support those who are undergoing the process. For more information, call BCDA Member Services at 604 736 7202 or 1 888 396 9888 or visit bcdental.org. ■

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You have unique needs and goals at each stage of your professional career, and we are committed to helping you any way we can. That's why we invite you to meet Patty Scrase, our Small Business Account Manager, dedicated to the professional segment. With over ten years of financial services experience in the dental industry, Patty will help you grow throughout your professional career by providing relevant financial solutions, exceptional service and sound advice that will help you reach both your personal and business goals.

Patty is your British Columbia Dental Association contact and will be happy to review your current banking arrangements and discuss your future needs.

Call today to arrange your personal consultation.

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