

## How Orthodontic Benefits Are Paid

When Delta Dental receives a claim for orthodontic services, eligibility is verified and orthodontic claims history is checked for application of benefit to maximum payments. Delta Dental's payment amount is then calculated based on the payment percentage of Delta Dental's allowance and the lifetime maximum for orthodontics.

Below are examples of how orthodontic benefits are paid based on different circumstances:

### **Scenario 1 – Delta Dental coverage becomes effective after the start of an orthodontic treatment plan that was covered by a prior dental plan:**

The orthodontist should submit a claim with the treatment plan, an explanation of the status of the treatment plan, and evidence of the amount paid to date by the subscriber and/or the prior insurance carrier(s).

Delta Dental will review the treatment plan and determine its liability in the absence of other coverage. In the event there is other coverage, Delta Dental will then coordinate benefits by reducing its payment by the amount covered by any other carriers.

Delta Dental will pay no more than its contracted maximum lifetime amount for orthodontic services minus the previous carrier payments.

*Example: The orthodontic treatment plan costs \$3,000 for 24 months. Another carrier paid \$500. Delta Dental's liability in the absence of other insurance would be \$1,000, the contracted maximum lifetime amount for orthodontic services in this case. Here, Delta Dental's liability is reduced by the \$500 paid by another carrier, which makes Delta Dental's liability \$500.*

### **Scenario 2 – Delta Dental coverage becomes effective after the start of an orthodontic treatment plan that was NOT covered by a prior dental plan.**

As in Scenario 1, the orthodontist should submit a claim with the treatment plan, an explanation of the status of the treatment plan, and evidence of the amount paid to date.

Delta Dental calculates the original liability on the claim, and then divides that amount by the total number of months left to complete treatment in order to calculate a "monthly payment." That benefit is then multiplied by the number of remaining months in the treatment plan. This amount represents Delta Dental's total liability.

*Example: The orthodontic treatment plan costs \$3,000 for 24 months. The patient paid \$1,000 out of pocket toward the first 12 months of treatment. However, this is not a factor in the calculation of Delta Dental's liability because coverage by Delta Dental did not begin until after the first 12 months of treatment. Delta Dental's lifetime maximum benefit for orthodontic services is \$1,000. The "monthly payment" is calculated as \$41.66 per month (\$1,000 divided by 24 months = \$41.67). There are 12 remaining months of treatment. The monthly benefit multiplied by the number of remaining months is \$500 (\$41.67 X 12 = \$500). This amount represents Delta Dental's total liability.*

### **Scenario 3 – New Orthodontia Treatment.**

The orthodontist submits to Delta Dental a treatment plan that includes such details as cost and duration of treatment. Delta Dental calculates its total liability. Assuming that the total liability is at least \$1,000, Delta Dental will pay \$500 upon receipt of the initial claim. Delta Dental will make the second payment of \$500 12 months after the bands are placed, provided the patient is still eligible for second year of treatment scheduled longer than 12 months. For treatment scheduled for less than 12 months, Delta Dental will pay full liability up front.