

DENTAL SERVICE OF
MASSACHUSETTS, INC., D/B/A
DELTA DENTAL OF MASSACHUSETTS

Proposed New
Fee Methodology

As approved by the Division of Insurance: _____

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Dental Service of Massachusetts, Inc., d/b/a Delta Dental of Massachusetts (“Delta Dental”) files this document (the “Fee Methodology”) with the Division of Insurance (“Division”) as the methodology to be used when determining the fees to be paid to dental providers who participate in Delta Dental Premier® and Delta Dental PPOSM insured products offered by Delta Dental in Massachusetts. This Fee Methodology supersedes, in its entirety, the fee methodology approved by the Division on June 21, 2019.

1. Definitions

1.1. Aggregate annual reimbursement change limits

The aggregate annual change is limited to a range between a decrease of 1 percent and an increase of the 3-year average trend.

1.2. Practice

A practice is a combination of service location and Tax ID. One Tax ID can have many locations, and each location could have different tax ID’s.

1.3. Specialist

A dentist is considered a specialist and eligible for the specialist reimbursement if they have completed training in an ADA accredited specialty training program. Delta Dental determines if a provider qualifies as a specialist during the credentialing or recredentialing process.

1.4. Delta Dental PPO

The fees in the Delta Dental PPO fee schedule will be no less than 75 percent of the corresponding fees in the Delta Dental Premier fee schedule for the Practice.

1.5. Benefits for Services Rendered by Non-Participating Dentists

On January 4, 2012, Delta Dental submitted a Proposed New Methodology for Determining Benefits for Services Rendered by Non-Participating Dentists which was approved by the Division of Insurance. Under this methodology, services rendered within the Commonwealth by non-participating providers are paid at 100 percent of the benefit amount that would be paid to a participating dentist for the same service. This applies to both the Delta Dental Premier and Delta Dental PPO networks.

2. PREMIER FEE CALCULATION

Delta Dental will make annual updates to reimbursement levels, in the aggregate, based on the economic climate, available market and industry information, and in conjunction with efforts to address access to care

and healthcare cost containment across the Commonwealth. The Aggregate update will be submitted by Delta Dental to the Division of Insurance thirty days after rates are approved by the Division each year and deemed approved if there is no response from the Division by August 15th.

The Aggregate reimbursement level will not decrease more than 1 percent per year and will not increase by more than the 3-year average annual increase in billed charges submitted to Delta Dental for services in the Commonwealth. The updated fee schedules will be distributed to dentists by October 15th and will be effective January 1st of the immediately following calendar year.

Dentists' fee schedules are updated each calendar year, based on charges submitted to Delta Dental with dates of services from the most current July 1st through June 30th and trend is based on the prior 3 years ending with the most current June 30th.

3. COST CONTAINMENT, PROMOTION OF QUALITY, AND COMPLIANCE WITH STATUTORY MANDATE

3.1. Administrative and cost containment incentive

Delta Dental may create incentives to encourage participation in efforts to create administrative efficiencies and/or participation in cost containment efforts. Participation in these efforts, to be created by Delta Dental, will be available to all dentists who qualify for such incentives. Delta Dental may modify or discontinue these incentives at its sole discretion.

3.2. Alternative reimbursement

Delta Dental and any dentist, by mutual agreement, may enter into alternative reimbursement arrangements intended to improve quality, improve the patient experience and lower costs. Examples of these programs include pay for quality, capitation, population-based payment, dental home, accountable care, as well as others that may be developed. No dentist will be required to accept such alternative reimbursement instead of the new Fee Methodology set forth above.

3.3. Compliance with statutory mandate

Compliance with the statutory mandate of M.G.L. c. 176E, § 4 requires that the fees paid by a M.G.L. c. 176E dental service corporation to participating dentists for their services to its subscribers "shall not be equal to or higher than the fees charged by participating dentists to their average nonsubscriber patients" ("the statutory mandate"). Delta Dental ensures that the statutory mandate is satisfied by applying a 1 percent discount whenever it will be paying a participating dentist his or her submitted fee, a situation that will occur only if the submitted fee is equal to or less than the relevant fee schedule amount. Participating providers are required to charge their Delta Dental subscriber patients the same amount that they charge nonsubscriber patients, and the 1 percent discount will ensure that the statutory mandate is satisfied. Delta Dental conducts fee verification during office audits when it compares the fees submitted by the dentist for Delta Dental subscribers to the fees charged to the dentist's nonsubscriber patients. Dentists failing to comply with the contractual requirement will be subject to potential disciplinary actions and/or termination from the network.