



Direct Reimbursement Dental Plans

The Time is Now for a New, Better Approach to Dental Benefits!

by George W. Gonser Jr., MBA, CDHC

You have all probably heard about Direct Reimbursement Dental Plans (DR). The DR concept has been around since the 1970s, but with the rise of consumer directed health, Dental and Vision benefits, it has taken on a new level of importance in the insurance industry.

In terms of a refresher, Direct Reimbursement (DR) is an fee-for-service dental benefits program that reimburses employees based on a percentage of dollars spent for dental care, not on the type of treatment provided while allowing for patients to seek treatment from the dentists of their choice.

DR involves a straight forward accounting process: Once a company has implemented a DR plan, an employee visits the dentist of his or her choice, receives treatment and arranges for payment, and later presents a paid receipt or proof of treatment to the employer or administrator of the plan for reimbursement.

Some of your patients may already have DR - all you might know is that they are paying with cash, check credit card or swipe card. A patient with DR is likely easier to treat than one with another type of dental plan. With DR, benefits are based on dollars spent on dental care rather than on type of treatment received. This eliminates detailed claims reviews and hassles about what is covered and what isn't.

There are multiple advantages of DR to the dental office.

- DR is a simple, flexible Dental plan.
- DR preserves dentist-patient relationships by allowing the dentist to determine treatment with the patient, without interference from a third-party.
- DR reduces paperwork and red tape in the office. A patient with a DR plan needs a simple statement of services and receipt that shows that treatment has been received and payment made. Typically the standardized ADA claim form will suffice, and no subsequent action on the dentist's part should be required.
- Promotes consumer directed care that requires a more educated, informed consumer.
- Finally, DR encourages fee-for-service, freedom-of-choice dentistry.

DR is a simple, cost-effective dental plan that guarantees the elimination of monthly premiums. Instead, payment is made for those employees who actually visit the dentist. Virtually all of the money spent goes toward dental treatment, not to extraneous overhead, staffing, advertising or marketing of a third-party insurance company. There is a potential for cost savings versus other dental plans because employers can create a budget and customize their own DR plan. Finally, employees are generally happier with their dental benefit because they are free to visit any dentist they choose, including their present dentist.

The American Dental Association (ADA) enthusiastically supports the concept of DR as well as state societies educating local employers about the DR concept. The ADA works with dentists and dental societies around the country to actively promote dental plans that stress fee-for-service, dollar based, freedom-of-choice and quality of care Dentistry.

Dentists can aid in the DR process by educating people about DR, and are encouraged to include DR in their discussions with patients and friends. Only through education and a coordinated promotion effort with MDS Insurance Services, Inc. (MDSIS) and the MDS Dental community will DR claim a significant share of the dental benefits market. MDSIS is the wholly owned subsidiary of the Massachusetts Dental Society and currently offers a wide array of insurance products. DR will only complement their diverse portfolio of products and services.

A ready supply of DR materials in dental offices is important to provide the necessary information at the time of the request. MDSIS will provide brochures and pamphlets on the DR program along with a DR refresher for your staff.

If you want to learn more about DR and how you can further promote this worthwhile Dental benefit program, contact MDS Insurance services

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