

Welcome



FINANCE IN DENTAL CARE

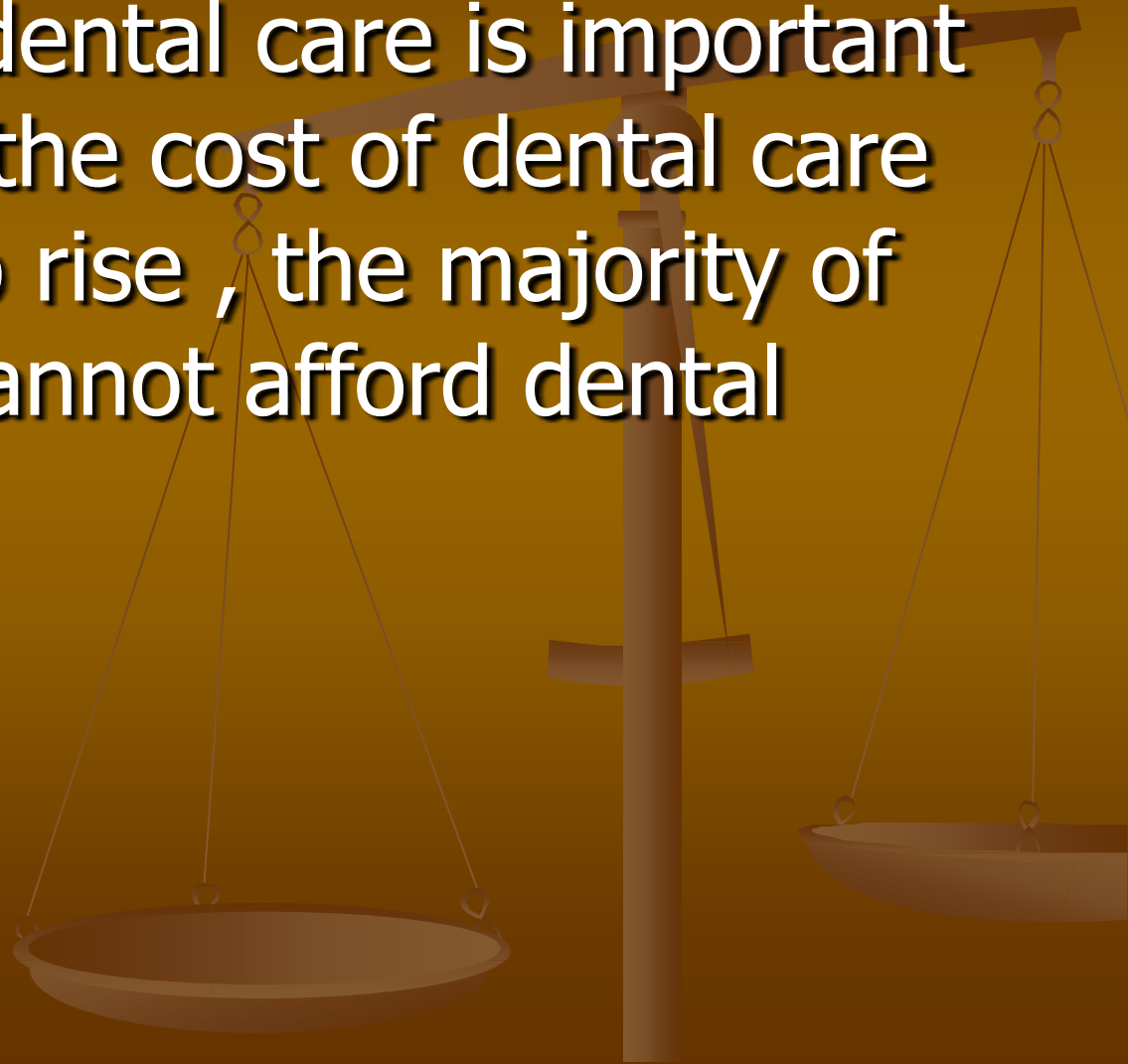


■ Lets talk about money



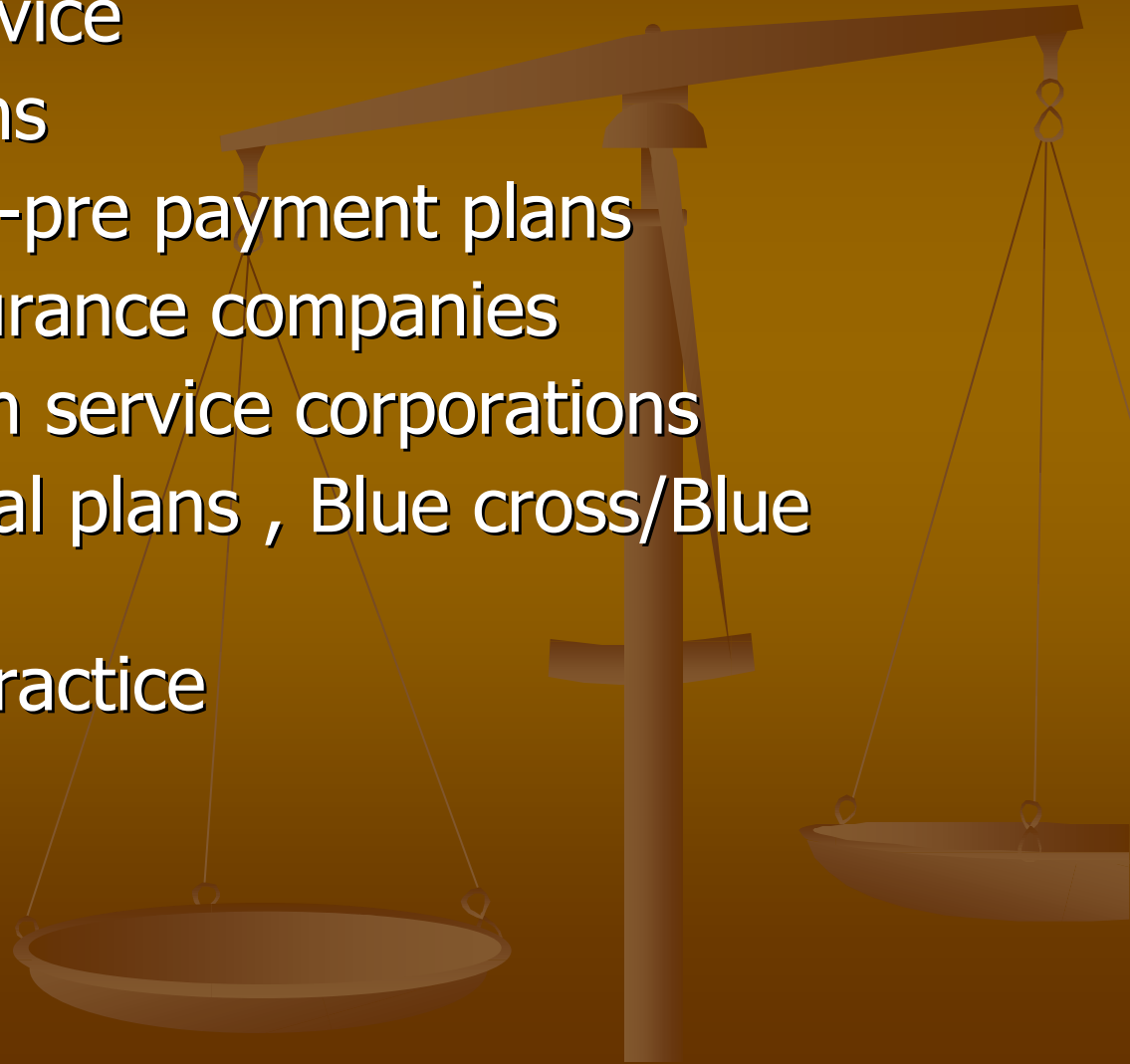
INTRODUCTION

Finance in dental care is important because as the cost of dental care continues to rise , the majority of the public cannot afford dental treatment .



MECHANISM OF PAYMENT FOR DENTAL CARE

- Private fee-for service
- Post payment plans
- Private third party-pre payment plans
 1. Commercial insurance companies
 2. Non profit health service corporations
e.g.; Delta dental plans , Blue cross/Blue shield
 3. Prepaid group practice
 4. Capitation plans

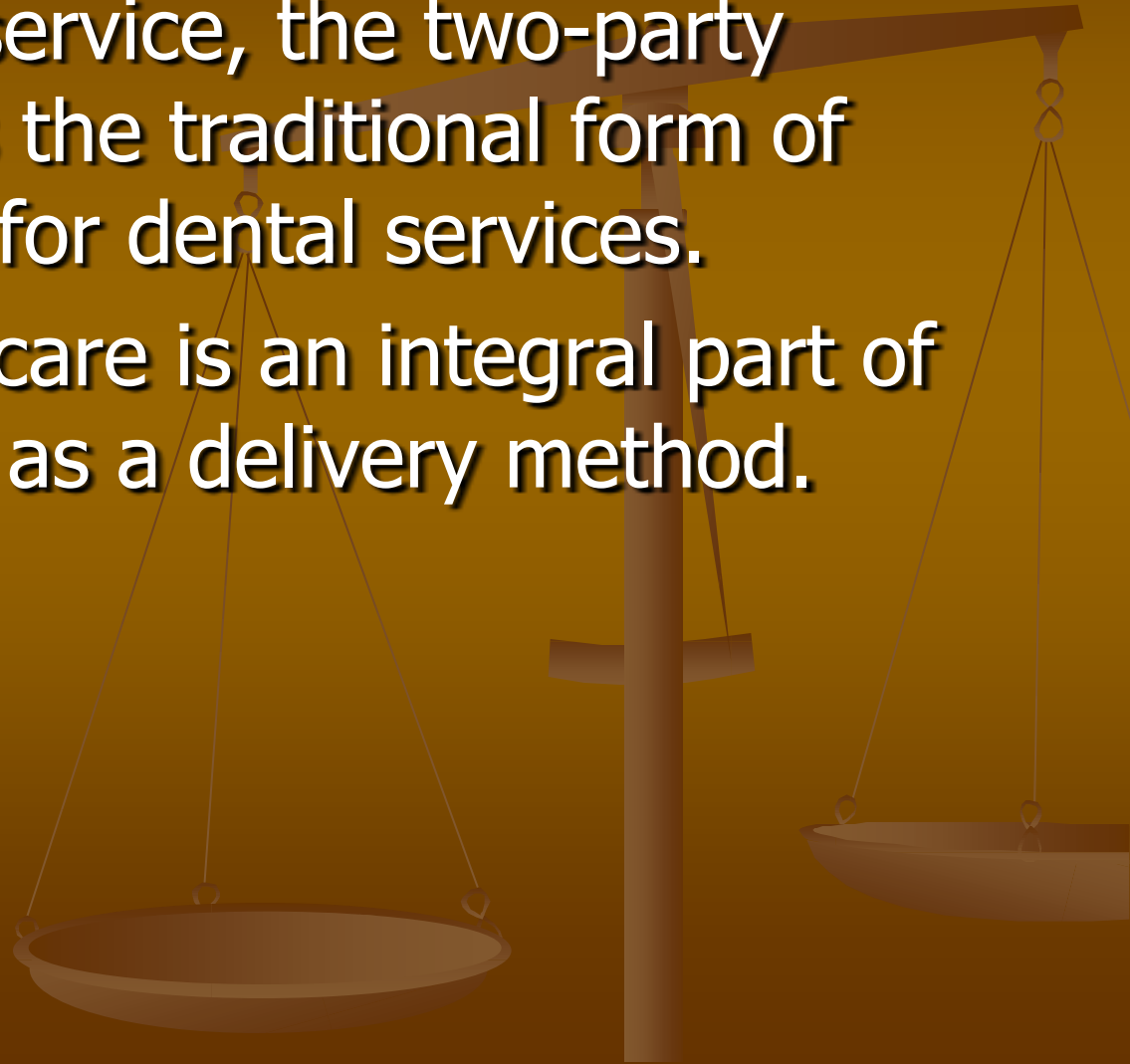


- Salary
- Public programs



1.PRIVATE FEE-FOR SERVICE

- Private fee-for service, the two-party arrangement, is the traditional form of reimbursement for dental services.
- Fee-for-service care is an integral part of private practice as a delivery method.

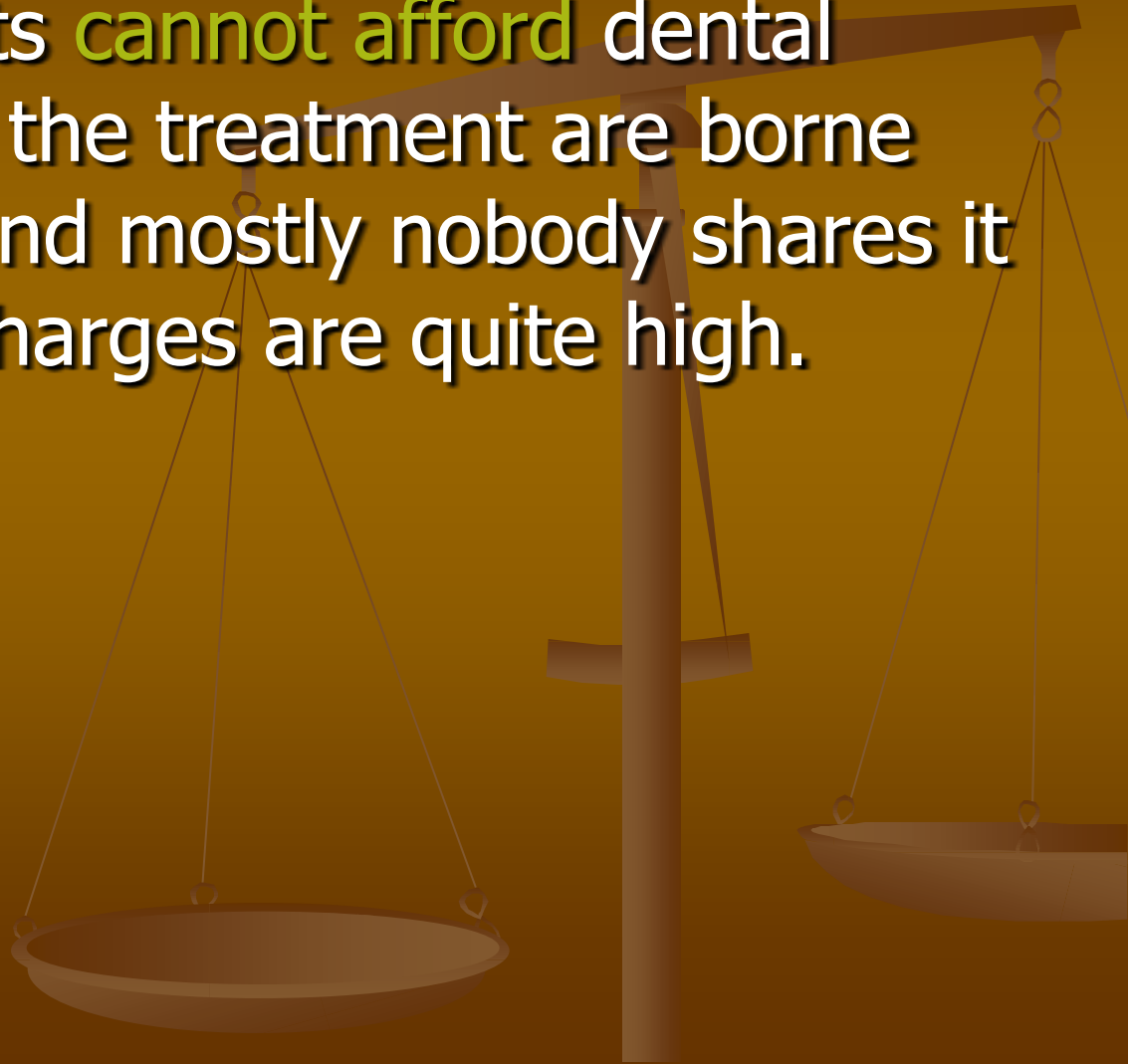


Advantages:

- 1.It is culturally acceptable.
- 2.this system is flexible- fee can be charged in accordance with market conditions .
- 3.It is administratively simple- Since dentists rarely keep a written list of fees for procedures.
- 4.Best Quality Treatment :as personal reputation of dentist is at stake.
- 5.Appointment choice mutually understood
- 6.flexibility:in the choice of treatment available

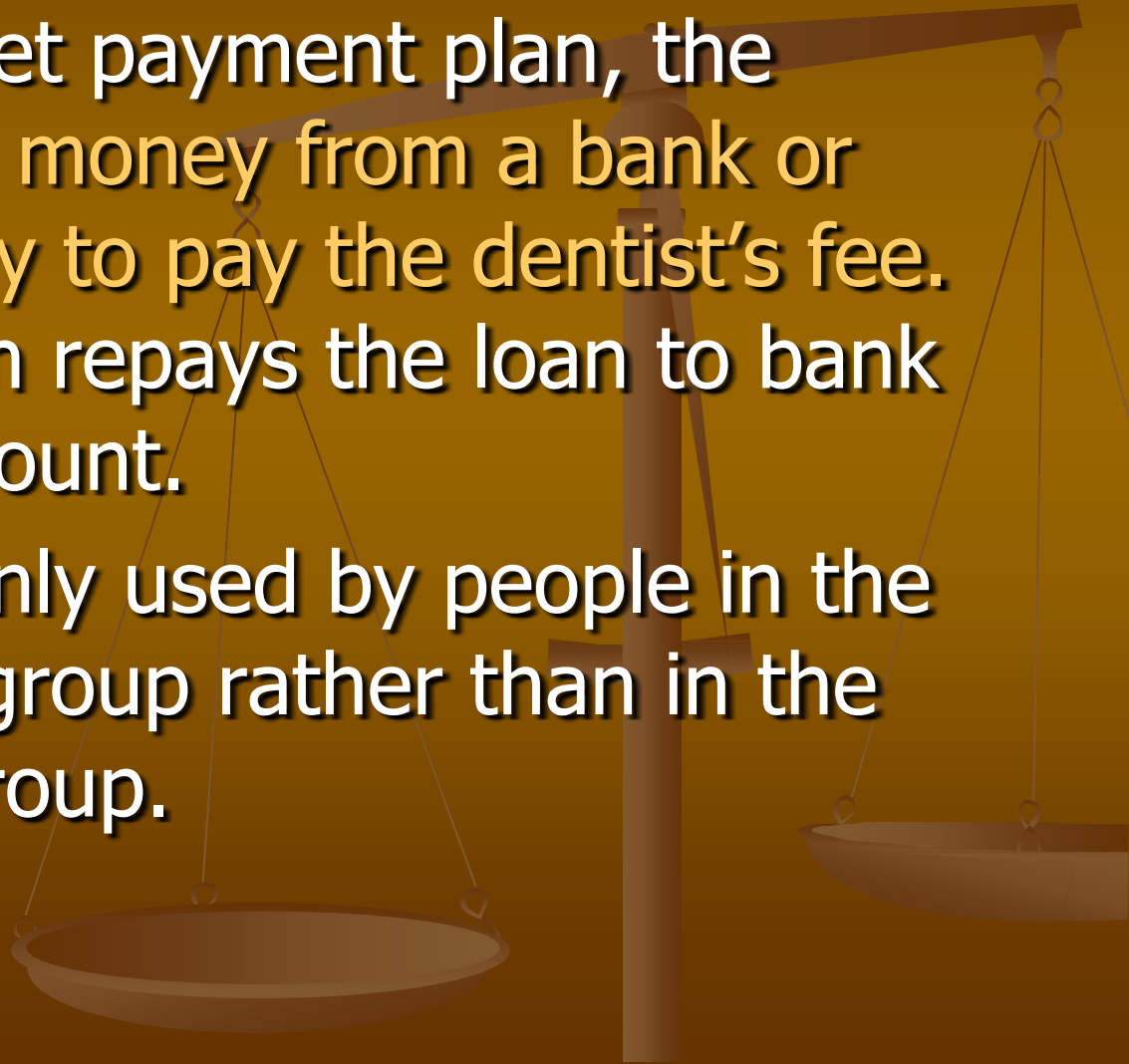
Disadvantages:

some patients **cannot afford** dental care as fees for the treatment are borne by the patient and mostly nobody shares it .therefore the charges are quite high.



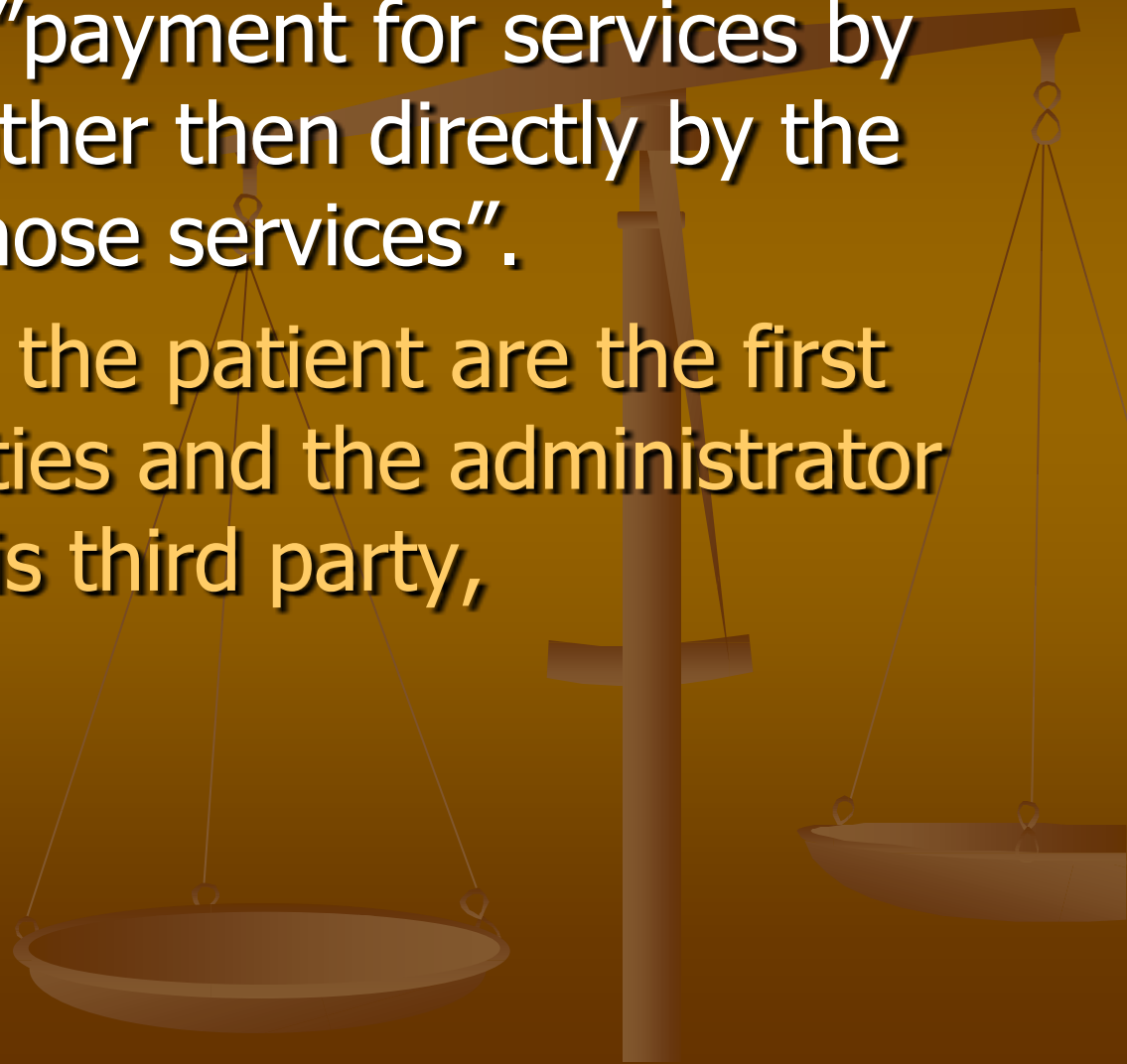
2.POST PAYMENT PLANS

- Under the budget payment plan, the patient borrows money from a bank or finance company to pay the dentist's fee. The patient then repays the loan to bank in budgeted amount.
- This plan is mainly used by people in the middle income group rather than in the lower income group.



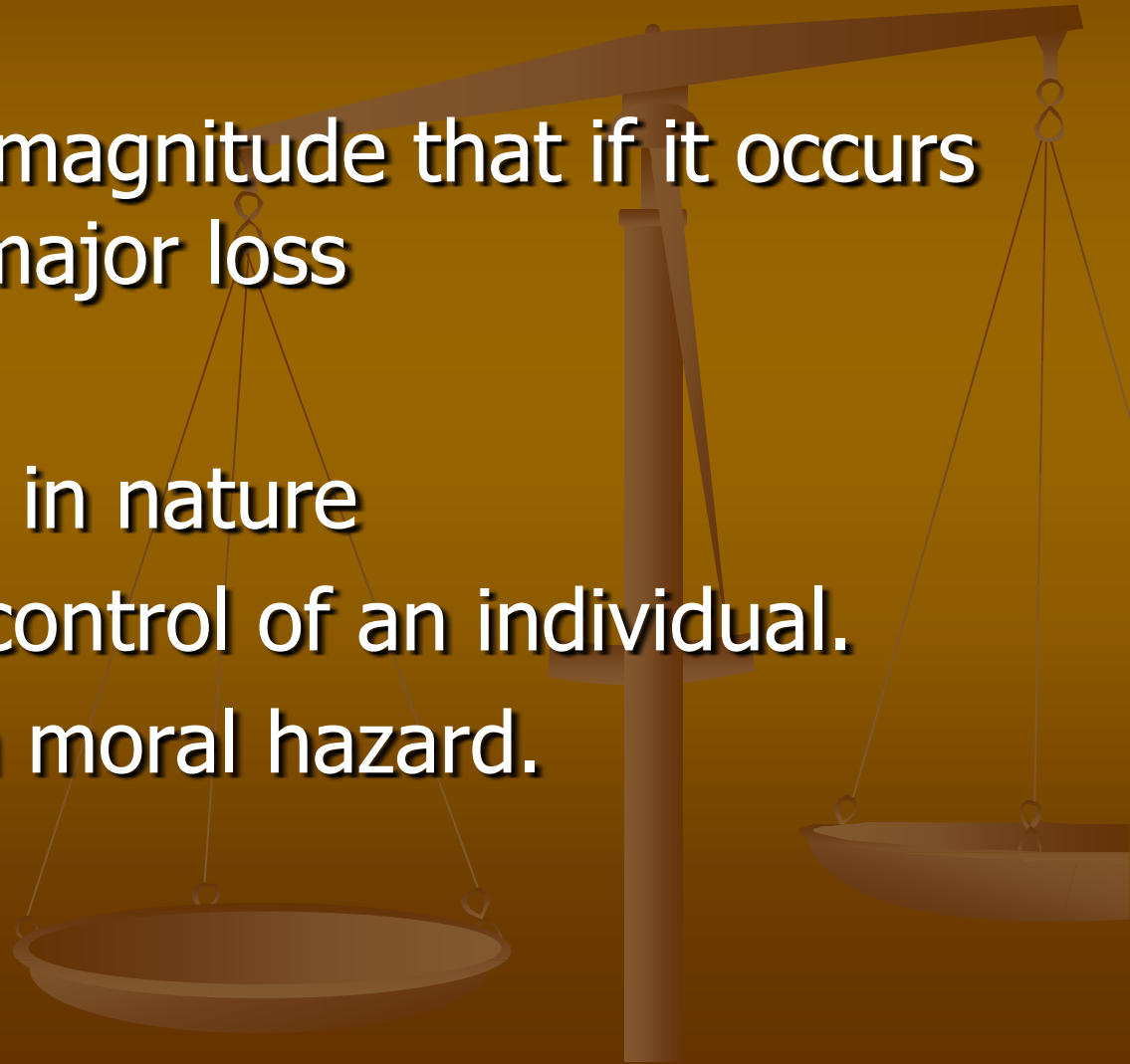
3.PRIVATE THIRD-PARTY PREPAYMENT PLANS

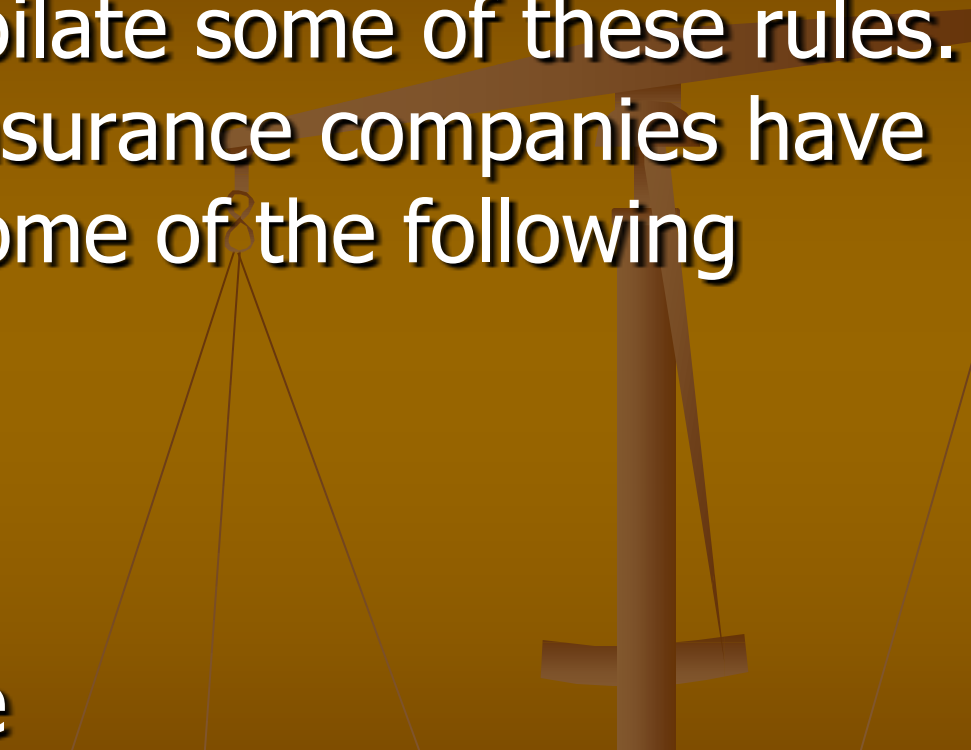
- It is defined as “payment for services by some agency rather than directly by the beneficiary of those services”.
- The dentist and the patient are the first and second parties and the administrator of the finances is third party,



Principles of insurance

- Be definable
- Be of sufficient magnitude that if it occurs , it constitutes major loss
- Be infrequent
- Be of unwanted in nature
- Be beyond the control of an individual.
- Not constitute a moral hazard.



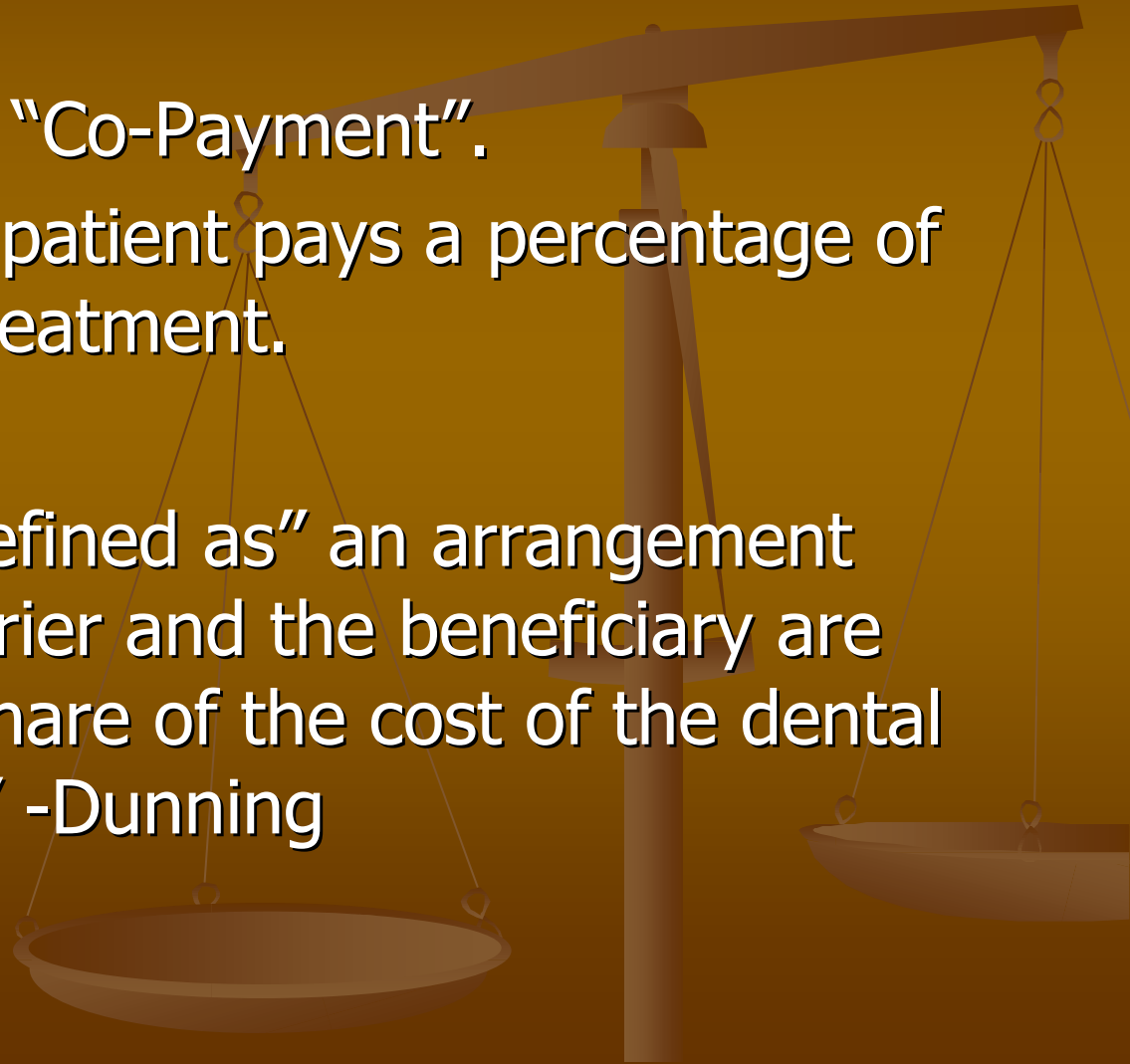
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- All insurance violate some of these rules. Therefore the insurance companies have come up with some of the following payments:
 - Deductible
 - Co-insurance
 - Group insurance

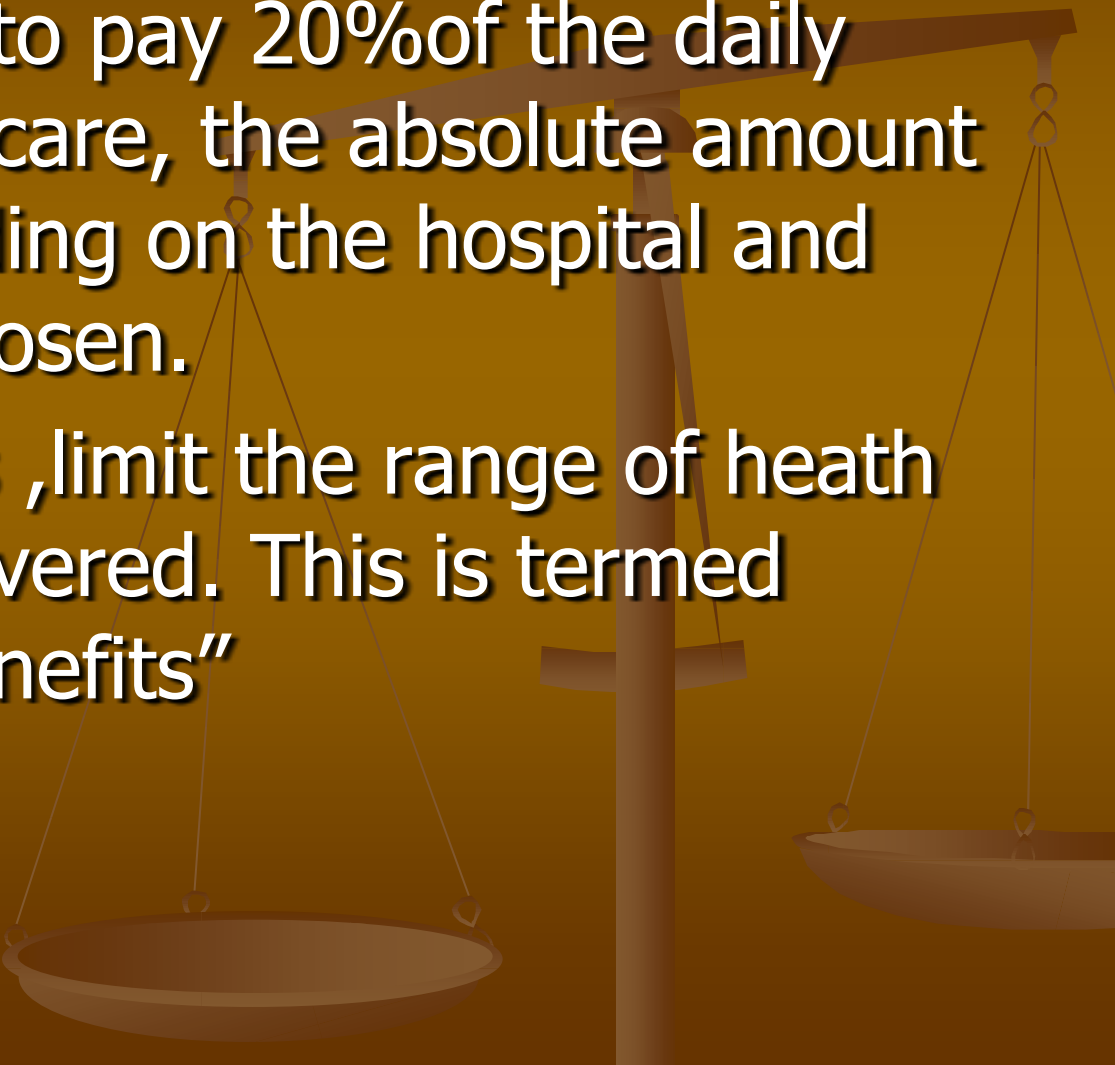
CO- INSURANCE

It is also called as “Co-Payment”.

It means that the patient pays a percentage of the total cost of treatment.

Co-Insurance is defined as” an arrangement under which a carrier and the beneficiary are each liable for a share of the cost of the dental services provided” -Dunning



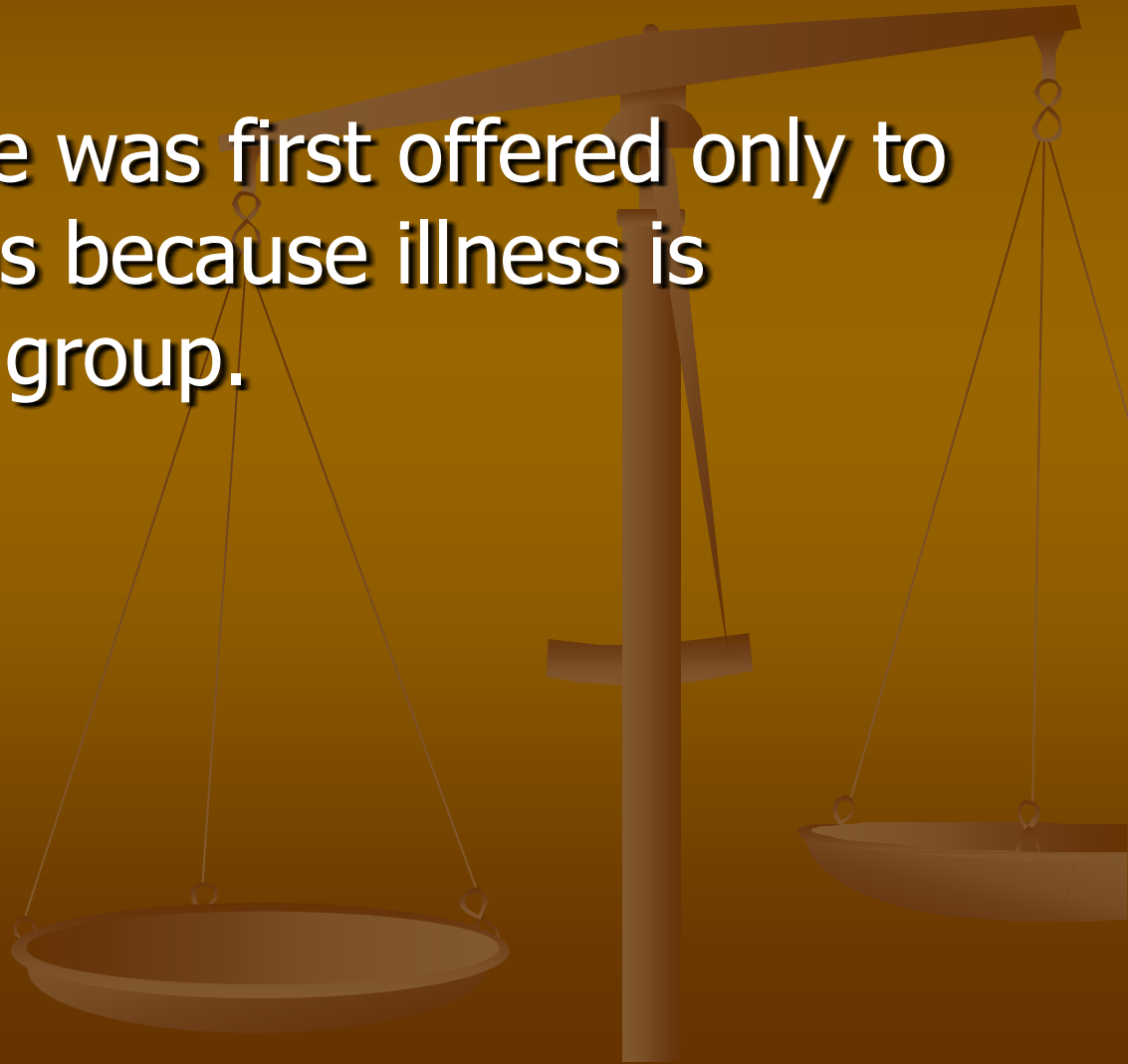


Eg: if a patient is to pay 20% of the daily cost of hospital care, the absolute amount will vary depending on the hospital and type of room chosen.

Insurance carriers limit the range of health care services covered. This is termed "limitation of benefits"

Group insurance:

- Health insurance was first offered only to groups. This was because illness is predictable in a group.

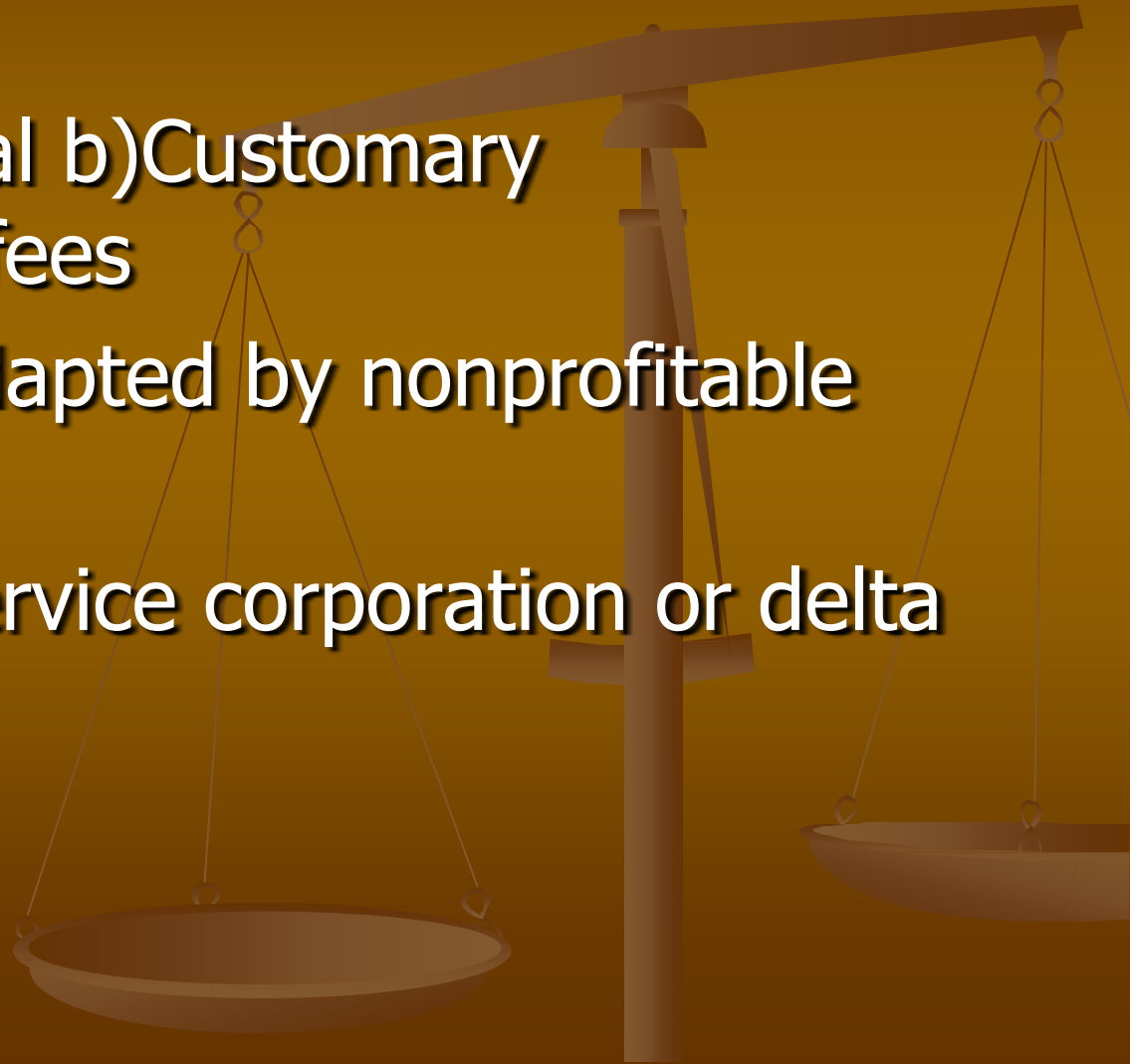


Reimbursement of dentists in prepayment plans

1. U.C.R.: a) Usual b) Customary
C) reasonable fees

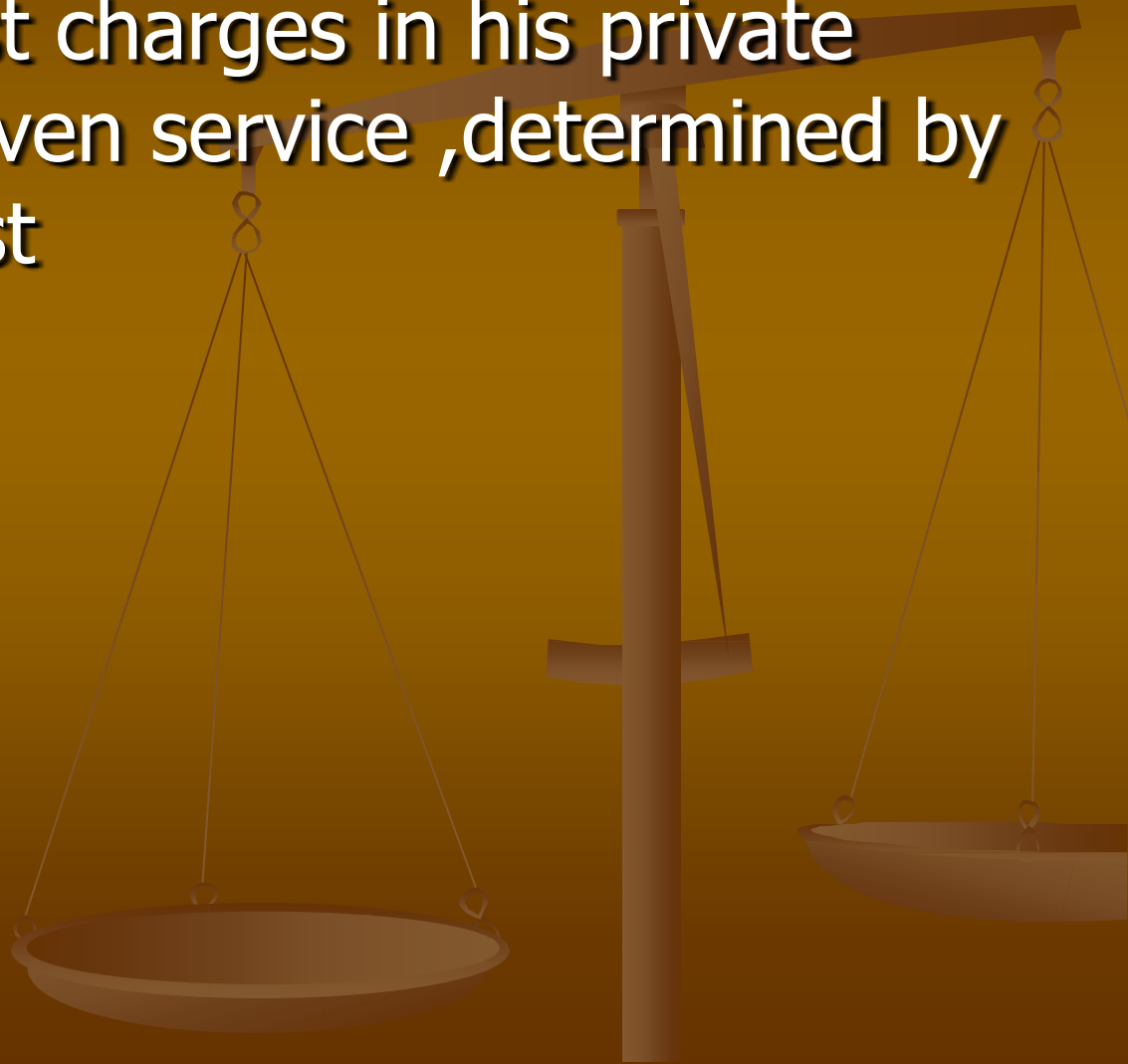
this method is adapted by nonprofitable
organisation

Used by dental service corporation or delta
dental plans



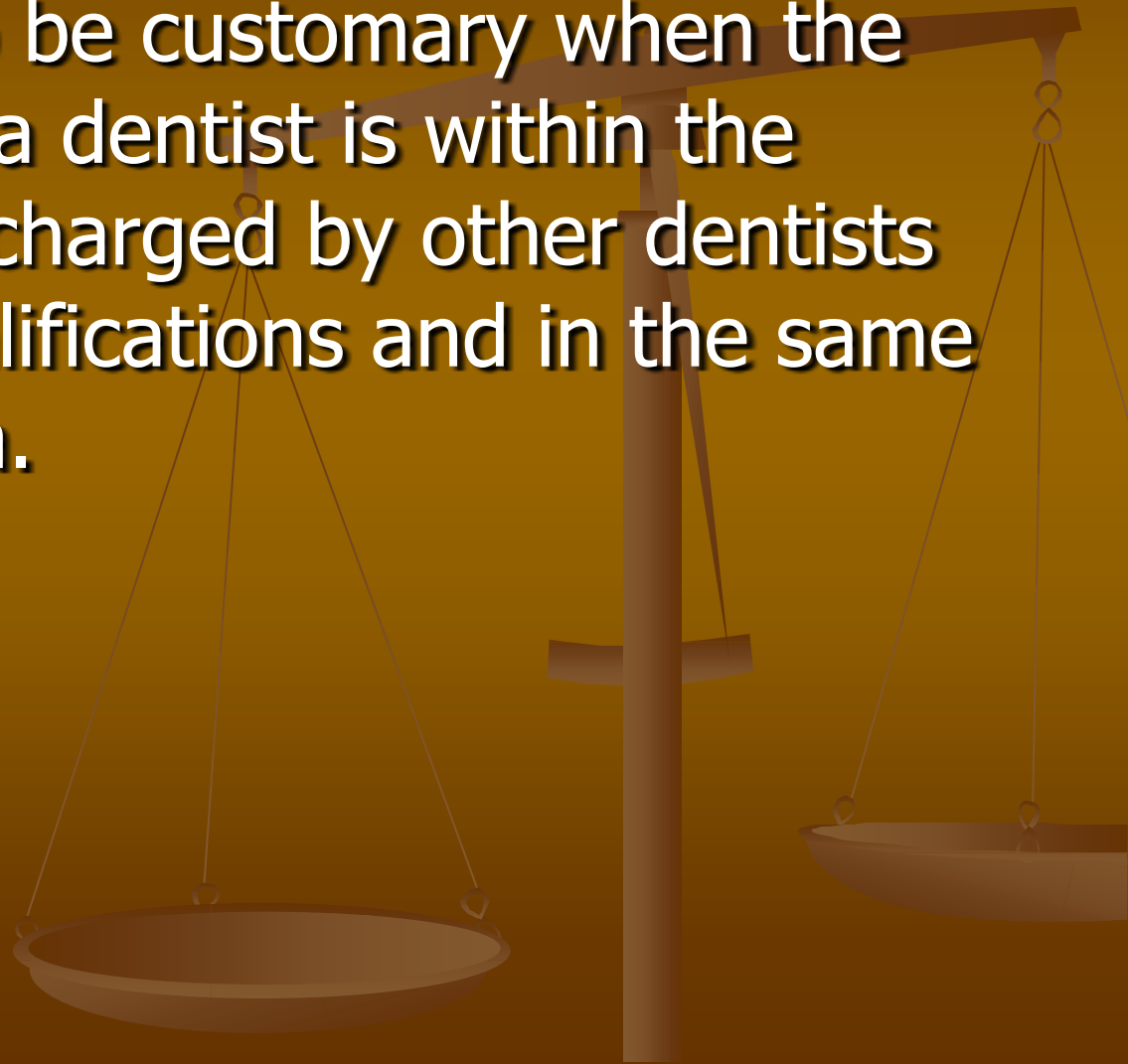
Usual fees

- Fees that dentist charges in his private practice for a given service ,determined by individual dentist



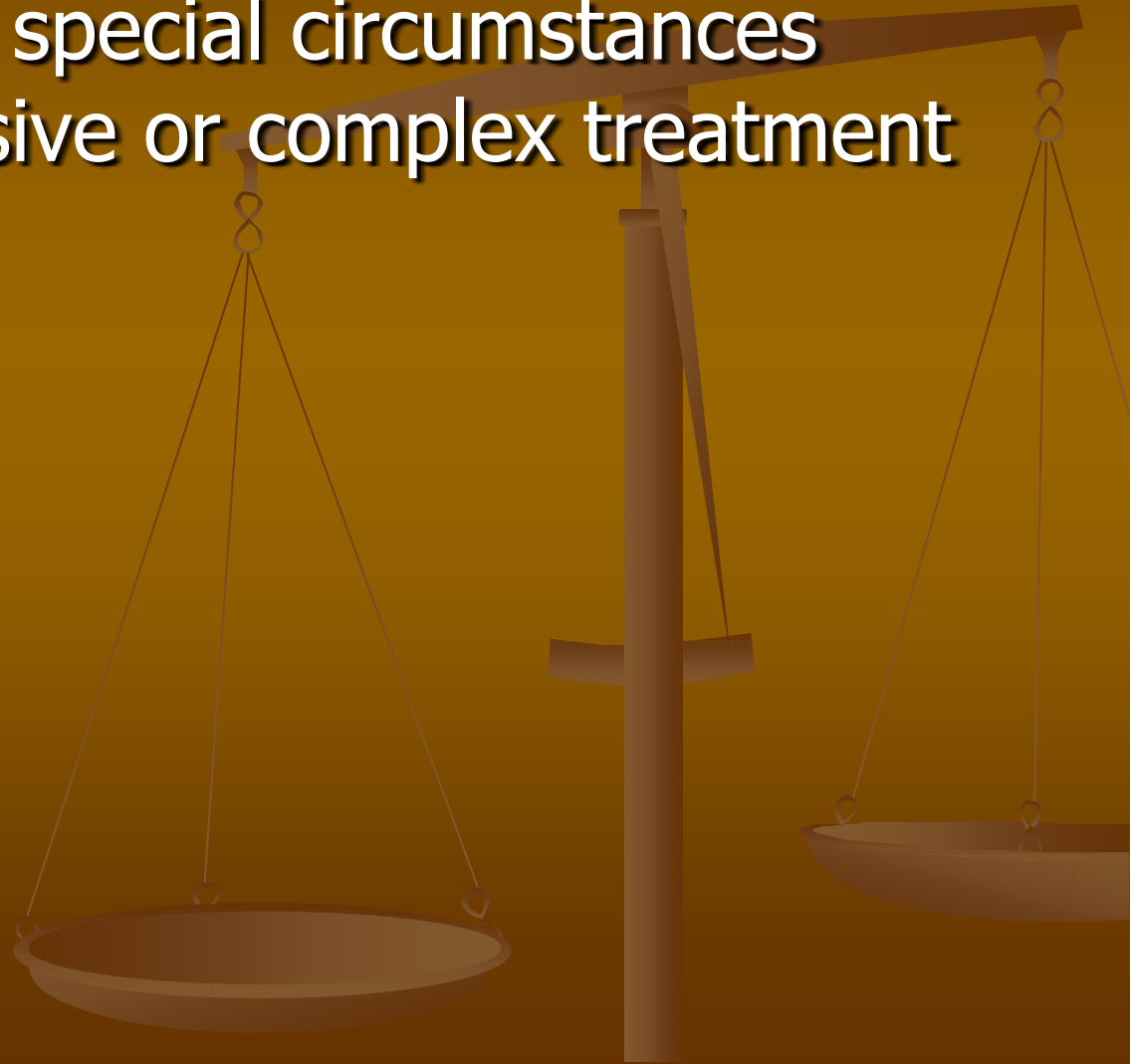
Customary fees

- A fees is said to be customary when the fee charged by a dentist is within the same range as charged by other dentists with similar qualifications and in the same geographic area.



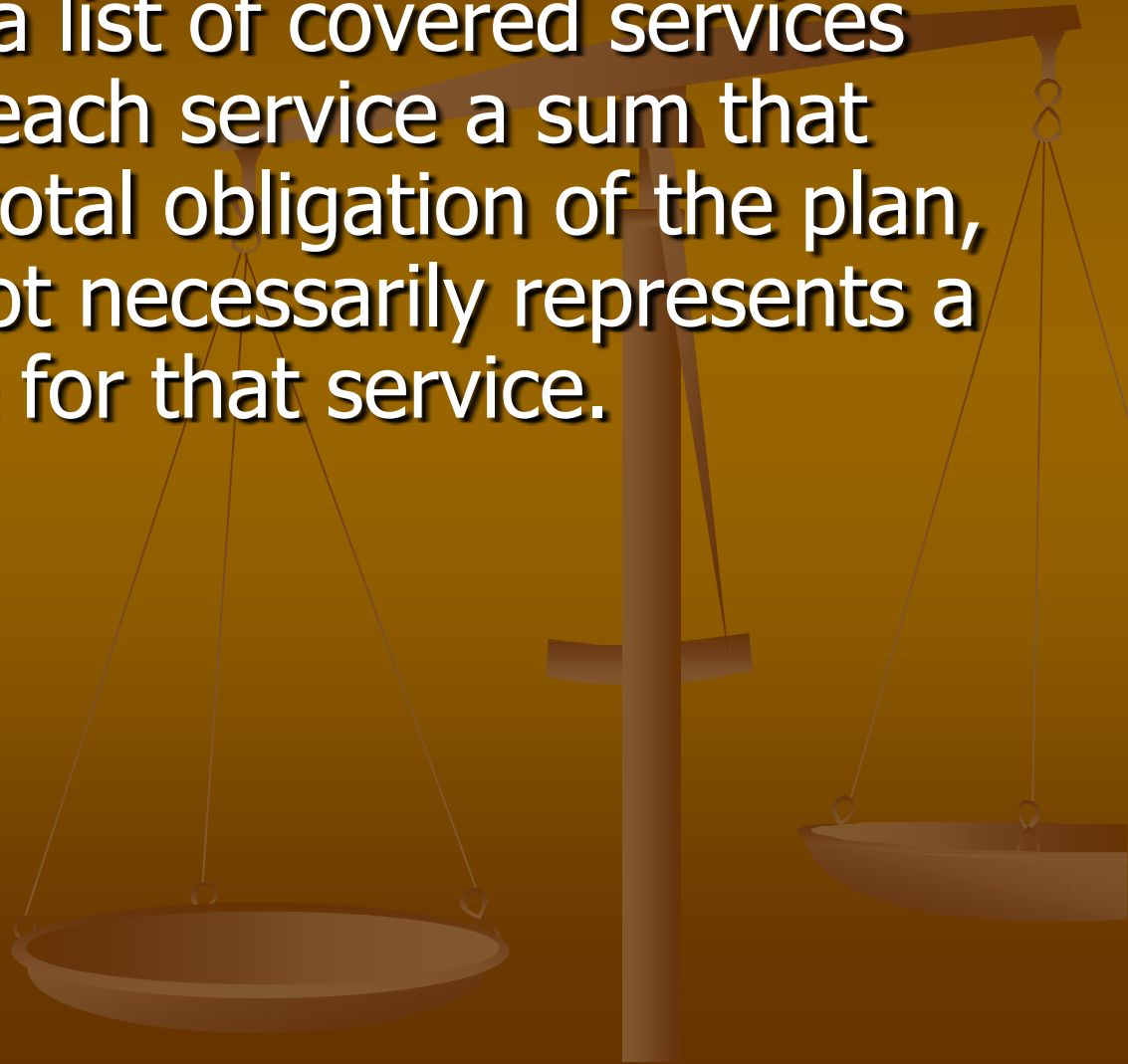
Reasonable fees

- It is justified by special circumstances receiving extensive or complex treatment



2. Table allowances

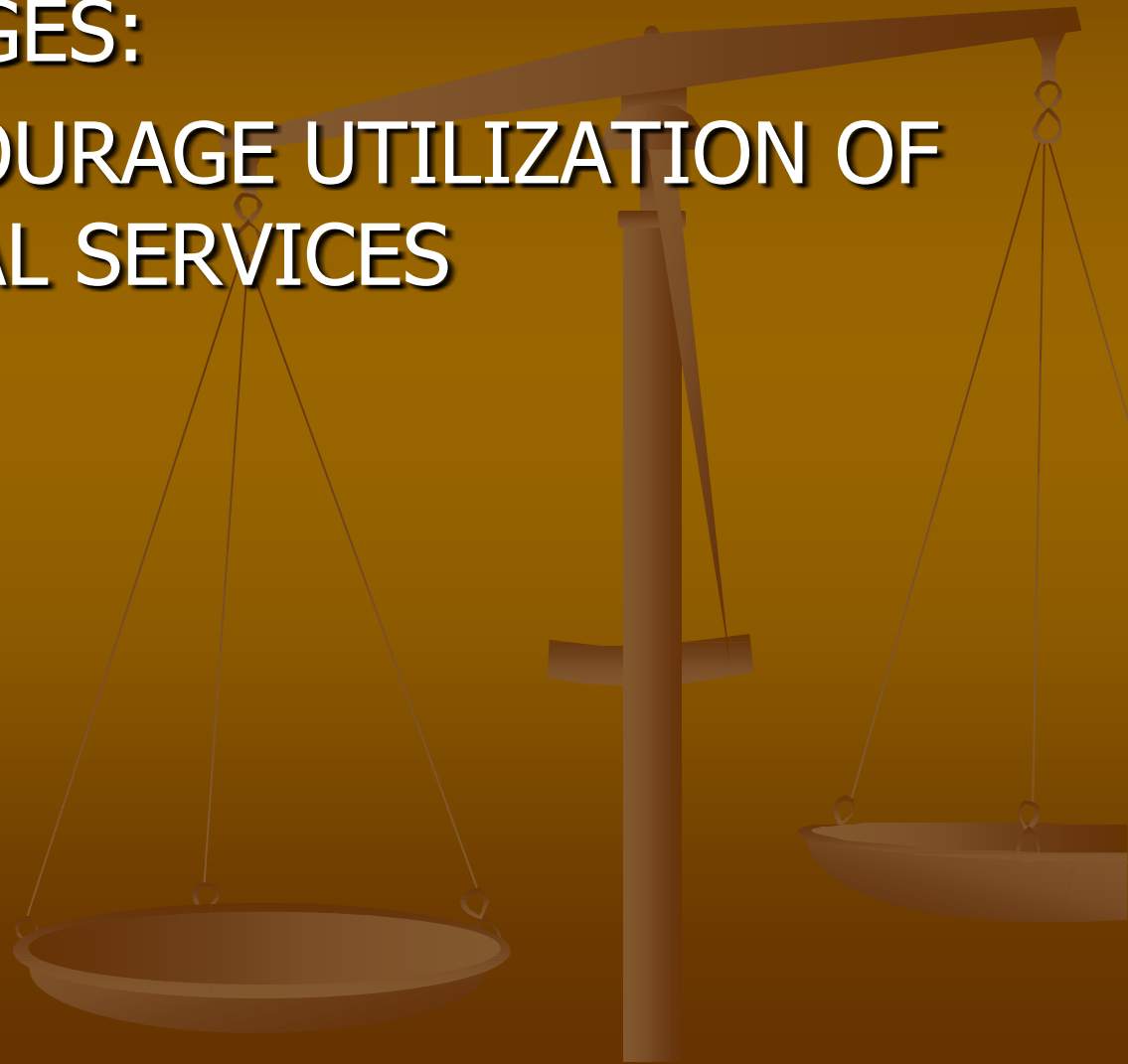
- It is defined as a list of covered services that assigns to each service a sum that represents the total obligation of the plan, but that does not necessarily represents a dentist's full fee for that service.



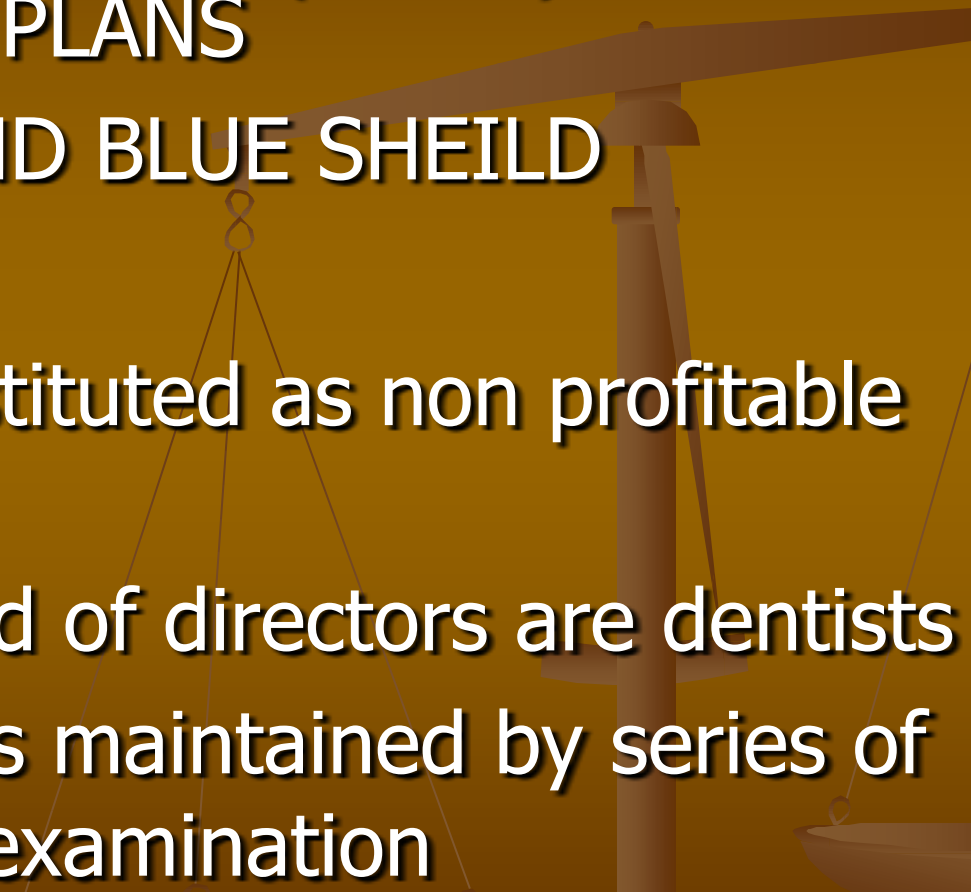
COMMERCIAL INSURANCE COMPANIES

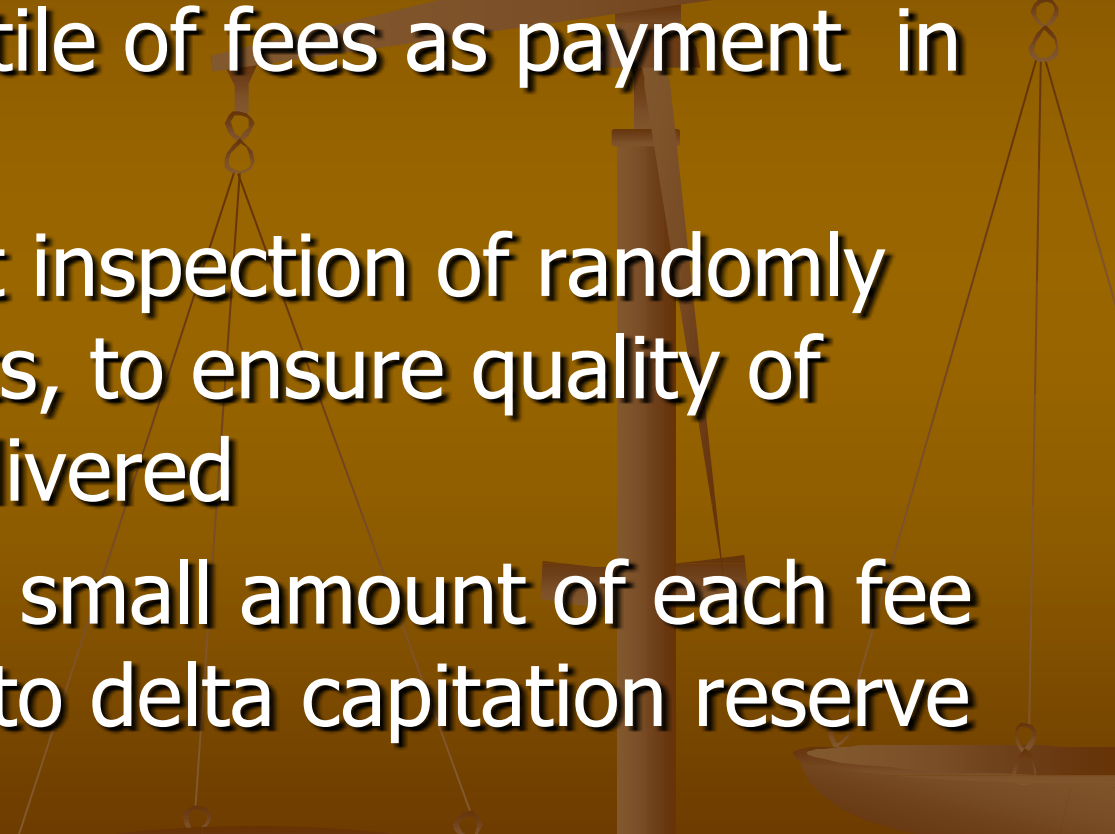
- OPERATE FOR PROFIT
- SELECTIVE ABOUT THE GROUP TO WHICH INSURANCE IS OFFERED.
- THEY CLAIM NO OBLIGATION TOWARD THE DENTAL HEALTH COMMUNITY.
- **ADVANTAGES:**
 1. COMPANY PAY DIRECTLY TO THE DENTIST AND PAYMENT IS QUICKER AND HASSLE FREE
 2. FEE AUDITS AND POST TREATMENT DENTAL EXAMINTIONS ARE NOT CONDUCTED

- **DISADVANTAGES:**
 1. **DO NOT ENCOURAGE UTILIZATION OF PROFESSIONAL SERVICES**
 2. **COSTLY**



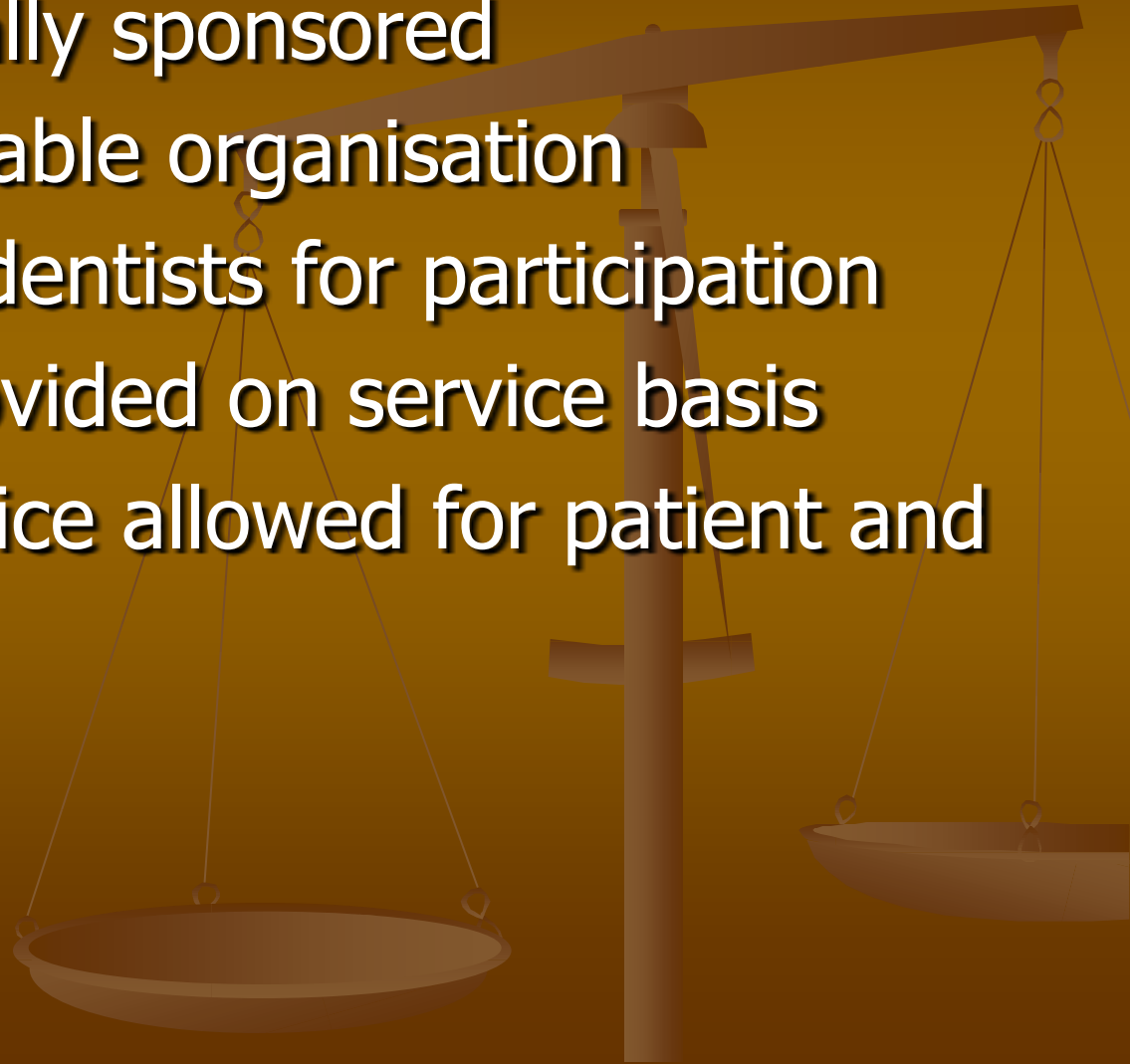
NON PROFIT HEALTH SERVICE CORPORATION/dental service corporation(DSC):

- DELTA DENTAL PLANS
 - BLUE CROSS AND BLUE SHEILD
 - It is legally constituted as non profitable organization
 - Majority of board of directors are dentists
 - Quality of care is maintained by series of post treatment examination
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- Conditions for dentists to join DSC
 1. Prefiling their usual fees
 2. Acceptance of payment ,decided by the organa
(90 th percentile of fees as payment in full)
 3. Post treatment inspection of randomly chosen patients, to ensure quality of dental care delivered
 4. With holding a small amount of each fee which goes in to delta capitation reserve fund.

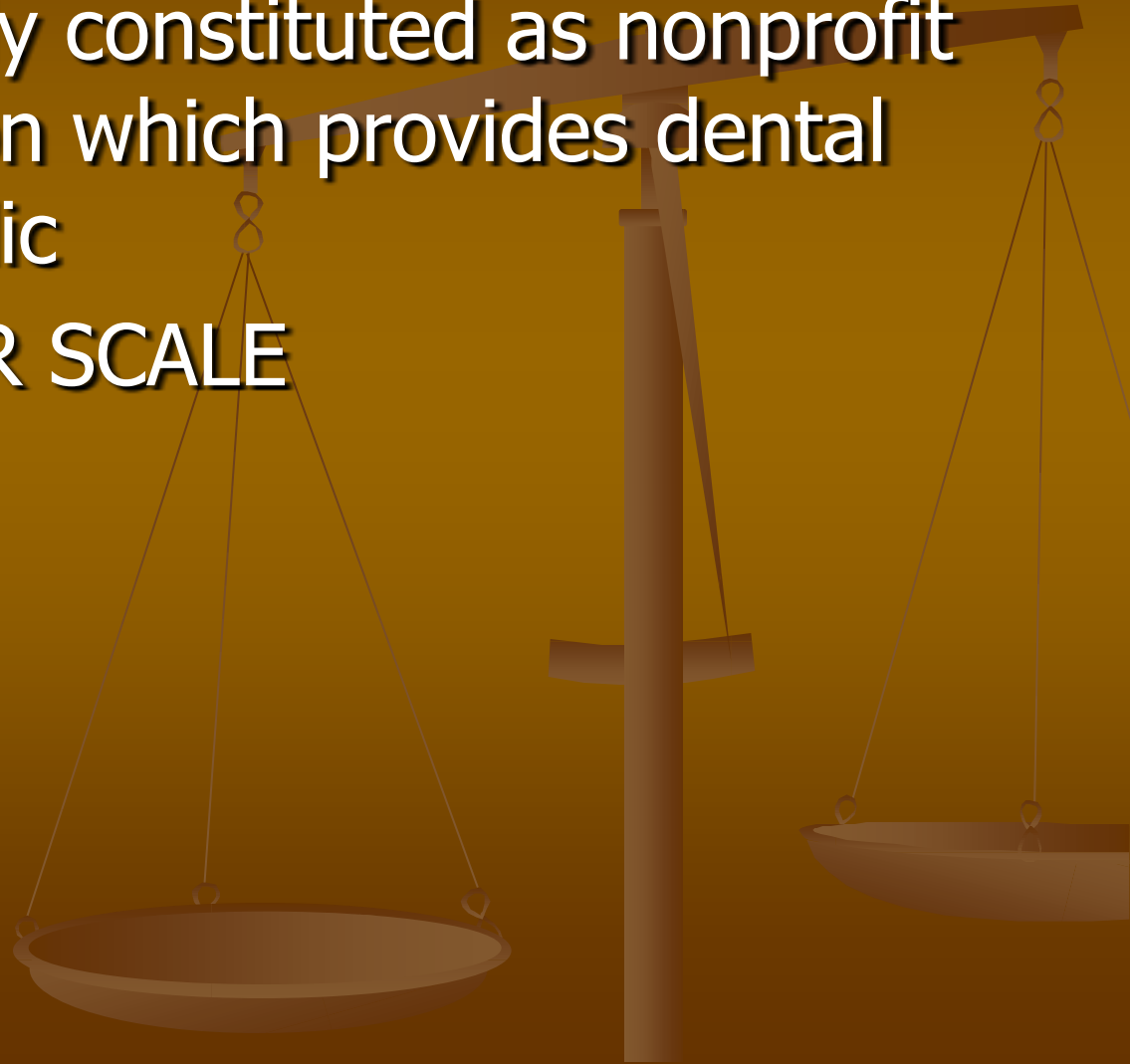
DENTAL SERVICE CORPORATION HAS 5 FEATURES

- It is professionally sponsored
- It is a nonprofitable organisation
- Encourages all dentists for participation
- Benefits are provided on service basis
- Freedom of choice allowed for patient and dentists



Blue shield/blue cross:

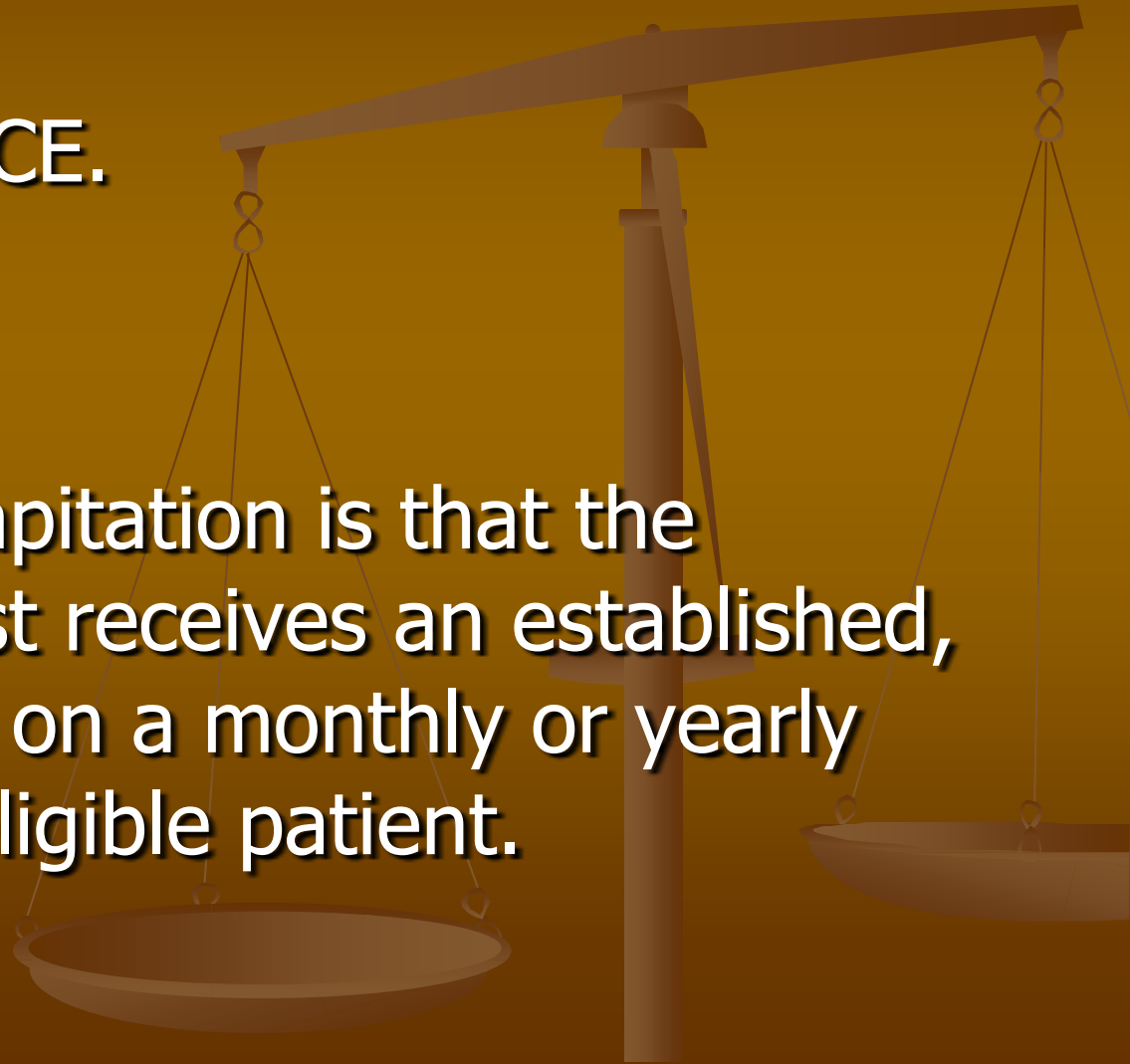
- These are legally constituted as nonprofit organization which provides dental care to the public
- They follow UCR SCALE



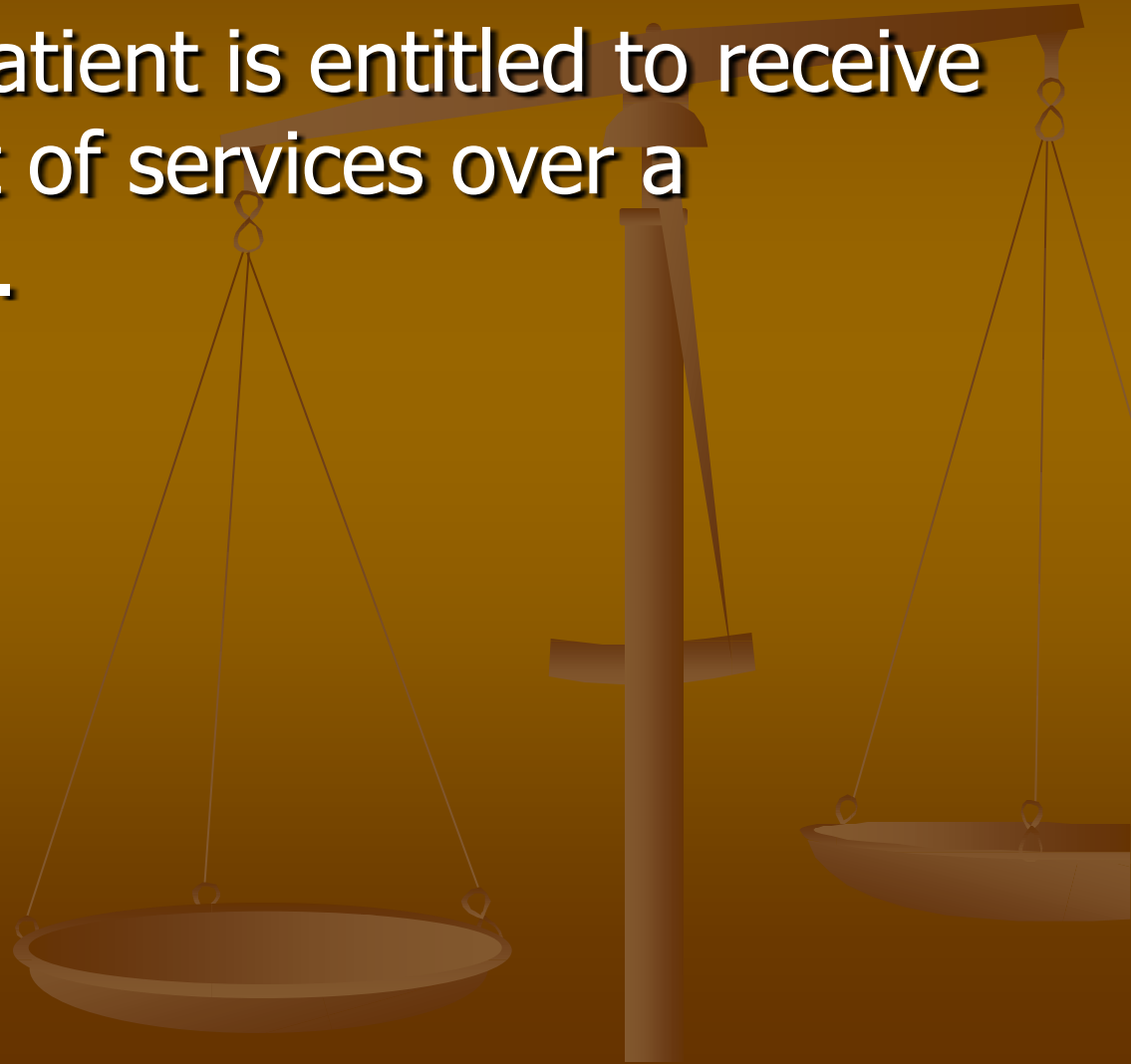
CAPITATION

- HMO
- GROUP PRACTICE.
- IPA

the basis of capitation is that the individual dentist receives an established, negotiated sum on a monthly or yearly basis for each eligible patient.



- The money is paid regardless of whether the patients utilize the service or not
- In return, the patient is entitled to receive a prescribed set of services over a specified period.

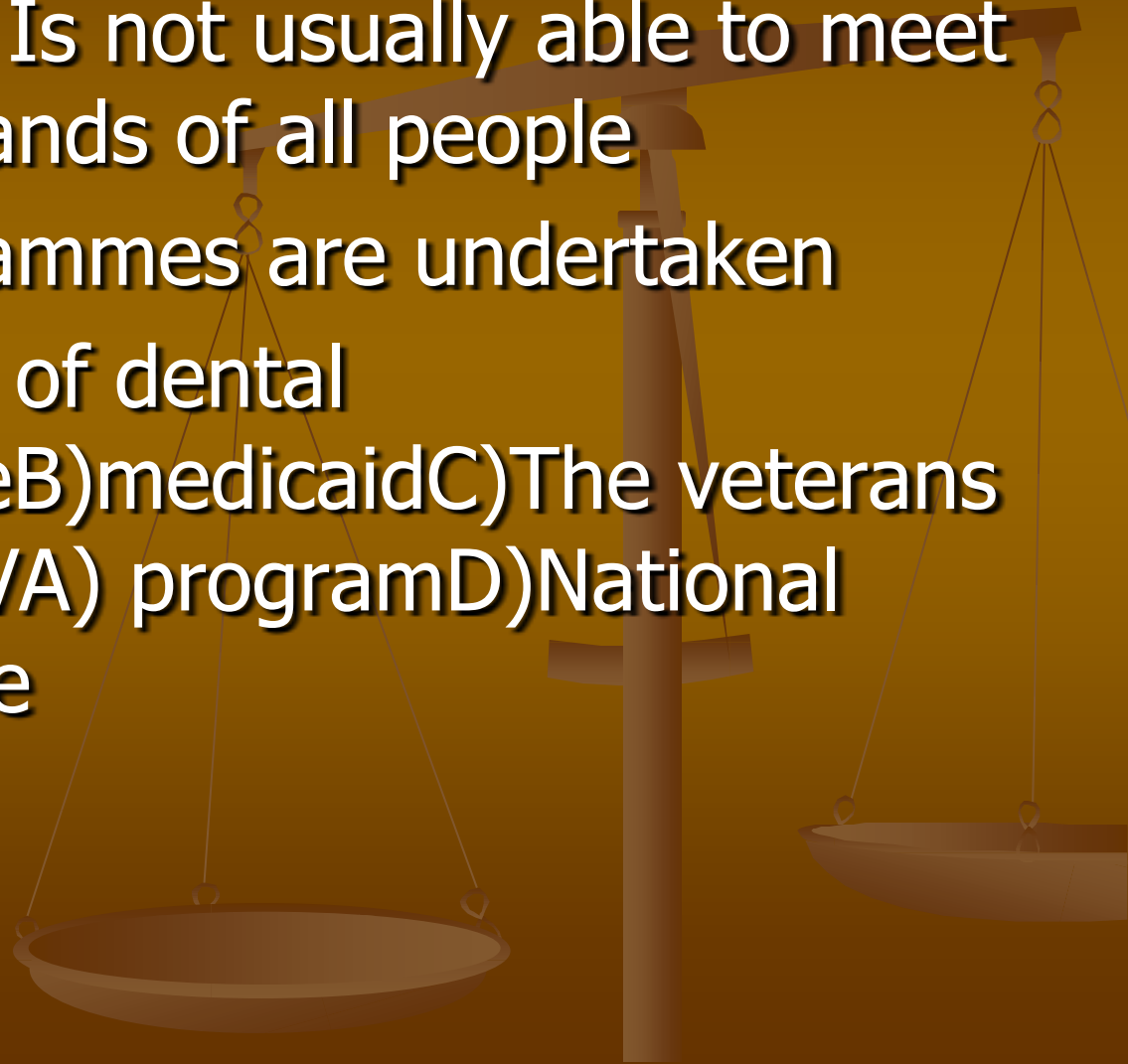


SALARY

- DENTIST IN SOME GROUP PRACTICE OR GOVT SERVICE OR PRIVATE SECTOR WHERE THEY ARE GIVEN A FIXED SALARY/MONTH
- IT HAS AN ADVANTAGE OF ALLOWING THE DENTIST TO BE LARGELY FREE OF BUSINESS AND THEREBY ALLOWS THE DENTIST TO CONCENTRATE ON CLINICAL PRACTICE.

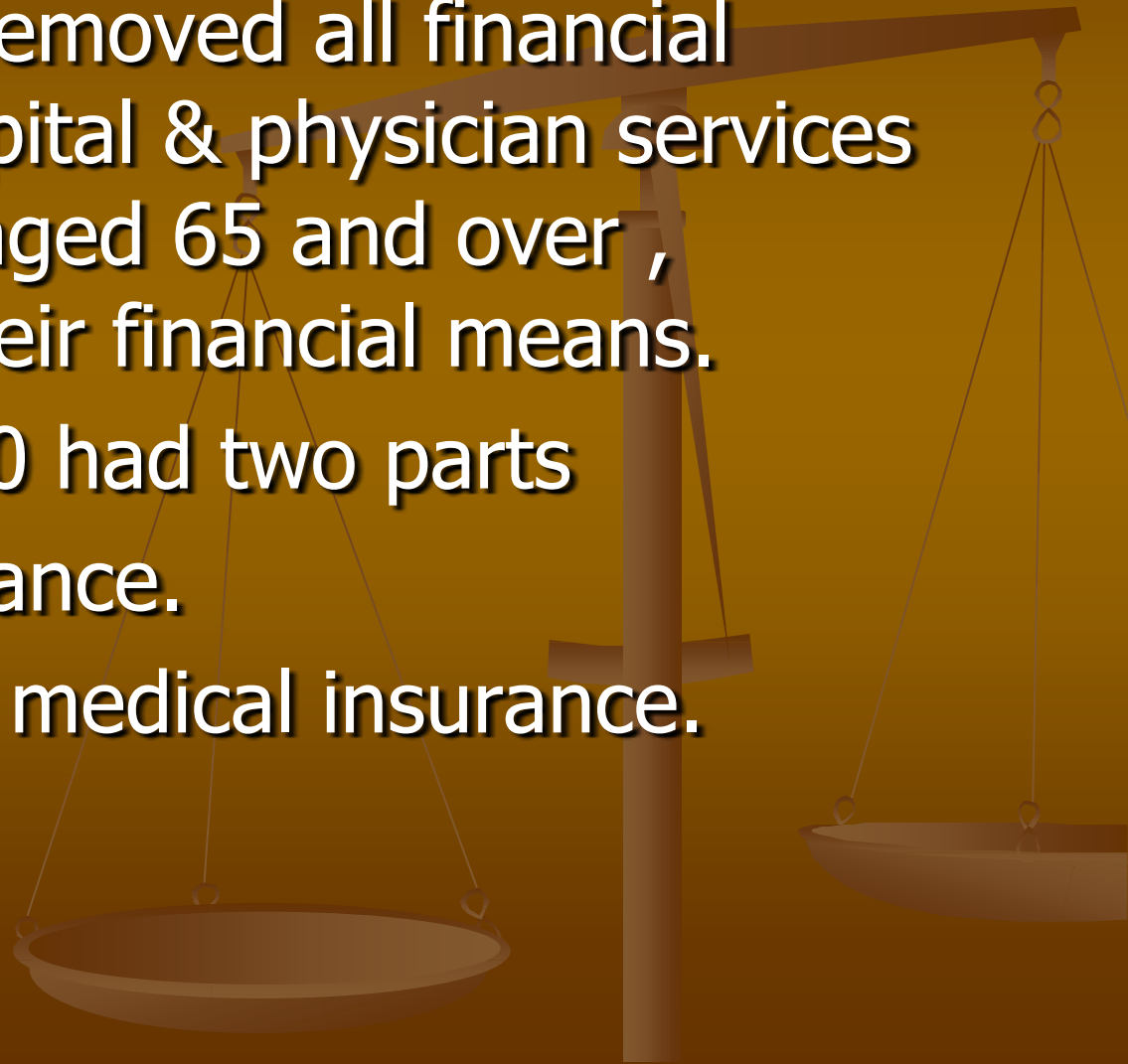
Public programmes:

- Private practice Is not usually able to meet the dental demands of all people
- So public programmes are undertaken
- Public financing of dental care:
A) Medicare
B) medicaid
C) The veterans administration (VA) program
D) National Health insurance

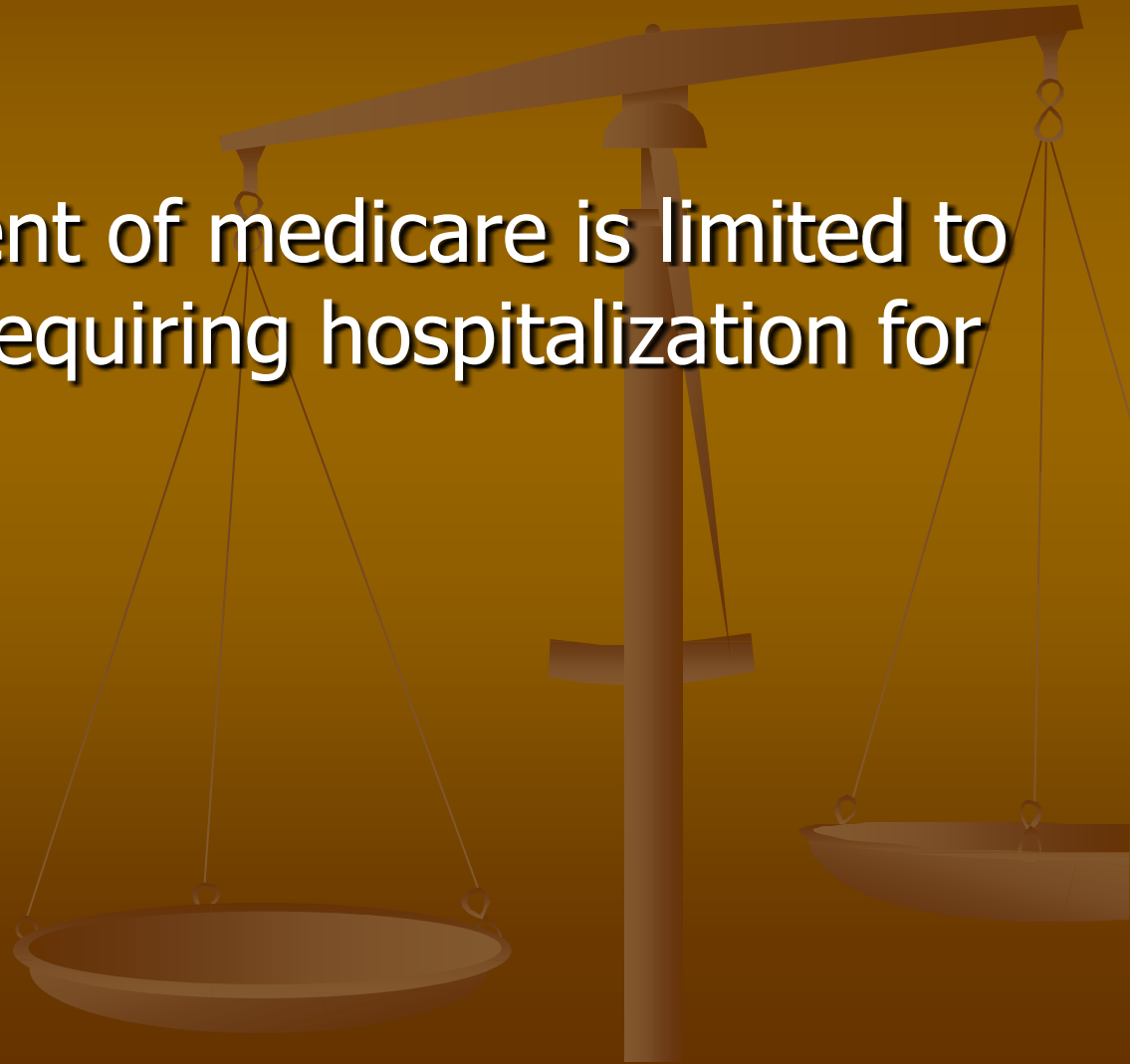


Medicare

- The programme removed all financial barriers for hospital & physician services for all persons aged 65 and over, regardless of their financial means.
- medicare by 1970 had two parts
1. hospital insurance.
 2. supplemental medical insurance.



The dental segment of medicare is limited to those services requiring hospitalization for treatment.

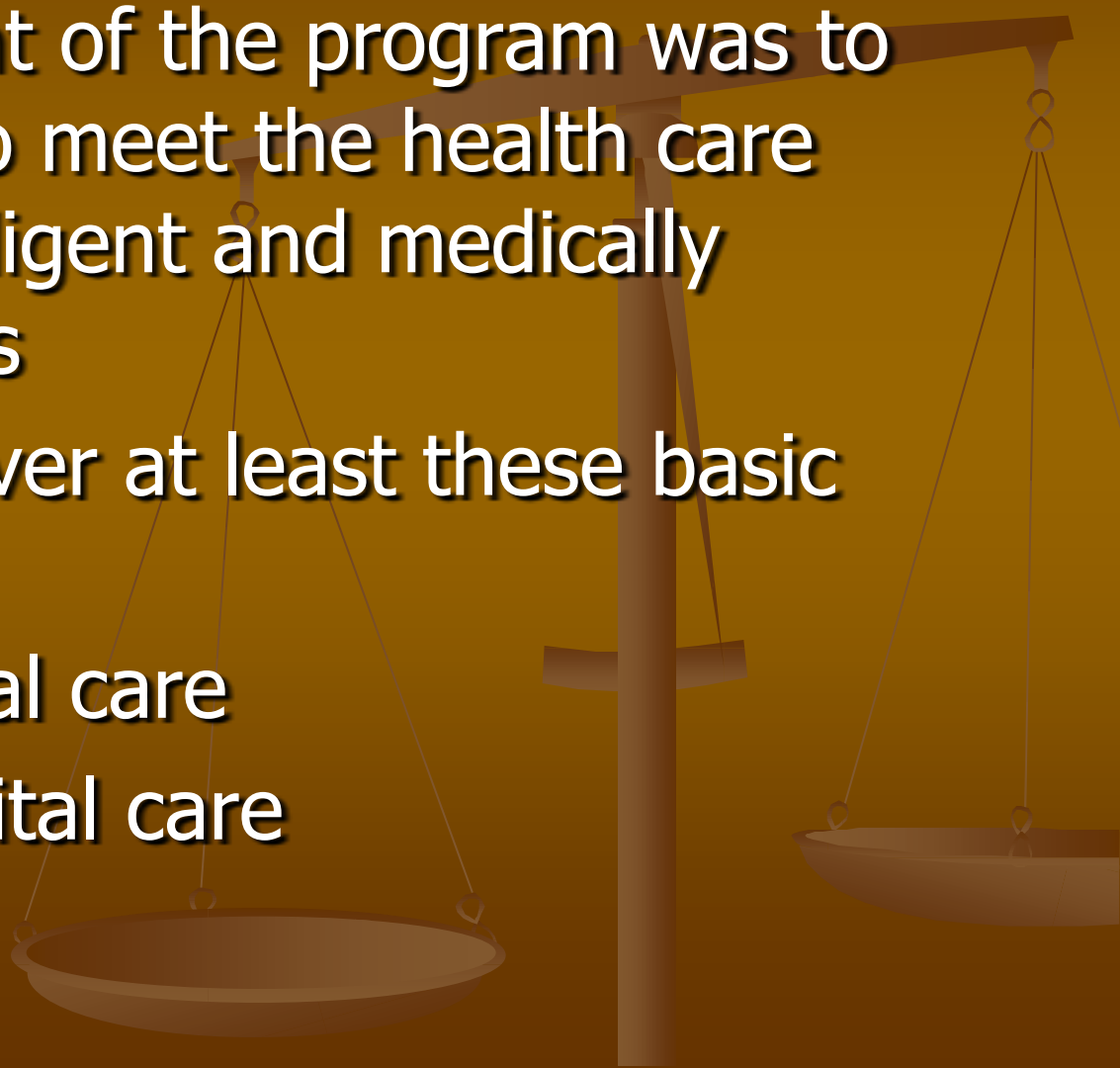


Medicaid:

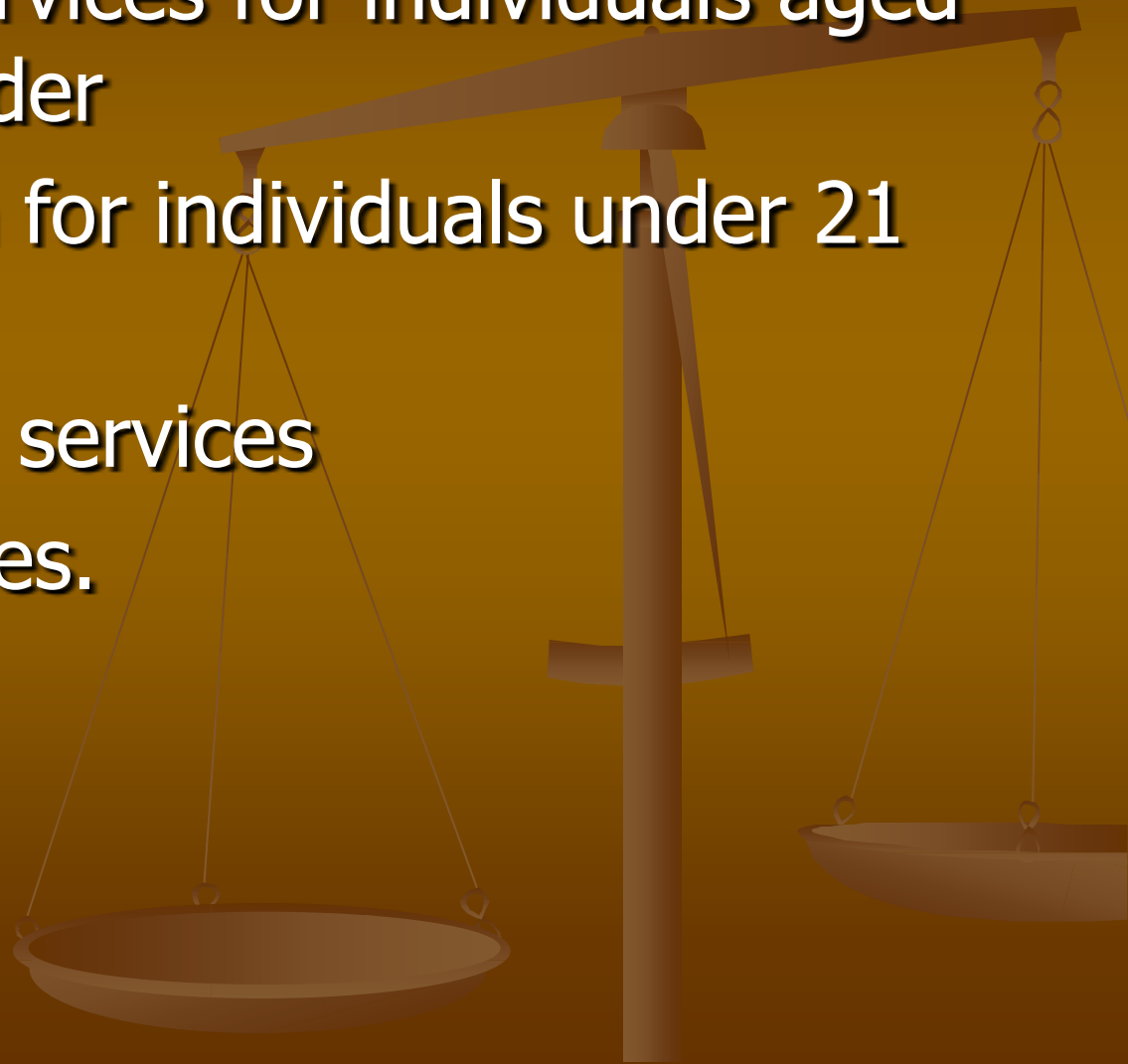
The original intent of the program was to provide funds to meet the health care needs of all indigent and medically indigent persons

Medicaid must cover at least these basic services

- In patient hospital care
- Out patient hospital care

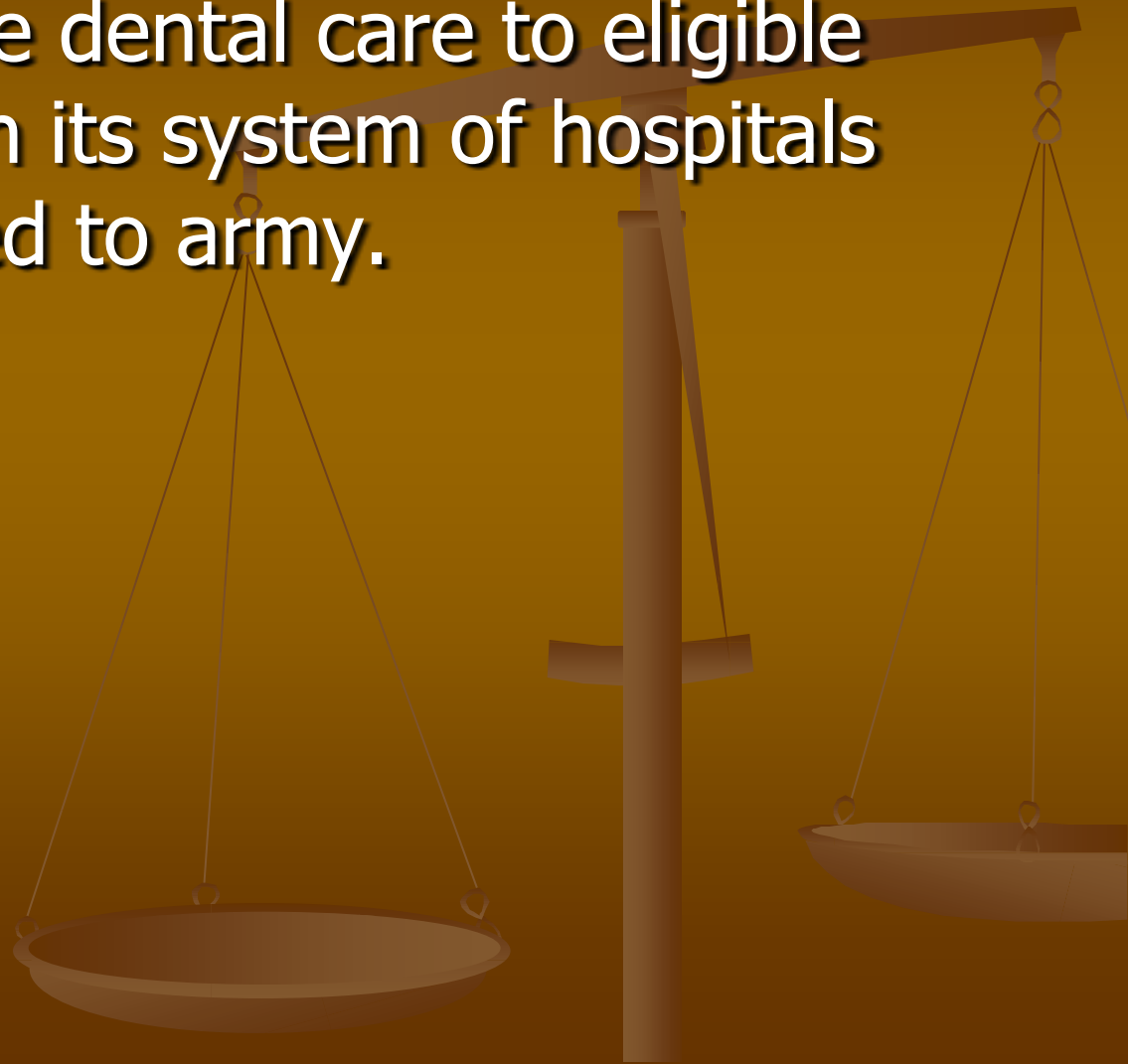


- Lab and X – ray services
- Nursing services
- Home health services for individuals aged 21 years and older
- EPSDT program for individuals under 21 years.
- Family planning services
- Physician services.



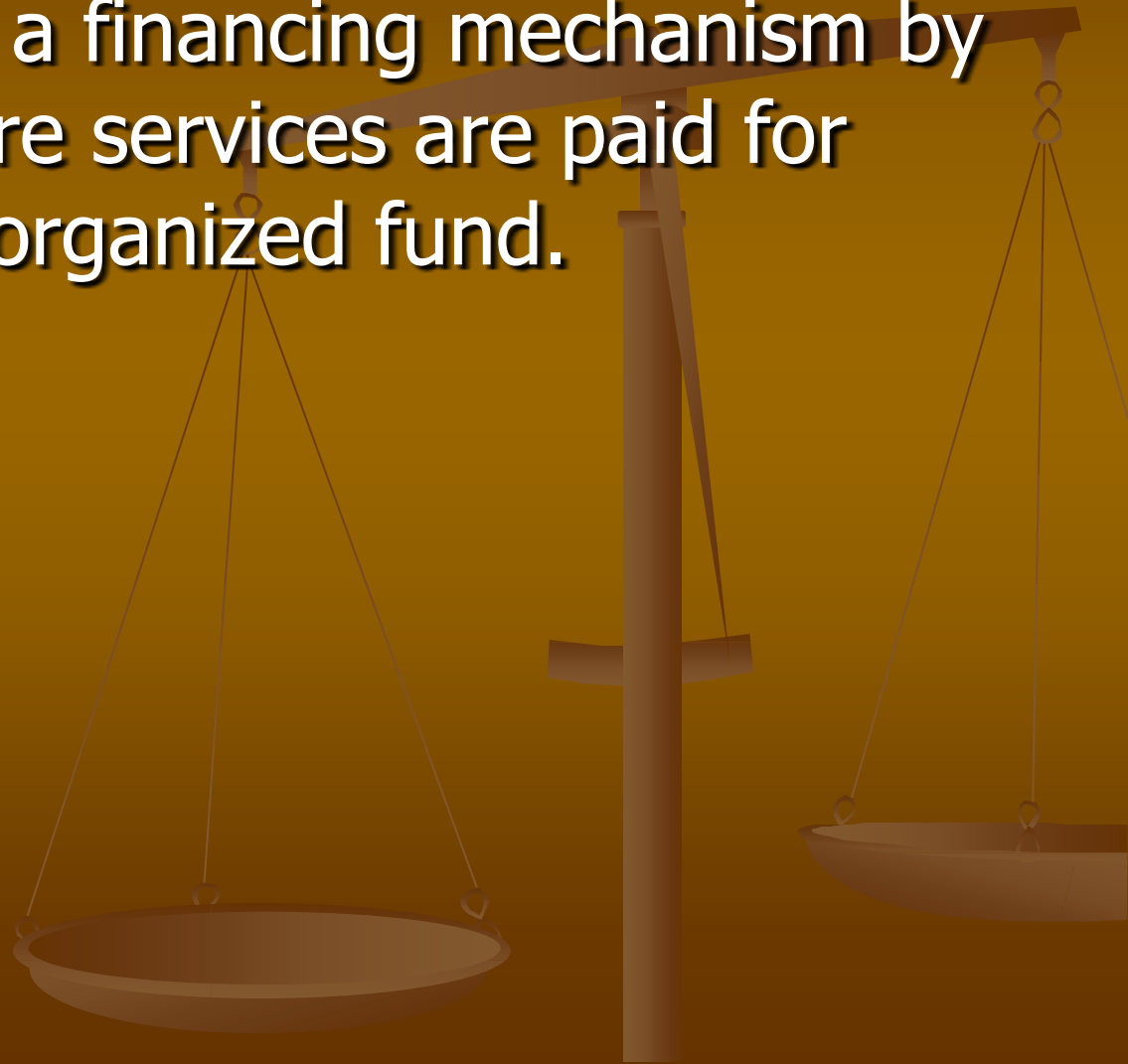
Veterans administration programme

- It provides some dental care to eligible patients through its system of hospitals especially related to army.



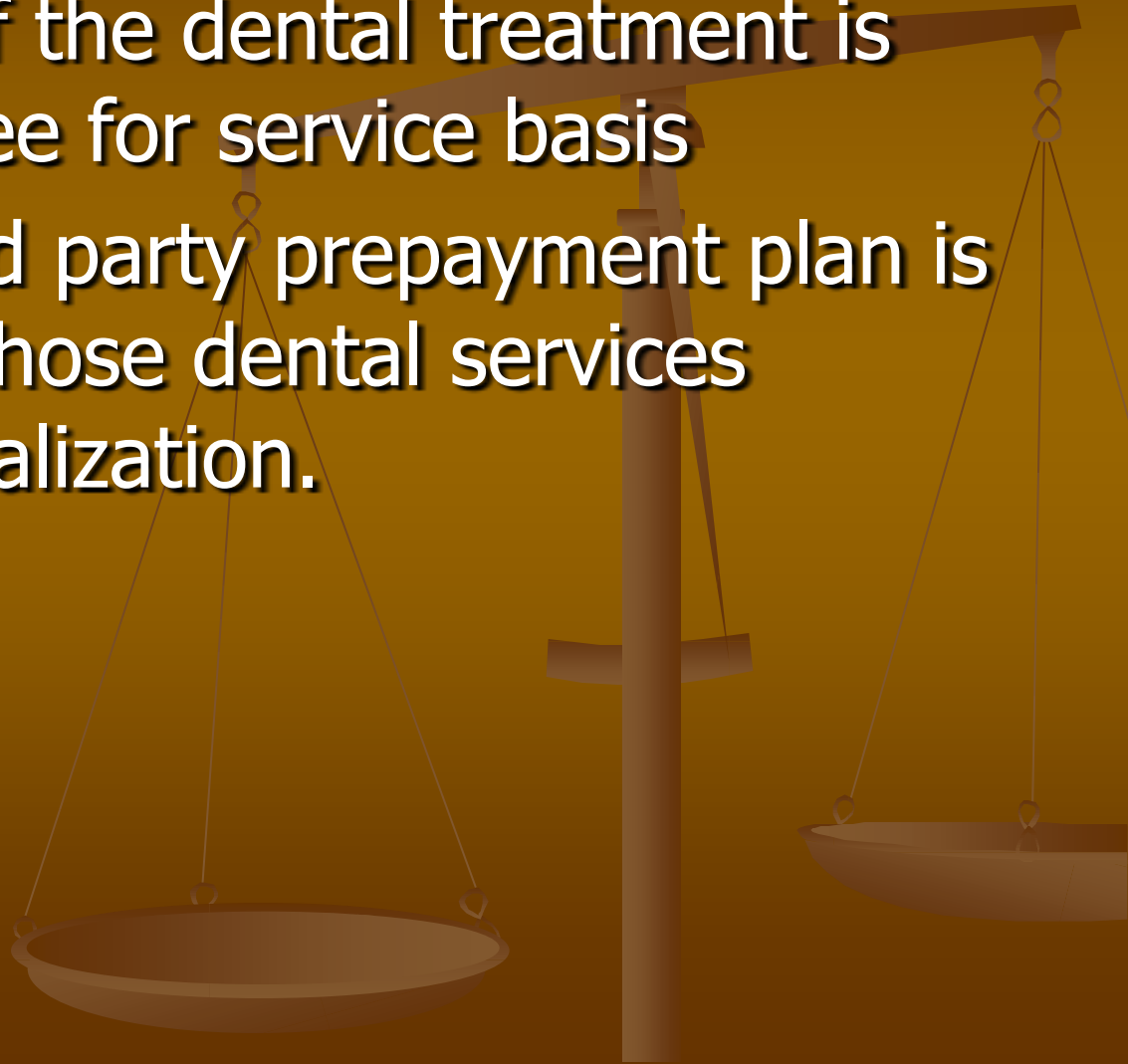
National Health insurance (NHI)

- NHI is primarily a financing mechanism by which health care services are paid for from a publicly organized fund.



Indian Scenario

- In India most of the dental treatment is provided on a fee for service basis
- The private third party prepayment plan is limited only to those dental services requiring hospitalization.



THANK YOU

