



Delta Dental of Illinois (DDIL) Orthodontia Payment & Takeover Policy and Procedure

Delta Dental PPO & Delta Dental Premier: Following the placement of orthodontic appliances, DDIL pays 25% of the total treatment fee upfront, after applying any coinsurance or deductible amounts (coinsurance is usually 50%) for both Delta Dental PPO and Delta Dental Premier network claims. The remainder of the treatment plan is then divided by the number of months the orthodontist estimates the treatment will take to determine the monthly charge. The amount is then paid at the applicable coinsurance level up to the lifetime maximum. DDIL's payment period will not exceed 24 months. For example, if the treatment plan is 18 months, we divide the remainder of the plan cost over 18 months. If the treatment plan is 36 months, we divide the remainder of the plan cost over 24 months.

For example:

Treatment plan total	\$4,000
Treatment plan time	24 months
DDIL pays 25% upfront	\$1,000
50% coinsurance	\$500 (patient responsibility)
DDIL pays	\$500
Treatment cost remaining	\$3,000
Initial DDIL payment	\$500
Remaining payment	\$3,000 divided by 24 months = \$125/mo.
Lifetime maximum	\$1,000 (DDIL will pay up to maximum)
DDIL pays	50% of \$125 monthly = \$62.50/month until \$1,000 maximum is reached
Time period	8 months at \$62.50/month = \$500

The initial treatment plan is all DDIL needs; no claim forms are required on an ongoing basis. Our benefit management system automatically verifies eligibility, benefits, orthodontia status, etc. and issues monthly payments.

DeltaCare DHMO: DeltaCare orthodontists are paid via capitation so DeltaCare members pay copayments for orthodontic treatment. Copayments vary by DeltaCare plan. The member pays his or her applicable copayments and DDIL pays the remaining balance. Generally, all DHMO carriers charge one larger copayment for comprehensive orthodontic treatment and several smaller copayments for related orthodontic treatment, such as the initial visit, records and retention.

For example, a member may pay a \$1,950 copayment for comprehensive orthodontic treatment, as well as other minor orthodontic treatment related copayments and DDIL pays the DeltaCare orthodontist the remaining balance.

DDIL Payment Policy for Treatment in Progress:

- 1. If an enrollee is currently in a PPO plan with the prior carrier and moves to Delta Dental PPO or Delta Dental Premier plan:**

DDIL uses the same calculations we use for a new orthodontia case, but we prorate payment based on the remaining treatment time beginning with the effective date of the patient's coverage.

- 2. If an enrollee is currently in a DHMO plan and moves to a DeltaCare DHMO plan *and* the orthodontist IS in our network:**

The orthodontist submits an initial claim to DDIL describing the treatment plan, the date treatment started, what the prior carrier agreed to pay and what the carrier actually did pay. The claim automatically drops in a DeltaCare queue and the claims processor contacts the account manager to verify that the group is allowing orthodontia takeover. Once verification occurs, DDIL will pay the balance remaining in a lump sum. The balance remaining is the difference between what the prior carrier agreed to pay and what they actually did pay.

- 3. If an enrollee is currently in a DHMO plan and moves to DeltaCare and the orthodontist IS NOT in our network:**

The process is the same as if the orthodontist was in our network EXCEPT DDIL will issue a lump sum payment to the member. DDIL will notify the orthodontist that payment was sent to the member.