

Reimbursement Model

For General Practitioners & Pedodontists

At Delta Dental of Washington, we believe that all people deserve to enjoy good oral health, and that our Member Dentist partners should be rewarded for providing quality care and access to those in need.

That's why we introduced an updated reimbursement model for General Practitioners and Pedodontists in 2020. A long-term replacement of the filed fee system, the model is informed by feedback we received from Member Dentists and designed with **three core objectives**:

- Increase fee equity across our network
- Improve transparency of our fee setting mechanism
- Align reimbursement with our mission to improve oral health and inputs providers told us are most critical to their practice

Reimbursement Model

A Fee Schedule Ladder, Based on 4 Inputs



Along with increasing fee equity and improving transparency, the reimbursement model gives Member Dentists the opportunity to positively impact their practices' reimbursement with clearly defined criteria for fees across the network.

Our reimbursement model uses a fee schedule ladder with 50 defined rungs. Each practice's fee schedule rung is calculated by combining the scores of four inputs: market cost index, prevention focus, access to care, and retention.

Market Cost Index

- Accounts for regional cost variability
- Score based on 3 data points:
 - Average submitted fees
 - Average hygienist salary
 - Average commercial rent
- Only fixed score, applied to all practices in the same market

Access to Care

- Accessible care = higher utilization
- Adds value to our members and groups
- Score based on total # of DDWA patients in practice
 - relative to practices in same market
 - has maximum cap, so small practices can score same as large

Prevention Focus

- Preventive care = better oral and overall health outcomes, especially for at-risk groups
- · Score based on annual % of:
 - Patients receiving cleanings
 - At-risk children receiving topical fluoride treatments

Retention

- Having a dental home = more regular visits and healthier smiles
- Score based on average # of years each DDWA patient has been at practice
 - with first service date on record,
 even if patient has gaps in service

The Future of Reimbursement

As of January 2023, over 56% of practices have already joined the reimbursement model, with an investment of \$56.6 million since the model launched in March 2020.

As we gradually transition all practices to the model and retire legacy filed fees, we will continue to gather feedback from Member Dentists and refine the model to accomplish our shared vision, of all people enjoying good oral and overall health, with no one left behind.

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