

Preventable vs. Non-Preventable Denials in Dental Billing: How to Focus on the Right Revenue Fixes



Dental practices across the country are facing a growing challenge of insurance claim denials, which has made denial management one of the most critical priorities in dental revenue cycle management (RCM). As dental insurance plans are becoming more complex day by day and payer requirements are getting more stringent, even correctly submitted claims are being rejected by the insurance companies at higher rates than ever before. These denials not only delay the payments and increase administrative workloads but also negatively impact the cash flow of the practice.

Recent industry reports show that a large percentage of dental claims that are denied by payers are preventable, but many practices treat all types of denials in the same way, which leads to wasted staff time, rising administrative workload, unnecessary & incorrect appeals, staff burnout, and missed revenue opportunities.

To survive in this competitive ecosystem, it is highly important to understand the difference between preventable denials and non-preventable denials so that dental practices can build an effective denial management strategy. It is crucial for dental practices that are looking to improve their collections, streamline their workflows, and protect the long-term financial health of their facility. This whitepaper explains how to identify denial types and focus on the revenue fixes that truly matter for the sustainable growth of the facilities.

Understanding Dental Claim Denials

A dental claim denial is a situation in which an insurance carrier or payer refuses to pay the provider for the services that have already rendered to a patient. Denials can be partial or full and often arise from administrative, documentation, or coverage-related issues. As we all know, not all denials are the same or equal. Some denials occur due to internal office errors, and some are driven by insurance policy restrictions.

Common dental denial categories include:

- Denials related to eligibility and coverage.
- Missing or incorrect prior authorizations
- Medical necessity denials
- Coding and CDT code errors
- Frequency and limitation denials
- Coordination of benefits (COB) denials
- Timely filing denials



Preventable Denials in Dental Practices: The Revenue You Can Recover

Preventable denials are those denials that occur due to internal operational inaccuracies, and they can be avoided through multiple efforts, such as better workflows, training, and technology.

Common Causes of Preventable Dental Denials

Eligibility and Coverage Verification Errors

This type of denials occur when eligibility and coverage verification are not done properly. Failure to verify dental insurance benefits before treatment often leads to billing inactive policies or services that are not covered under the patient's plan.

Missing or Incorrect Authorizations

Missing or incorrect authorization is a kind of denial in which claims submitted without approval are commonly denied by the payers. Certain dental procedures, like orthodontics, periodontal treatments, or oral surgery, require prior authorization.

Incorrect CDT Coding

Incorrect coding is also one of the causes of claim denials, in which office staff uses outdated or incorrect CDT codes or missing required modifiers, causing claim rejections and payment delays.



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Insufficient Clinical Documentation

Incomplete or missing clinical documentation is a cause of denial. Dental narratives and supporting X-rays or periodontal charts may be incomplete, which leads to medical necessity denials.

Timely Filing Issues

Claims that are submitted past the insurance deadline or after the TFL are automatically denied by the payers, regardless of service validity.

Impact of Preventable Denials on Dental Practices

Preventable denials:

- Can drastically increase accounts receivable (A/R) days.
- It can delay the cash flow in the practice.
- It can create staff burnout from administrative rework.
- It can cause dissatisfaction in the patients.
- It can lead to revenue leakage
- It can remarkably reduce the practice's profitability



Non-Preventable Denials in Dental Billing

Non-preventable denials are those denials that occur either due to patient benefit limitations or insurance plan rules rather than office errors.

Common Causes of Non-Preventable Dental Denials

Services not covered by the dental plan

The most common cause of non-preventable dental denials is services not covered by the dental plan. Some dental insurance plans exclude certain types of procedures altogether, for example, cosmetic or specialized treatments. Even if these procedures are billed correctly to the payers, these claims are getting denied because the service falls outside the patient's coverage plan.

Annual maximum benefits exhausted

Claim also denied when annual maximum benefits are exhausted. Dental plans usually have certain yearly payout limits. When the patient reaches that maximum limit, any additional services given by providers are denied, regardless of medical need.

Frequency limitations (e.g., cleanings twice per year)

Frequency limitation is one of the other common causes for claim denials. Some insurance plans restrict how often certain procedures can be performed within a year or a predefined time limit. Claims that are submitted to the payers beyond the allowed frequency are automatically denied by them.



Waiting period restrictions

Waiting period restriction is also one of the causes of denials in some cases. There are many plans that require patients to wait for a specific period before their coverage begins for major procedures. So the services that are provided during this waiting period are not reimbursed by the insurance companies.

Out-of-network provider services

Insurance companies deny the claim if the provider that renders the services is out-of-network. If the dentist is not part of the patient's insurance panel, the payer may deny the claim or reduce the payment for the rendered services.

Cosmetic procedure exclusions

In cosmetic procedure exclusion, some procedures that are considered as cosmetic, such as teeth whitening or veneers, are usually excluded from insurance coverage and therefore denied by the insurance companies.

Challenges of Non-Preventable Denials

- These denials cannot always be appealed successfully by the office team.
- There are chances that these denials can shift responsibility to patient payments.
- These denials sometimes also require financial counseling.
- These denials also increase the patient billing complexity significantly.
- These denials must be handled with transparency to reduce their chances of occurrence.

Appealing for these denials repeatedly is a waste of time and resources.

Why Dental Practices Must Differentiate Denials

When dental offices fail to separate preventable and non-preventable denials:

- They waste their staff's time and resources on low-value appeals.
- They could miss the opportunities to correct the internal workflows.
- They could also experience the lower collection rates from the payer.
- They can also extend the reimbursement cycles, which influences the cash flow of the practice.

By properly categorizing these denials, the dental practices can:

- Prioritize the high-value recoverable claims to increase the reimbursement rate.
- Improve their first-pass acceptance rates of the claims.
- Reduces the unnecessary rework of the office staff.
- Strengthen the front-desk and billing accuracy to a great extent.
- Optimize their dental revenue cycle performance to a great level.



Best Practices to Reduce Preventable Denials in Dental RCM

1. Strengthen Front-End Verification

To strengthen the front-end verification, the practices should verify the insurance eligibility, benefits, limitations, and coordination of benefits before every visit of the patients. This could prevent coverage and frequency-related denials to a great extent.

2. Standardize Authorization Workflows

Practices should standardize the authorization workflow. They can create checklists for the procedures that require pre-approval and track authorization numbers electronically.

3. Improve Documentation and Narratives

Practices must improve their documentation and narratives. They should ensure that dental charts, X-rays, periodontal charts, and clinical narratives support medical necessity for the submitted claims.

4. Enhance Coding Accuracy

Practices also give emphasis on coding accuracy. They should provide ongoing training on CDT coding updates to the coding team and conduct routine audits to avoid coding-related denials.



5. Implement Denial Analytics

To prevent the preventable denials, it is important to track denials by payer, procedure, and provider to identify trends and root causes.

6. Establish a Dedicated Denial Management Process

It is important to establish a dedicated denial management process to deal with these denials. Practices should create a structured workflow for:

- Denial categorization
- Appeals
- Follow-ups
- Reporting

This improves recovery rates and shortens A/R days.



Managing Non-Preventable Denials Effectively

In case of non-preventable denials, dental practices should mainly focus on:

- Providing the cost estimates before the treatment.
- Explaining the benefit limitations clearly to the patients.
- Offering various payment plans and options.
- Improving the patient financial communication this help in improving patient satisfaction and increases the collection.



Role of Dental RCM Partners

Reduce denial rates

Dental RCM partners can reduce the denial rates significantly, as they use standardized workflows and payer expertise to prevent the common billing errors and submit cleaner claims to the insurance companies. This results in fewer rejections from payers and shortens the reimbursement cycle.

Improve appeal success

Dental RCM partners can improve the appeal success rate. Experienced billing teams understand the payer-specific appeal requirements and submit strong documentation to recover the denied revenue from the payers. Their structured follow-up system improves the win rates on appealed claims.

Stay current with payer rules

RCM partners continuously monitor any kind of changes that occur in dental insurance policies, rules, coding updates, and reimbursement guidelines, which ensures that claims remain compliant with the latest payer requirements.

Increase collections

Partnering with billing agencies can also increase the collection significantly. With the help of better claim accuracy and faster follow-ups, dental practices can easily collect more of what they earn. It facilitates improved cash flow that strengthens the financial stability and profitability of the practices.

Scale operations efficiently

It scales the operational efficiency of the practices to a great extent. Outsourcing billing and denial management allows the dental practices to handle the practice growth without adding internal staff. This creates a flexible and cost-effective way to expand operations.

Conclusion:

As we all understand, the fact that not all dental claim denials are equal and have to be handled differently. Preventable denials represent the largest chances for revenue recovery and operational improvement of the practice, while non-preventable dental denials require better patient financial strategies rather than repeated appeals. At StafGo Health, we have a team of experts who identify the denial types and focus on the right revenue fixes. Our team facilitates front-end accuracy, standardizes the workflows, and meaningful denial analytics; all these efforts can transform the denial management from a burden into a powerful revenue optimization strategy.

Our goal is not to eliminate every denial but to manage the right ones effectively and protect the long-term profitability of your dental practice.

StafGo Health is more than just a regular billing company - We are your complete RCM partner in your growth journey. We offer End-to-End Revenue cycle management solutions specific to medical and dental practices in the United States. With experience of more than 15 years, our goal is to add value to healthcare practices in terms of improved collections, reduced claim denials, and enhanced operations. StafGo Health is owned by highly experienced industry leaders and a team of experts who deeply understand the RCM services and are keen to deliver the best quality and great care for healthcare providers. We provide Credentialing & Fee Negotiation, Insurance Verification, Prior Authorization Management, Coding and Billing, AR and Denial management, Payment Posting & EFT Reconciliation, Patient billing & support, Legacy A/R resolution, Credit A/R Resolution, Practice Transition and Planning services to both dental and medical practices across the United States. Unlock unmatched revenue growth, reduced costs, and streamlined operations with StafGo Health— The USA-Physician Owned and Managed Nation's Leading RCM company.