

EXTERNAL: Provider Financial Assistance Info and FAQs

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INDEX

Info about the assistance programs

RAP – Reimbursement Advance Program	page 2
PAF – Practice Assistance Fund	page 2
General Program FAQs	page 3
Repayment FAQs	page 4
Conditional Situations or “What if” FAQs	page 5

What is the RAP?

- The Delta Dental of Washington Independent Dental Practice Reimbursement Advance Program (RAP) was intended to provide a base-level of practice income to help cover the fixed costs of a practice.
- DDWA made advances against future claims payments in two equal disbursements. The first disbursements were paid in late April. The second payments were completed in the 3rd week of May.
- The RAP considered the average DDWA clinical reimbursement payments from March 1, 2019 to February 29, 2020 and advanced up to 25% of the average weekly reimbursement payments, which would have been paid to DDWA Member Dentist practices over a period of approximately six (6) weeks. For Delta Care providers, monthly capitation payments were not included in the calculation of average weekly claim payments.
- The cumulative advances to any one TIN did not exceed \$25,000.
- Starting July 1, 2020, Member Dentists shall repay the Advance Amount to DDWA through twenty (20) equal payments, each amounting to five percent (5%) of the Advance Amount. Repayments shall be made to DDWA by deducting the amount of each Repayment from weekly claims payments due from DDWA to the Member Dentist

What is the PAF?

- Through the PAF, DDWA intended to assist the independent dental practices in Washington state that have been significantly affected by the COVID-19 outbreak and do not have a sufficiently strong financial position to reasonably sustain the practice through the recommended closure.
- The PAF provided \$10 million in grants to DDWA Member dentist practices.
- Individual grants ranged in size, up to a maximum of \$15,000 per TIN.
- Grants through this program did not require repayment.

General Program FAQs

Q: What was the intent of the RAP program?

A: RAP was intended to provide a base-level of practice cashflow to help cover the on-going costs of a practice.

Q: Was this program a conciliatory measure to mend DDWA's shaky relationship with dentists?

A: This was about doing the right thing. It was a forward-looking initiative that acknowledges that we are all in this together.

Q: Was the program automatically instituted for all DDWA Member Dentists?

A: Both financial assistance programs were voluntary, and all interested Member Dentists needed to apply by April 15, 2020.

Q: Was the RAP a loan? Do practices have to pay interest on the payments they will eventually be required to pay back?

A: No, the RAP was not a loan program, rather a short-term program that advanced claims reimbursement payments. Member Dentists who were approved for this program, don't pay interest on the advances.

Q: What was the maximum amount of cumulative advances?

A: The cumulative advances to any one TIN did not exceed \$25,000.

Q: When did practices receive the funds?

A: The first round of payments was sent out via EFT from April 10, - May 1, 2020. The 2nd round of payments is scheduled to be sent by May 15, 2020. If you did not receive funds, you were not approved, sorry.

Q: Can practices still apply for an advance?

A: No, the application deadline was April 15, 2020.

Q: Were the funds received from the RAP and PAF taxable to practices?

A: Each Member Dentists' tax situation is unique. Please consult a tax professional for advice on those questions.

Q: Did the advance payments take the place of any other ongoing payments to Member Dentists?

A: Advances supplement ongoing reimbursement payments, e.g., regular claim payments, DeltaCare capitation payments, Ortho continuation payments.

Repayment FAQs

Q: How will Member Dentists repay these payments (RAP)?

A: Starting July 1, 2020, the Advance Amount will be repaid to DDWA through twenty (20) equal payments, each amounting to five percent (5%) of the Advance Amount. Repayments shall be made to DDWA by deducting the amount of each repayment from weekly claims payments due from DDWA to the Member Dentist practice.

Q: How will the advances impact 1099 reporting at the end of the year?

A: 1099s are reported on a cash basis. The advances, less amounts recouped in the calendar year, will be included in 2020 1099s.

Q: How do I reconcile claim payments when the advance amount is deducted?

A: Each Member Dentists' accounting system is unique. Dental offices should consult an accounting professional for advice on those questions.

Each claim submitted will be paid based on the patients' benefits. A deduction will be taken from the total amount paid for all claims on the remittance. Dental offices should be able to apply payment to each patients' account without considering the lump sum deduction from the total of all claims for the advance repayment.

Q: How will I know what my outstanding balance is?

A: Please contact Provider Services to inquire about your balance or ask questions about your payment history. A statement will be available upon request.

Q: How will I know I received an advance payment?

A: All advances were sent out via Electronic Funds Transfers (EFT). The deposits have a payment memo entitled "ZZADVANCE" which signifies it's a RAP payment.

Q: What can I expect to see on my payment vouchers?

A: Providers will see a deduction on their payment vouchers as a line item called "Reimbursement Advance Program".

Conditional Situations or “What if” FAQs

Q: What if I sell or change my TIN?

A: The debt that is created by a practice typically follows the TIN if it is sold and the TIN doesn't change. If your TIN is changing, please contact your Provider Ambassador. DDWA will need to move the debt and apply the outstanding balance to the new TIN.

Q: What if I want to make a payment outside my claim deduction or pay it off in full?

A: Practices are encouraged to send extra payments via bank transfers (ACH). Please contact us for instructions.

Q: What if my weekly claim amount is lower than what I owe in any given week?

A: When the weekly repayment amount due is greater than the claims payment, we will recoup 100% of the claim amount and add that week's remainder to the following week.

For example:

DDWA owes Dr. John Smith \$100 in claims payment this week.

- His weekly advance repayment due is \$200 (\$4,000 paid over 20 equal installments).
- DDWA recoups \$100 of the total \$200 this week.
- DDWA subtracts \$100 from the total amount of the advance and adds \$100 to the following week's advance repayment so the following week he owes \$300.

Q: What if I can't payback my advance?

A: Please reach out to your DDWA Provider Ambassador. They will work with you on the best course of action to take.

Q: What if I didn't receive one or both advance payments?

A: The deadline to submit signed contracts was April 24, 2020. Please reach out to your DDWA Provider Ambassador, they will work with you on the best course of action to take.