

Reimbursement of Orthodontic Expenses

With growing confusion concerning reimbursement for orthodontic expenses, it is necessary to specifically address these issues in an effort to clarify the subject.

The IRS guidelines for reimbursement affirm that an expense cannot be reimbursed until the service has been provided. What this means for reimbursement of orthodontic expenses is the full amount for orthodontic services cannot be reimbursed when the work commences, even if the total orthodontia expenses have been paid in full. The reason for this is, the person receiving orthodontic work will continue to have services provided, usually for the next 12 to 36 months.

Monthly reimbursements with Service Agreement or Contract:

We can reimburse orthodontic expenses on a monthly basis in an amount established by a service agreement or contract between the orthodontist and the patient. Such an agreement should include:

- 1) Place of service (Name of Orthodontic facility)
- 2) Total cost of services less insurance payments or provider discounts
- 3) Initial fee (typically a banding fee)
- 4) Monthly payment amount
- 5) Number of month's treatment and payments are expected to last
- 6) Date treatment began
- 7) Name of person receiving treatment

Some providers may require a down payment on your account. A down payment is not eligible for reimbursement as it does not represent any incurred services. You must have the provider break down the initial fee (the cost to have the braces placed) and that amount would be eligible at the time of the banding. The remaining amount would be rolled into the monthly payment amounts. If your provider requires a down payment, please have them complete the service agreement on the next page.

If no Service Agreement or Contract is available:

If such an agreement or contract is not available, please have your provider complete the Orthodontic Service Agreement Form on the following page to determine the amount you are eligible for reimbursement each month. This form should be completed and signed by your orthodontic provider and submitted with your initial claim.

Submitting an orthodontic expense for reimbursement:

When submitting your *first* orthodontic claim, the orthodontic service agreement or contract must be included with a completed Request for Reimbursement Claim Form. Please make sure the claim form indicates the person receiving service, provider name, date of service, the monthly payment amount, and nature of expense being orthodontia.

Once the initial orthodontic agreement or contract is submitted, you may request future reimbursements by completing a Request for Reimbursement Claim Form, and one of the following options:

- 1) Attach a receipt or copy of the "coupon" (if you were provided a payment book) that *clearly indicates* the person receiving service, provider name, date of service, the monthly payment amount, and the nature of the expense being orthodontia.

OR

- 2) In the Nature of Expense column, write, "**contract on file**". No other information or receipt is required.

Orthodontic Service Agreement Form

(Should be used when orthodontic service agreement or contract is not available from your orthodontist)

Name of the person receiving the service _____

Date braces were placed: ___/___/___

Total amount for orthodontic services \$ _____

Insurance payments - \$ _____

Provider discount - \$ _____

Initial fee due upon placement of braces
(typically a banding fee) - \$ _____

Remaining balance = \$ _____

Remaining Balance
Divided by _____ treatment months,
Equals monthly reimbursements \$ _____
Beginning _____ (Qualified monthly reimbursable amount)

Provider Signature

Name of Orthodontist/Clinic

<p style="text-align: center;">CHS USE ONLY:</p> <p>Date Received: ___/___/_____</p> <p>Processed by: _____</p> <p>Notes Entered: ___/___/_____</p> <p>Date Contract ends: ___/___/_____</p>
