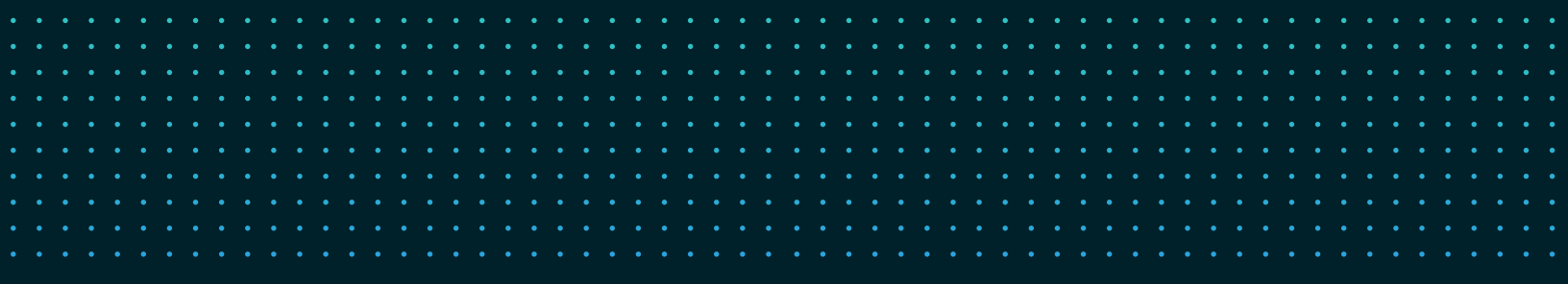


DENTAL REVENUE CYCLE 101:

# Seven Steps to Driving Practice Revenue

At the core, a dental practice is a business that provides services to generate revenue. While patient care is the top priority for every practice and provider, the business itself cannot thrive if the practice struggles to get paid for its services.

However, this process is not as simple as assigning codes and submitting claims. To ensure proper payment, every dental billing office must master revenue cycle management (RCM).



Unfortunately, most large practices and DSOs are too overwhelmed to effectively manage the revenue cycle. According to one American Dental Association (ADA) survey, 50.3% of practices struggle with low reimbursements and high denials. While delays, errors, and bottlenecks can be hard to detect on the front end of the revenue cycle, these critical oversights have a substantial impact on downstream profitability.

## 7 Key Steps in the Dental Revenue Cycle

For large dental practices and DSOs in today's healthcare climate, efficient RCM is essential to driving growth. This includes:

### 01 Patient Scheduling and Registration

The revenue cycle begins when a patient books an appointment. While this step is relatively simple, it's imperative to ensure accurate and thorough registration, including collecting demographic details and insurance information. Failure to collect and verify information at this stage can lead to billing errors and claim denials down the line. Billing staff should ask for this information at every appointment to catch a change of address or updated insurance policy.

### 02 Eligibility Verification and Insurance Authorization

The next step is verifying a patient's information about insurance coverage and their upcoming services. This includes confirming insurance eligibility, understanding the scope of benefits, and obtaining necessary authorizations for procedures. Failure to verify eligibility or secure verifications can result in denied claims, delayed payments, or unexpected out-of-pocket costs for patients.

### 03 Pre-Service Collection and Treatment Documentation

During check-in, patients should pay any co-pays, co-insurance, and deductibles that are due before

before their service. Explain financial responsibility ahead of time to avoid any surprises. Once pre-service collection is complete, the baton is passed to the dental care team. Providers are responsible for documenting every service provided to the patient, including medical necessity for certain procedures, to set the billing team up for success.

## 04 Coding and Claims Submission

Using provider documentation, the coding team assigns codes that appropriately reflect the services provided. These codes generate a billable charge, creating a claim with all necessary billing information to submit to the payer, based on individual payer requirements. Accuracy is crucial for successful claims processing, as even the smallest error or omission leads to insurance denials and delays in reimbursement.

## 05 Adjudication and Payment Posting

After the claim is submitted, it moves to the adjudication stage, where payers review the claim and determine whether to pay in full, cover a partial amount, or deny the claim altogether. Once the claim is returned to the practice, the billing team posts payments and reconciles the amount with expected reimbursements. If the payer denies reimbursement, claims must be immediately reworked to avoid prolonged payment cycles, cash flow constraints, growing insurance accounts receivable (AR), and challenges in financial reporting.

## 06 Patient Billing and Collections

If a patient has a remaining balance left in their account after insurance reimbursement, they are responsible for covering the rest of the bill. Successfully collecting patient payments requires thorough and transparent communication about treatment costs, insurance contributions, and the patient's responsibility. In most cases, patients should be aware of their financial responsibility before treatment. However, billing errors or delays may generate a higher balance than what the patient expects, leading to confusion, dissatisfaction, and disputes — and often resulting in delays in payment.

# 07

## Financial Reporting and Analytics

At the end of the revenue cycle, billing teams should analyze each claim as part of a larger financial reporting workflow. Analyzing billing and payment trends is critical for monitoring practice performance, locating common culprits of errors and inefficiencies, and informing strategic decision-making for practice operations. Key performance indicators (KPIs), such as AR aging and denial rates, provide an inside look into the health of your revenue cycle.

### Build a Profitable, Future-Proof Dental Revenue Cycle With Tally

Creating a well-oiled revenue cycle is key to unlocking financial viability. However, most billing departments are too inexperienced or understaffed — or both — to dedicate the necessary time and resources to accurately and efficiently move every claim through the revenue cycle. That's why Tally provides a suite of RCM solutions — to help dental practices maximize efficiency and reach new heights of revenue growth, using an advanced reporting platform equipped with robust, real-time business intelligence to uncover root causes of revenue loss and operational inefficiencies.

Ready to maximize your practice's revenue cycle performance? [Schedule a consultation to learn how Tally's data-driven RCM solutions can help.](#)