

## Obtaining Insurance Billing Numbers on Practice Purchase

It is up to the buyer (with seller cooperation as necessary) to apply for and be admitted to the practice's insurance panels. Some insurance companies can get you on their panel in a few days after your practice purchase. Others can take 3 or more months after the purchase to get you on their panel (Medicaid approval can be 6 months, the last I heard). Still others can require that you have certain experience and training before even considering letting you take over the seller's position on their panel. The insurance company, the seller, or both, may not allow you to submit your insurance panel application until the practice purchase is completed, but you can have your applications completed and ready to file ahead of time.

(You will also need an National Provider Identifier (NPI) number to bill insurance electronically. Please see <https://nppes.cms.hhs.gov/NPPES/StaticForward.do?forward=static.npistart> to apply for that number if you have not done so already.)

**IMPORTANT:** your state dental board and the insurance companies may well consider your use of the seller's billing number, before you have your formal panel approval, to be a form of insurance fraud, putting your insurance provider status AND dental license at risk. This is a universal problem in dental practice sales where insurance is a significant portion of the practice gross, so you have lots of company worrying about this aspect. There are a few ways to handle this situation, with varying degrees of safety, practicality and expense.

You need to ask the seller (1) what insurance panels have given him a billing number, and (2) how much he collects monthly on each panel. Once you have that information, you need to contact each insurance company and ask them (3) how long it takes for that panel to give you your own billing number, (4) are there any requirements for switching you onto the panel (such as experience or special training), and (5) if you already have a billing number or provider number at a different location, how does that change the transfer requirements and the timetable. With that information, you can calculate how much, and how long, the practice would be impacted by reduced insurance billings. You can then plan the insurance aspects of the transition accordingly.

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