

Issue Brief



Addressing Fraud & Abuse in Dentistry

Defining the scope of the problem

Fraud and abuse in the dental industry is a significant issue. Upcoding, billing for services not rendered, overtreatment and other abusive practices subject patients to unnecessary and even harmful procedures. Dental plans incur increased administrative burden and costs to identify and mitigate fraud and abuse, making it harder to manage legitimate claims. Patients are impacted through higher insurance premiums and cost sharing.

“No doubt, the large majority of dentists are ethical professionals doing a good job for their patients,” said Mike Adeleberg, executive director of the National Association of Dental Plans. “But there are bad apples and dental plans have a responsibility to detect and correct bad practices.”

To its credit, the dental profession has codes of ethics and conduct that bind dentists to high standards. For example, The American Dental Association’s [Code of Professional Conduct](#), includes this provision:

UNNECESSARY SERVICES: A dentist who recommends or performs unnecessary dental services or procedures is engaged in unethical conduct. The dentist’s ethical obligation in this matter applies regardless of the type of practice arrangement or contractual obligations in which they provide patient care.

Unfortunately, even ethical providers are subjected to increased scrutiny from dental plans attempting to catch the bad actors, leading to heightened distrust between providers and plans.

The American Dental Association’s Health Policy Institute estimates that [\\$174 billion](#) was spent on dental treatments in 2023. According to the [National Health Care Anti-Fraud Association](#), approximately 3–10 percent of these payments comprise fraud and abuse. In dollars, this ranges from \$5.2 billion on the low end to \$17.4 billion on the high end annually.

Fraud occurs in both commercial and government-funded programs:

- A 2024 [Beckers Dental+DSO Review](#)¹ article reported a former Maryland dentist was ordered to pay \$8.5 million in restitution for Medicaid fraud.
- A [Dr. Bicuspid 2021](#)² article on dental fraud cited the case of an Alaska dentist who authorities sentenced to 12 years in prison after finding he had been sedating nearly all his patients to cash in on the reimbursements Medicaid pays for general anesthesia.
- A 2023 article by the [Association of Certified Fraud Examiners](#)³ noted two Texas dentists and management companies that paid \$3.1 million in a settlement to False Claims Act violations committed between 2011-2017 for children’s dental fillings that were never performed.

Providers who defraud government programs often try the same scams on commercial insurance plans. The Association of Certified Fraud Examiners reports there were 188,074 active licensed dentists in the United States as of 2022. But the U.S. Department of Health and Human Services Office of Inspector General report from March 2022 showed only 330 open investigations on dentists. By comparing the number of dental fraud prosecution statistics against dental expenditures and dentist population, it is easy to conclude dental fraud is an under-investigated and under-prosecuted crime.

What constitutes dental fraud, waste and abuse?

Dental fraud is any act of intentional deception or misrepresentation of treatment facts made for the purpose of gaining unauthorized benefits. Acts of dental fraud contain three defining features: intent, deception, and unlawful gain. Dental fraud and abuse can include billing for services not rendered; misrepresenting dates of service; misrepresentation of services; unbundling services charges; overcharging or upcoding routine services; and diagnosing unnecessary or incorrect treatment.

While fraud and abuse are intentional, waste results from incorrect claims submission due to ignorance and lack of education on appropriate, ethical practices. Most dentists are not experts on insurance billing and coding, nor do they understand the ethical or legal repercussions of incorrect submissions. They typically rely on their staff to ensure that the claims are submitted with the appropriate CDT coding.

Regardless, dentists are ultimately responsible for any claims submitted from their offices, whether or not they have direct knowledge of the claim. They are liable for all information recorded in their names, with punishment for infractions including fines, prison time, and/or actions against their dental license.

How dental practices can avoid unintentional errors.

Addressing inadvertent errors and maintaining ethical billing involves ongoing staff education, periodic audits, transparent patient communication, and the implementation of internal controls. Having thorough knowledge of their patients' dental plans' policies, plan design and plan limitations can go a long way to preventing unintentional mistakes and promoting accurate claims submission. The ADA offers resources for dental practices to help them understand appropriate use of CDT codes and ensure accurate claims coding. Among the ADA resources are the CDT Code Set and Coding Resources Companion Guide, and an ADA Coding Certificate Assessment-Based CDT program that teaches key coding concepts using the ADA Claim Form and real-world clinical scenarios.

How dental plans identify and mitigate fraud and abuse.

Dental plans have a fiduciary responsibility to their employer groups and subscribers to prevent, identify, and stop fraud and abuse. All government-funded plans are required to have a Fraud, Waste and Abuse (FWA) program to identify and investigate possible fraud, and the vast majority of commercial plans have a FWA program in place. Many plans have a Special Investigations Unit that investigates suspected egregious behavior.

While dental plans use a variety of tools to identify and intercept outlier behavior that may signal fraud or abuse, different plans have different vulnerabilities. As an example, in an October 2025 webinar, "Changing Dynamics of Fraud, Waste and Abuse and How to Address It" presented by Fluent, a dental analytics company, it was noted that potential fraud, waste and abuse is growing in the diagnostic category, which is not a traditional utilization review category. Plans must prioritize their resources to focus on areas they identify as most susceptible to abuse, using a combination of data and clinical review and utilization management.

Utilization management systems are used to analyze claims and identify outlier behavior patterns. After patterns are identified, plans may conduct claims audits by category to assess vulnerabilities and in-depth reviews to ensure plan design, adjudication processes, and utilization review are aligned to mitigate outlier behavior.

Dental plan clinical consultants may also conduct clinical reviews and a chart audit of the dental practice. Depending on their findings, pre- and/or post-payment reviews are instituted that require the practice to submit additional documentation with claims for a period of time to ensure claims are correctly coded and medically necessary.

If warranted, dental plans report suspected fraud and abuse to law enforcement agencies. The state's dental board may also be involved, particularly if patient safety is involved. Agencies investigate fraud and abuse in dentistry using a mix of data analytics, audits, legal authority, and clinical review. Multiple bodies may work together, including:

- Medicaid Fraud Control Units (MFCU)
- Insurance SIU (Special Investigation Units)
- District attorneys/states' attorneys general
- State dental boards
- HHS-OIG (Office of Inspector General)
- Federal Bureau of Investigation (FBI)

How dental plans identify and mitigate fraud and abuse.

Depending on the severity of the case, outcomes may include repayment demands, fines or civil penalties, exclusion from Medicaid/Medicare, license suspension or revocation, or criminal charges in cases of intentional fraud.

Because of structural, financial, and technical limitations, dentistry receives far less investigative scrutiny than much of the healthcare industry. There are fewer audits, fewer investigators trained in dental coding, fewer whistleblowers, and fewer patients capable of identifying problems. In addition, many dental practices operate in small private practices that are harder for oversight agencies to audit at scale. The result is a system where fraud and overtreatment can go on for long periods before detection.

A greater emphasis on preventing bad payments instead of wasting time, money, and resources trying to claw back bad payments retroactively is one solution.

To the greatest degree possible, it is in everyone’s best interest to prevent improper payments, instead of taking back money afterward. This lessens administrative burden and keeps the consumer out of a potential billing dispute,” Adelberg said.

And, because bad actors are likely to perpetrate fraud across multiple payers, increased coordination between government-funded programs and private sector insurers can help identify and investigate fraud earlier. NADP seeks to promote collaboration across stakeholders to increase efficiencies and stimulate process improvements. These synergies may prevent the theft of multi-millions of dollars while safeguarding patients against dangerous and harmful treatment.

Key Takeaways



- Fraud prevention reduces administrative burdens and protects patients
- Data analytics and clinical review strengthen oversight
- Cross payer collaboration improves early detection

Notes

1. Ariana Portalatin, “4 Dental Fraud Cases Totaling \$16.4M+,” Beckers Dental + DSO Review, September 4, 2024, <https://www.beckersdental.com/dentists/4-dental-fraud-cases-totaling-16-4m/>.
2. Daryl Austin, “Behind the Billions Lost: Dental Fraud Is Rare but Costly,” Dr. Bicuspid, May 20, 2021, <https://www.drbuspid.com/dental-specialties/smile-design/restorations/article/15378067/behind-the-billions-lost-dental-fraud-is-rare-but-costly>.
3. David Picard, “Dental Fraud: A Multi-Faceted International Crime Problem,” Association of Certified Fraud Examiners, September 7, 2023, <https://www.acfe.com/fraud-resources/fraud-examiner-archives/fraud-examiner-article?s=dental-fraud>.

