DENTAL CARE BILL OF RIGHTS

Patients deserve dental insurance that protects them, removes financial and coverage uncertainties and prohibits companies from misleading patients about what is covered or how to properly use coverage. The Omnibus Dental Care Bill of Rights includes reforms to establish clear, simple and transparent insurance processes. This model bill focuses on five reforms: Network Leasing, Medical Loss Ratio, Retroactive Denial, Virtual Credit Cards and Prior Authorization that would help patients better understand the dental coverage they have and help improve oral health by maximizing the impact of these benefits.

RETROACTIVE DENIAL

THE PROBLEM: Insurers can require providers to repay claim payments when the insurers discover they paid a claim mistakenly, even if the claim was processed years ago. This often results in a surprise bill for the patient.

THE SOLUTION: Under proposed Retroactive Denial laws, dental insurers would be limited to a reasonable time period (typically 12 or 18 months) where they can request refunds from providers when they have paid claims in error.

PRIOR AUTHORIZATION

THE PROBLEM: Insurers sometimes deny or reduce payment for care they previously authorized through a “prior authorization.” When authorized care is denied, this can result in an emergency financial situation for the patient and provider, increasing stress and creating an unnecessary barrier to future care due to lack of trust in the insurance carriers.

THE SOLUTION: Prior Authorization laws would hold dental insurers accountable to paying what they promised.

MEDICAL LOSS RATIO

THE PROBLEM: Though the Affordable Care Act established that major medical plans pay certain percentages of the collected premiums for medical care vs. administrative costs, no such requirement exists for dental plans which are considered “excepted benefits.”

THE SOLUTION: State laws establishing a reporting requirement on medical loss ratio (MLR) would ensure that dental plans are more transparent to the people they serve.

VIRTUAL CREDIT CARDS

THE PROBLEM: Increasingly, insurance carriers are requiring providers to accept payment through a virtual credit card which includes a per transaction fee of as much as 5%. In some cases, insurance carriers even share in the revenue generated from the fees providers must pay to receive funds.

THE SOLUTION: Virtual Credit Card laws do not prohibit this payment method, but require that providers be informed of other payment options and be given the opportunity to opt into a different payment method.

NETWORK LEASING

THE PROBLEM: Insurance carriers can lease or rent the “in-network” relationship they have established with a provider without the provider’s consent or knowledge. This erodes patient–provider trust, which can lead to assumptions in treatment plans and costs when the provider has no idea a patient is moving in or out of a network.

THE SOLUTION: Network Leasing laws would expand transparency before networks are leased and provide an opportunity for providers to accept or refuse these contracts. This reform would reduce occurrences of unexpected bills following a procedure.

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