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National Council of Insurance Legislators (NCOIL)

Patient Dental Care Bill of Rights

**Sponsored by Rep. George Keiser (ND); Co-Sponsored by Rep. Deborah Ferguson (AR)*

**Discussion Draft as of February 24th, 2020~~November 11th, 2019~~. To be discussed~~introduced~~ during the Health Insurance & Long Term Care Issues Committee on March 7th, 2020~~December 11th, 2019~~.*

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A. Definitions *

* (Dental coverage definitions and statutory language encompassing organizations that are engaged in financing dental care in return for a subscription fee can be complex. Multiple designs of dental coverage within health insurance or benefit plans make it nearly impossible to land on one definition that covers all designs. The intent of this model is to extend the benefits of the law to all situations where a patient is deemed covered by a commercial/private third party. The definitions below are taken from existing state laws; state bill drafting efforts should ensure as broad a reach as possible consistent with existing statutory construct.

The nature of definitions should be consistent with jurisdiction in a manner that is inclusive of all iterations of commercially available dental coverage designs and programs; definitions should be comprehensive and commensurate with state's statutory construct. Examples provided below for guidance)

"Contracting entity" means any person or entity that enters into direct contracts with providers for the delivery of dental services in the ordinary course of business, including ~~a third party administrator and~~ a dental carrier or an entity administering dental claims.

"Covered person" means an individual who is covered under a dental benefits or health insurance plan that provides coverage for dental services.

"Credit card payment" means a type of electronic funds transfer in which a ~~dental benefit plan~~ dental carrier or its contracted vendor issues a single-use series of numbers associated with the payment of dental services performed by a dentist and chargeable to a predetermined dollar amount, whereby the dentist is responsible for processing the payment by a credit card terminal or Internet portal. Such term shall include virtual or online credit card payments, whereby no physical credit card is presented to the dentist and the single-use credit card expires upon payment processing;

~~"Dental benefit plan~~ Dental carrier" means a benefits plan which pays or provides dental expense benefits for covered dental services and is delivered or issued for delivery by or through a dental carrier ~~on a stand-alone basis.~~ (Note: some health insurers or health insurance plans integrate dental benefits and should be considered dental benefits plans for the purposes of this Act and in the provisions therein.)

"Dental carrier" means a dental insurance company, dental service corporation, dental plan organization authorized to provide dental benefits, or a health benefits plan that includes coverage for dental services.

"Dental services" means services for the diagnosis, prevention, treatment, or cure of a dental condition, illness, injury, or disease. Dental services shall not include those services delivered by a provider that are billed as medical services.

~~"Dental Service Contractor" means any person who accepts a prepayment from or for the benefit of any other person or group of persons as consideration for providing to such person or group of persons the opportunity to receive dental services at such times in the future as such services may be appropriate or required, but shall not be construed to include a dentist or professional dental corporation that accepts prepayment on a fee-for-service basis for providing specific dental services to individual patients for whom such services have been pre-diagnosed.~~

"Dentist" means any dentist licensed or otherwise authorized in this state to furnish dental services;

"Dentist agent" means a person or entity that contracts with a dentist establishing an agency relationship to process bills for services provided by the dentist under the terms and conditions of a contract between the agent and health care provider. Such contracts may permit the agent to submit bills, request reconsideration and receive reimbursement;

"Electronic funds transfer payment" means a payment by any method of electronic funds transfer other than through the Automated Clearing House Network (ACH), as codified in 45 CFR Sections 162.1601 and 162.1602;

"Health insurance plan" means any hospital or medical insurance policy or certificate; qualified higher deductible health plan; health maintenance organization subscriber contract; contract providing benefits for dental care whether such contract is pursuant to a medical insurance policy or certificate; stand-alone dental plan, health maintenance provider contract or managed health care plan; and

"Health insurer" means any entity or person that issues health insurance plans, as defined in this section.

"Prior authorization" means any communication indicating that a specific procedure is, or multiple procedures are, covered under the patient's dental plan and reimbursable at a specific amount, subject to applicable coinsurance and deductibles, and issued in response to a request submitted by a dentist using a format prescribed by the insurer.

"Provider" means an individual or entity which, acting within the scope of licensure or certification, provides dental services or supplies defined by the health benefits or ~~dental benefit plan~~ dental carrier. "Provider" shall not include a physician organization or physician hospital organization that leases or rents the physician organization's or physician hospital organization's network to a third party.

"Provider network contract" means a contract between a contracting entity and a provider specifying the rights and responsibilities of the contracting entity and providing for the delivery of and payment for dental services to covered persons.

"Third party" means a person or entity that enters into a contract with a contracting entity or with another third party to gain access to the dental services or contractual discounts of a provider network contract. "Third party" shall not include any employer or other group for whom the contracting entity or dental carrier provides administrative services, including at least the payment of claims.

B. Fair and Transparent Network Contracting Act

An Act concerning practical dental provider network administration; enhancing contractual transparency and freedom of choice in network participation/contracting.

Section I. Responsible Leasing Requirements when Leasing Networks

A contracting entity shall not grant to a third party access to a provider network contract, or a provider's dental services or contractual discounts, or both, pursuant to a provider network contract, unless:

1. At the time the contract is entered into, sold, leased or renewed, or a when there are material modifications to a contract relevant to granting access to a provider network contract to a third party, the dental carrier allows any provider which is part of the carrier's provider network to choose to not participate in third party access to the contract or to enter into a contract directly with the health insurer that acquired the provider network. Opting out of lease arrangements shall not require dentists to cancel or otherwise end contractual relationship with the original carrier that leases its network.

2. The contract specifically states that the contracting entity may enter into an agreement with third parties allowing the third parties to obtain the contracting entity's rights and responsibilities as if the third party were the contracting entity, and when the contracting entity is a dental carrier, the provider chose to participate in third party access at the time the provider network contract was entered into or renewed. The third party access provision of any provider contract shall be clearly identified in the provider contract with a message such as follows:

“This contract grants third-party access to the provider network. The provider network contracting entity has entered into an agreement with other dental plans or third parties that allows the third party to obtain the contracting entity's rights and responsibilities as if the third party were the contracting entity. The list of all third parties with access to this provider network can be found at (insert internet website as identified section 5). You have the right to choose not to participate in third-party access. Choosing to not participate in third party access to the contract shall not require termination of the original/contracting entity contract. To exercise your right to not participate in the third-party access, submit your written or electronic request to the ~~health care service plan~~ dental carrier.”

3. The third party accessing the contract agrees to comply with all of the contract's terms, including third party's original contracted fee schedule and obligation concerning patient steerage;

4. The contracting entity identifies, in writing or electronic form to the provider, all third parties in existence as of the date the contract is entered into, sold, leased or renewed;

5. The contracting entity includes on its website a listing, updated no less frequently than every 90 days, identifying all third parties;

6. The contracting entity requires each third party to identify the source of the discount on all remittance advices or explanations of payment under which a discount is taken, except this requirement shall not apply to electronic transactions mandated under the "Health Insurance Portability and Accountability Act of 1996," Pub.L.104-191;

7. The contracting entity notifies the third party of the termination of a provider network contract no later than 30 days from the termination date with the contracting entity;

8. A third party ceases its right to a provider's discounted rate as of the date of termination of the provider's contract with the contracting entity;

9. The contracting entity delivers to participating providers a copy of the provider network contract relied on in the adjudication of a claim within 30 days after the date of a request from the provider.

No provider shall be bound by or required to perform dental treatment or services under a provider network contract that has been granted to a third party in violation of this act.

This act shall not apply to:

1. A provider network contract for dental services provided to beneficiaries of the state sponsored health programs such as Medicaid and CHIP;
2. Situations in which access to a provider network contract is granted to a contracting entity or dental carrier operating under the same brand licensee program as the contracting entity or to an entity that is an affiliate of the contracting entity. A listing of all affiliates of the contracting entity shall be made available to the provider, in writing or electronic form, prior to access being granted; or,
3. Electronic transactions mandated by the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191).

Section II. Penalties

(Establish appropriate penalties for any violation of this Act.)

Waiver Prohibited. The provisions of this section cannot be waived by contract. Any contractual arrangement in conflict with the provisions of this section or that purports to waive any requirements of this section is null and void.

C. Prior Authorizations/Claim Payments Act

An Act prohibiting dental carriers from denying, revoking, limiting, conditioning, or otherwise restricting preapproved dental care claims or claims approved in prior authorizations; exceptions.

Section I.

Authorized Service(s) Claim Denial Prohibited/Exceptions

~~Dental benefit plans~~ Dental carriers shall not deny any claim subsequently submitted by a dentist for procedures specifically included in a prior authorization unless at least one of the following circumstances applies for each procedure denied:

1. Benefit limitations such as annual maximums and frequency limitations not applicable at the time of the prior authorization are reached due to utilization subsequent to issuance of the prior authorization;
2. The documentation for the claim provided by the person submitting the claim clearly fails to support the claim as originally authorized;
3. If, subsequent to the issuance of the prior authorization, new procedures are provided to the patient or a change in the condition of the patient occurs such that the prior authorized procedure would no longer be considered medically necessary, based on the prevailing standard of care;
4. If, subsequent to the issuance of the prior authorization, new procedures are provided to the patient or a change in the patient's condition occurs such that the prior authorized procedure would at that time have required disapproval pursuant to the terms and conditions for coverage under the patient's plan in effect at the time the prior authorization was used; or
5. The denial of the ~~dental service contractor~~ dental carrier was due to one of the following:
 - a. another payor is responsible for payment,
 - b. the dentist has already been paid for the procedures identified on the claim,
 - c. the claim was submitted fraudulently or the prior authorization was based in whole or material part on erroneous information provided to the ~~dental service contractor~~ dental carrier by the dentist, patient, or other person not related to the carrier, or
 - d. the person receiving the procedure was not eligible to receive the procedure on the date of service and the ~~dental service contractor~~ dental carrier did not know; ~~and with the exercise of reasonable care could not have known~~, of their eligibility status. It is the responsibility of the carrier to exercise reasonable care to determine the eligibility status of the enrolled person through proactive evaluation of the person's coverage status and/or regular periodic verification of the person's employment status with the employer purchasing the dental coverage.

Section II. Penalties

(Establish appropriate penalties for any violation of this Act.)

Waiver Prohibited. The provisions of this section cannot be waived by contract. Any contractual arrangement in conflict with the provisions of this section or that purports to waive any requirements of this section is null and void.

D. Fairness in Collection of Overpayments by Health Insurers and Health Plans Covering Dental Services Act

An Act establishing time limits for dental benefit carriers to collect certain overpayments made to dentists; requiring notice; establishing policies and procedures allowing for challenges; exceptions.

Section I

Post-Payment of Claim/Payment Recovery Limitations

1. Other than recovery for duplicate payments, ~~dental benefit plans~~ dental carriers ~~or dental services contractors~~, whenever engaging in overpayment recovery efforts, shall provide written notice to the dentist that identifies the error made in the processing or payment of the claim and justifies the overpayment recovery.
2. ~~Dental benefit plans or dental services contractors~~ Dental carriers shall provide dentists with the opportunity to challenge an overpayment recovery, including the sharing of claims information, and shall establish written policies and procedures for dentists to follow to challenge an overpayment recovery.
3. ~~Dental benefit plans or dental services contractors~~ Dental carriers shall not initiate overpayment recovery efforts more than [Insert desired limit; suggest 12-18 months ~~or emulate prevailing insurer limit on filing claims~~] after the original payment for the claim was made. No such time limit shall apply to overpayment recovery efforts which are:
 - a. Based on reasonable belief of fraud, abuse, or other intentional misconduct;
 - b. required by, or initiated at the request of, a self-insured plan; or
 - c. required by a state or federal government plan.
4. Waiver Prohibited. The provisions of this section cannot be waived by contract. Any contractual arrangement in conflict with the provisions of this section or that purports to waive any requirements of this section is null and void.

E. Virtual Credit Card – Claim Payment/Transaction Fees Options Act

An Act concerning insurance; prohibiting certain restrictions on method of payment to health care providers; requiring certain notifications; prohibiting certain additional charges; prohibiting certain contracts, clauses or waivers; providing for enforcement by the Insurance Commissioner.

Section I.

Method of Payment Option

No ~~dental benefit plan~~ dental carrier or its vendor shall ~~contain restrictions on~~ restrict methods of claims payment ~~from the dental benefit plans or its vendor or the health maintenance organization~~ to the dentist in which the only acceptable payment method is a credit card payment.

If initiating or changing payments to a dentist using electronic funds transfer payments, including virtual credit card payments, a ~~dental benefit plan~~ dental carrier or its contracted vendor ~~or health maintenance organization~~ shall:

1. Notify the dentist if any fees are associated with a particular payment method; and
2. Advise the dentist of the available methods of payment and provide clear instructions to the dentist as to how to select an alternative payment method.
3. Notify the dentist if the ~~dental benefit plan~~ dental carrier is sharing a part of the profit of the fee charged by the credit card company to pay the claim.

A ~~dental benefit plan~~ dental carrier or its contracted vendor or health maintenance organization that initiates or changes payments to a dentist through the Automated Clearing House Network, as codified in 45 CFR Sections 162.1601 and 162.1602, shall not charge a fee solely to transmit the payment to a dentist unless the dentist has consented to the fee. A dentist's agent may charge reasonable fees when transmitting an Automated Clearing House Network payment related to transaction management, data management, portal services and other value-added services in addition to the bank transmittal.

The provisions of this section shall not be waived by contract, and any contractual clause in conflict with the provisions of this section or that purport to waive any requirements of this section are void.

Violations of this section shall be subject to enforcement by the Insurance Commissioner.

F. Transparency of Patient Premiums Invested in Dental Care Act

An Act concerning requirements for certain ~~health care service plans~~ dental carriers to file a Medical Loss Ratio (MLR) report; uniform reporting and terminology; verification of MLR annual report; public access; exemptions

1. A ~~health care service plan~~ dental carrier that issues, sells, renews, or offers a specialized ~~health care service plan~~ dental carrier contract covering dental services shall file a Medical Loss Ratio (MLR) with the [state insurance authority] that is organized by market and product type and contains the same information required in the 2013 federal Medical Loss Ratio (MLR) Annual Reporting Form (CMS-10418).
2. The MLR reporting year shall be for the calendar year during which dental coverage is provided by the plan. All terms used in the MLR annual report shall have the same

meaning as used in the federal Public Health Service Act (42 U.S.C. Sec. 300gg-18), Part 158 (commencing with 158.101) of Title 45 of the Code of Federal Regulations, and Section 1367.003.

3. If data verification of ~~the any health care service plan's~~ dental carrier's representations in the MLR annual report is deemed necessary, the [state authority] shall provide the ~~health care service plan~~ dental carrier with a notification 30 days before the commencement of the financial examination.

4. The ~~health care service plan~~ dental carrier shall have 30 days from the date of notification to submit to the [state authority] all requested data. The director may extend the time for a ~~health care service plan~~ dental carrier to comply with this subdivision upon a finding of good cause.

5. The [state authority] shall make available to the public all of the data provided to the department pursuant to this section.

6. Exempts ~~Health care service plans~~ dental carriers for health care services under Medicaid CHIP or other state sponsored health programs