ANALYSIS OF HOUSE BILL 2540

Dental anesthesia mandated benefit.

PURPOSE:

To establish a mandated benefit for anesthesia and hospital services relating to dental care.

BACKGROUND:

A mandated benefit is defined ***as coverage or offering required by law to be provided by a health carrier to cover a specific health care service or services, or contract, pay, or reimburse specific categories of health care providers for specific services– [RCW 48.47.010(7)].***

Mandated benefits are a development of the past 30 years and were adopted after comprehensive benefit packages, including doctors, hospitals, drugs, etc, became common insurance products (primarily as a result of collective bargaining). Thus, counter to popular belief, mandated benefits do not represent a core benefits package, but rather a peripheral set of specific services and providers that have enjoyed the support of consumers and provider interest groups. Presently, Washington State has 18 mandated benefit laws. ***(See attached listing).*** *Ten affect group coverage, while 8 affect both individual and group coverage.*

Mandated benefits are usually controversial policy issues: while proponents feel they offer consumers breadth of coverage and choice of providers, opponents argue that they do not significantly improve the patient's health status and add unnecessarily to the costs of coverage.

In an effort to provide objectivity to the debate over mandated benefits, the Legislature adopted the Mandated Benefit Review Act in 1997 (Chapter 48.47 RCW). [See attached summary]

SUMMARY:

The bill requires that every health plan offered to public employees and their families by the State Health Care Authority and every health plan offered by a health carrier that provides coverage for hospital or medical expenses must provide coverage for anesthesia and hospital charges for dental

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care for a covered person who is:

A child under age six;

Severely disabled; or

Has a medical condition requiring hospitalization or general anesthesia for dental care treatment.

Such services must be recommended by the patient's physician and may require prior authorization.

Coverage must also include general anesthesia and treatment rendered by a dentist for a medical condition covered, regardless of whether the services are provided in a hospital or a dental office.

Application of standard policy provisions, e.g., deductible or copayment provisions may apply.

The ability of a carrier to negotiate rates and contract with specific providers is not affected.

This provision does not apply to Medicare supplement policies, specified disease policies, or the Basic Health Plan.

EFFECTIVE DATE:

Provisions would take effect when any policy is issued or renewed 90 days after adjournment.

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