
Health Care & Wellness Committee

HB 1002

Brief Description: Prohibiting unfair and deceptive dental insurance practices.

Sponsors: Representative DeBolt.

Brief Summary of Bill

- Requires a dental-only limited health care service contractor to allow all decisions on dental care to be made by the treating dentist and the patient.
- Imposes requirements on dental-only limited health care service contractors relating to payment rates, contracting practices, non-participating providers, medical loss ratios, and emergency dental services.
- Requires a dental-only limited health care service contractor to follow certain requirements in the federal Patient Protection and Affordable Care Act.
- Prohibits a dental-only limited health care service contractor from penalizing a participating dentist for enforcing his or her rights or the rights of a patient.

Hearing Date: 2/4/15

Staff: Jim Morishima (786-7191).

Background:

A limited health care service contractor is a type of health care service contractor that only provides one type of service, such as dental care. Limited health care service contractors have their own licensing requirements under state law and are "excepted" from many of the requirements of the federal Patient Protection and Affordable Care Act, including requirements relating to minimum medical loss ratios, guaranteed issue, guaranteed renewability of coverage, and non-discrimination standards.

Limited health care service contractors enter into contracts with health care providers under which the providers agree to accept a specified reimbursement rate for their services. A limited

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health care service contractor must file all provider contracts and provider compensation agreements with the Commissioner 30 days before use.

A limited health care service contractor must provide at least 60 days' notice to a health care provider of any proposed material amendments to the provider's contract during which time the provider may reject the material amendment without affecting the terms of the existing contract. The material amendment must be clearly defined in a notice to the provider before the notice period begins. The notice must inform the provider that he or she may choose to reject the terms of the material amendment through written or electronic means at any time during the notice period and that such rejection will not affect the terms of the existing contract. The limited health care service contractor's failure to comply with the notice requirements voids the effectiveness of the material amendment.

Summary of Bill:

A limited health care service contractor that offers dental services must permit a treating dentist, in consultation with the patient, to make all decisions on dental services provided to the patient, rather than making those decisions through contracts or agreements between the dentist and the limited health care service contractor. These decisions must be based on accepted dental practices.

The limited health care service contractor may not:

- deny coverage for services provided by the dentist based on an independent diagnosis made by the limited health care service contractor;
- require x-rays that are not clinically necessary or prohibit intra-oral photos when the photos are the appropriate standard of care;
- inform the patient that he or she was misdiagnosed by the dentist;
- deny coverage for treatment of an emergency dental condition that was provided on the same day the covered person was examined and diagnosed for the condition; or
- modify provider reimbursement rates, unless the provider agrees to the modification in writing.

A limited health care service contractor that offers dental services must:

- reimburse non-participating providers at the same rate it reimburses participating providers;
- maintain the same medical loss ratio applicable to individual and small group market health plans;
- provide a dentist with all terms and conditions of the contract prior to entering the contract, including any manuals and rules by which the dentist must abide; and
- follow the guaranteed issue, guaranteed renewability of coverage, and non-discrimination standards in the federal Patient Protection and Affordable Care Act.

A limited health care service contractor that offers dental services may not penalize or terminate the contract of a dentist based solely on the dentist's efforts to enforce his or her rights or the rights of his or her patients.

Appropriation: None.

Fiscal Note: Requested on January 29, 2015.

Effective Date: The bill takes effect ninety days after adjournment of session in which bill is passed, except for section 1, relating to imposing requirements on limited health care service contractors offering dental services, which takes effect January 1, 2017.