

Senate File 2384

S-5021

1 Amend Senate File 2384 as follows:

2 1. By striking everything after the enacting clause and
3 inserting:

4 <Section 1. NEW SECTION. 514C.3C Dental care service plan
5 contracts.

6 1. *Definitions.* As used in this section unless the context
7 otherwise provides:

8 a. "*Commissioner*" means the commissioner of insurance.

9 b. "*Contracting entity*" means any person, third-party
10 administrator, health carrier, or dental carrier that enters
11 into a contract with a dental care provider for the delivery
12 of dental care services.

13 c. "*Covered person*" means a policyholder, subscriber,
14 enrollee, or other individual participating in a dental care
15 service plan or health benefit plan that provides for dental
16 care services.

17 d. "*Dental care provider*" means any person licensed to
18 practice dentistry pursuant to chapter 153, and who provides
19 dental care services pursuant to a dental care service plan or
20 health benefit plan.

21 e. "*Dental care service plan*" means a policy, contract,
22 plan, certificate, or agreement that provides for third-party
23 payment or prepayment of dental care services and that is
24 delivered or issued for delivery by or through a dental carrier
25 on a stand-alone basis. "*Dental care service plan*" includes a
26 health benefit plan that provides for dental care services.

27 f. "*Dental care services*" means the same as defined in
28 section 514J.102. "*Dental care services*" does not include
29 services that are billed as medical expenses under a health
30 benefit plan.

31 g. "*Dental carrier*" means an entity subject to the
32 insurance laws and regulations of this state, or subject to
33 the jurisdiction of the commissioner, including an insurance
34 company offering dental care service plans, or any other entity
35 that provides a dental care service plan.

SF 2384.3223 (2) 90

(amending this SF 2384 to CONFORM to HF 2400)

1 *h. "Dental service contractor"* means any person who accepts
2 a prepayment from, or for the benefit of, another person as
3 consideration for the provision of future dental care services.
4 *"Dental service contractor"* does not include a dental care
5 provider that accepts prepayment on a fee-for-service basis for
6 providing specific dental services to individual patients for
7 whom such services have been prediagnosed.

8 *i. "Dentist agent"* means a person that contracts with
9 a dental care provider to establish an agency relationship
10 for purposes of processing bills for services provided by
11 the dental care provider under the terms and conditions
12 of a contract between the dentist agent and a health care
13 provider. A contract between a dentist agent and a health care
14 provider may permit the dentist agent to submit bills, request
15 reconsideration, and receive reimbursement.

16 *j. "Health benefit plan"* means the same as defined in
17 section 514J.102.

18 *k. "Health carrier"* means the same as defined in section
19 514J.102.

20 *l. "Network contract"* means a contract between a contracting
21 entity and a dental care provider that specifies the rights and
22 responsibilities of the contracting entity and provides for the
23 delivery and payment of dental services to a covered person.

24 *m. "Third party"* means a person, not including a covered
25 person, that enters into a contract with a contracting entity
26 to access the dental services or contractual discounts of a
27 network contract. *"Third party"* does not include an employer or
28 other group for whom the dental carrier or contracting entity
29 provides administrative services.

30 *n. "Virtual credit card payment"* means an electronic funds
31 transfer in which a dental care service plan, or a contracted
32 vendor, issues a single-use series of numbers associated with
33 the payment of dental care services performed by a dental care
34 provider and chargeable to a predetermined dollar amount, where
35 the dental care provider is responsible for processing the

1 payment by a credit card terminal or internet portal. *Virtual*
2 *credit card payment*” includes only electronic or virtual credit
3 card payments, where no physical credit card is used and
4 the single-use electronic credit card expires upon payment
5 processing.

6 2. *Third-party access to network contracts.*

7 a. A contracting entity may grant a third party access
8 to a network contract, or to a dental care provider’s dental
9 care services or contractual discounts provided pursuant to a
10 network contract, if all of the following requirements are met:

11 (1) If the contracting entity is a dental carrier or health
12 carrier, at the time the network contract is entered into,
13 renewed, or material modifications relevant to granting access
14 to a third party are made, the contracting entity allows any
15 dental care provider that is part of the contracting entity’s
16 network contract to choose not to participate in third-party
17 access to the network contract, or to enter into a contract
18 directly with the third party. If a dental care provider opts
19 out of lease arrangements, a contracting entity shall not
20 cancel or terminate a contractual relationship with, or refuse
21 to contract with, the dental care provider.

22 (2) The network contract specifically states that the
23 contracting entity may enter into an agreement with a third
24 party to allow the third party to obtain the contracting
25 entity’s rights and responsibilities under the network
26 contract as if the third party were the contracting entity.
27 If the contracting entity is a dental carrier, the network
28 contract must specifically state that the dental care provider
29 may choose not to participate in third-party access to the
30 network contract, and that the dental care provider chose to
31 participate in third-party access at the time the network
32 contract was entered into or renewed.

33 (3) The third party accessing the network contract agrees to
34 comply with all of the network contract’s terms.

35 (4) The contracting entity identifies to the dental care

1 provider, in writing, all third parties participating in the
2 network contract as of the date the network contract is entered
3 into or renewed.

4 (5) The contracting entity provides a list of all
5 third parties participating in the network contract on the
6 contracting entity's internet site and the list of third
7 parties is updated at least once every ninety days.

8 (6) The contracting entity notifies a dental care provider
9 under the network contract at least thirty days prior to a new
10 third party leasing or purchasing the network contract.

11 (7) The contracting entity requires a third party to
12 identify, for all remittance advice or explanations of payment
13 under which a discount applies, the source of the discount.
14 This subparagraph does not apply to an electronic transaction
15 mandated by the federal Health Insurance Portability and
16 Accountability Act of 1996, Pub. L. No. 104-191.

17 (8) The contracting entity notifies a third party of the
18 termination of a network contract no later than thirty days
19 from the termination date of the network contract.

20 (9) A third party's right to a dental care provider's
21 discounted rate is terminated as of the termination date of the
22 network contract.

23 (10) In the adjudication of a claim under the network
24 contract, the contracting entity makes available to the
25 dental care provider a copy of the network contract no later
26 than thirty days after a request for the network contract is
27 received.

28 *b.* This section shall not apply to access to a network
29 contract provided to a third party that is either an affiliate
30 of, or operating under the same brand licensing as, the
31 contracting entity. A contracting entity shall provide a list
32 of all affiliates on the contracting entity's internet site.

33 *c.* No dental care provider shall be bound by, or required to
34 perform, dental care services under a network contract that has
35 been granted to a third party in violation of this section.

1 3. *Dental care service plans — method of payment.*

2 a. A dental care service plan shall not require payments
3 to be made to dental care providers by virtual credit card
4 payment.

5 b. A dental care service plan, when initiating payments to
6 a dental care provider via virtual credit card payment, or when
7 changing the method of payment for a dental care provider to
8 virtual credit card payments, shall do all of the following:

9 (1) Notify the dental care provider of any fees associated
10 with each payment method.

11 (2) Inform the dental care provider of the available options
12 for methods of payment and provide clear instructions to the
13 dental care provider for the selection of an alternative
14 payment method.

15 c. A dental care service plan that transmits payments to
16 a dental care provider in accordance with the standards of 45
17 C.F.R. §162.1601 and 162.1602 shall not charge a fee solely for
18 the transmission of the payment to the dental care provider
19 unless the dental care provider has consented to payment of
20 the fee. When transmitting a national automated clearinghouse
21 payment, a dentist agent may charge a reasonable fee related
22 to bank transmittal, transaction management, data management,
23 portal services, and other value-added services.

24 4. *Waiver prohibited.* The requirements of this section
25 shall not be waived by contract. Any contractual arrangement
26 contrary to this section shall be null and void.

27 5. *Rules.* The commissioner may adopt rules pursuant to
28 chapter 17A to administer this chapter.>

DAN DAWSON