

House File 874 - Introduced

HOUSE FILE 874
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 182)

A BILL FOR

1 An Act relating to prior authorization for dental care services,
2 notice to dental care providers that a dental care service
3 plan is state-regulated, and the recovery of overpayments by a
4 dental carrier.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. **514C.3D Prior authorization for**
2 **dental care services.**

3 1. *Definitions.* As used in this section unless the context
4 otherwise provides:

5 a. "Commissioner" means the commissioner of insurance.

6 b. "Covered person" means the same as defined in section
7 514C.3C.

8 c. "Dental care provider" means the same as defined in
9 section 514C.3C.

10 d. "Dental care service plan" means the same as defined in
11 section 514C.3C.

12 e. "Dental care services" means the same as defined in
13 section 514C.3C.

14 f. "Dental carrier" means the same as defined in section
15 514C.3C.

16 g. "Prior authorization" means a determination by a dental
17 carrier in response to a request submitted by a dental care
18 provider as to whether a specific dental care service proposed by
19 the dental care provider for a covered person will be reimbursed
20 at a specified amount, subject to any applicable coinsurance
21 or deductible required under the covered person's dental care
22 service plan.

23 2. *Prior authorization.*

24 a. A dental carrier shall not deny a claim submitted by a
25 dental care provider for dental care services approved by prior
26 authorization.

27 b. A dental carrier shall reimburse a dental care provider
28 at the contracted reimbursement rate for a dental care service
29 provided by the dental care provider to a covered person per a
30 prior authorization.

31 3. *Exceptions.* Subsection 2 shall not apply if any of the
32 following apply for each dental care service for which a dental
33 care provider is denied reimbursement:

34 a. On the date that the dental care service was provided
35 by the dental care provider to the covered person per a prior

1 authorization, a benefit limitation including but not limited
2 to an annual maximum or a frequency limitation that was not
3 applicable at the time of the prior authorization had been
4 reached due to utilization of the dental care service plan
5 subsequent to the dental carrier issuing the prior authorization.

6 b. The dental care provider submits a claim for dental care
7 services approved by prior authorization and the documentation of
8 dental care services fails to support the claim for dental care
9 services as originally authorized by the prior authorization.

10 c. Subsequent to the issuance of a prior authorization, and
11 prior to the provision of dental care services authorized by the
12 prior authorization, a covered person receives additional dental
13 care services, or a change in the dental condition of the covered
14 person occurs, such that the dental care services authorized
15 by the prior authorization are no longer considered medically
16 necessary based on the prevailing standard of care.

17 d. Subsequent to the issuance of a prior authorization, and
18 prior to the provision of dental care services authorized by the
19 prior authorization, a covered person receives additional dental
20 care services, or a change in the dental condition of the covered
21 person occurs, such that on the date that the dental care service
22 is to be provided a request for prior authorization of the dental
23 care service would require disapproval pursuant to the terms and
24 conditions for coverage under the covered person's current dental
25 care service plan.

26 e. A payor other than the dental carrier is responsible for
27 payment for the dental care service.

28 f. A dental care provider has already received payment from
29 the dental carrier for the dental care services identified in the
30 claim for reimbursement.

31 g. The claim was submitted fraudulently to the dental
32 carrier.

33 h. The dental care provider, covered person, or other person
34 not related to the dental carrier provided inaccurate information
35 that the dental carrier relied on, in whole or in part, for the

1 dental carrier's prior authorization determination.

2 i. On the date that the dental care service was provided by
3 the dental care provider to the covered person per the prior
4 authorization, the covered person was ineligible to receive the
5 dental care service and the dental carrier did not know, and
6 with the exercise of reasonable care could not have known, of the
7 covered person's ineligibility.

8 j. Prior to providing a dental care service approved by prior
9 authorization, the dental care provider terminated participation
10 in the dental carrier's network under which the dental carrier
11 issued the prior authorization for such dental care service.

12 4. *Waiver prohibited.* The requirements of this section shall
13 not be waived by contract. Any contract contrary to this section
14 shall be null and void.

15 5. *Rules.* The commissioner may adopt rules pursuant to
16 chapter 17A to administer this section.

17 Sec. 2. NEW SECTION. **514C.3E State-regulated dental care**
18 **service plans.**

19 1. As used in this section, unless the context otherwise
20 provides:

21 a. "Commissioner" means the commissioner of insurance.

22 b. "Covered person" means the same as defined in section
23 514C.3C.

24 c. "Dental care provider" means the same as defined in
25 section 514C.3C.

26 d. "Dental care service plan" means the same as defined in
27 section 514C.3C.

28 e. "Dental carrier" means the same as defined in section
29 514C.3C.

30 2. If a covered person's dental care service plan is subject
31 to the insurance laws and regulations of this state, or subject
32 to the jurisdiction of the commissioner, a dental carrier shall
33 do all of the following:

34 a. Disclose to a dental care provider through an online
35 dental care provider portal, or other easily accessible

1 means, that a covered person's dental care service plan is
2 state-regulated.

3 b. Include the statement "state-regulated" on an electronic
4 or physical identification card issued to a covered person on or
5 after July 1, 2025.

6 Sec. 3. NEW SECTION. **514C.3F Dental carrier — recovery of**
7 **claim overpayment.**

8 1. *Definitions.* As used in this section, unless the context
9 otherwise provides:

10 a. "Dental care provider" means the same as defined in
11 section 514C.3C.

12 b. "Dental care services" means the same as defined in
13 section 514C.3C.

14 c. "Dental carrier" means the same as defined in section
15 514C.3C.

16 d. "Overpayment" means a payment made in error by a dental
17 carrier to a dental provider for a dental care service.

18 2. *Appeals.* A dental carrier shall establish written
19 policies and procedures for a dental care provider to appeal
20 an overpayment recovery or overpayment recovery request made
21 by the dental carrier. The dental carrier shall notify the
22 dental care provider of the policies and procedures to appeal
23 an overpayment recovery or overpayment recovery request at the
24 time that the dental carrier makes the overpayment recovery or
25 overpayment recovery request. The policies and procedures must
26 allow a dental care provider to appeal an overpayment recovery or
27 overpayment recovery request within a minimum of ninety calendar
28 days after the dental care provider receives such notice. The
29 policies and procedures must allow the dental care provider
30 to access the claim information that is the subject of the
31 overpayment dispute.

32 3. *Notice.* A dental carrier shall not attempt to recover
33 an overpayment, in whole or in part, unless the dental carrier
34 provides written notice of the overpayment to the dental care
35 provider no later than three hundred sixty-five calendar days

1 after the date the dental care provider received the overpayment.
2 The written notice of overpayment must identify the error made
3 in the processing or payment of the claim. The written notice
4 must state a request for recovery of the overpayment or notify
5 the dental care provider of withholding or reducing a payment as
6 required in subsection 4. If a recovery attempt is made pursuant
7 to subsection 4, then the dental carrier shall be deemed to have
8 met the notice requirements of this subsection.

9 4. *Withholding or reducing payments.* A dental carrier may
10 attempt to recover an overpayment by withholding or reducing
11 a payment to a dental care provider for a different claim
12 if the dental carrier provides the dental care provider with
13 written notice within twenty-eight calendar days after the date
14 of withholding or reducing the payment for the other claim.
15 The notice must identify the original claim that was overpaid,
16 the amount being withheld or reduced for the overpayment and
17 recovery, and the payment from which such amount is being
18 withheld or reduced. A dental carrier may include the notice
19 required by this subsection as part of the notice required by
20 subsection 3.

21 5. *Applicability.* Subsections 3 and 4 shall not apply, and
22 a dental carrier shall be entitled to recover an overpayment, if
23 the overpayment recovery efforts are based on a reasonable belief
24 of fraud, abuse, or other intentional misconduct.

25 6. *Waiver prohibited.* The requirements of this section shall
26 not be waived by contract. Any contract contrary to this section
27 shall be null and void.

28 7. *Rules.* The commissioner of insurance may adopt rules
29 pursuant to chapter 17A to administer this section.

30 EXPLANATION

31 The inclusion of this explanation does not constitute agreement with
32 the explanation's substance by the members of the general assembly.

33 This bill relates to prior authorization for dental care
34 services, notice to dental care providers that a dental care
35 service plan is state-regulated, and recovery of overpayments by

1 a dental carrier.

2 Under the bill, a dental carrier (carrier) shall not deny
3 a claim submitted by a dental care provider (provider) for
4 dental care services (services) approved by prior authorization.
5 A carrier shall reimburse a provider at the contracted
6 reimbursement rate for a service provided by the provider to
7 a covered person per a prior authorization. "Covered person",
8 "dental care provider", "dental care services", "dental carrier",
9 and "prior authorization" are defined in the bill.

10 A carrier may deny a claim submitted by a provider for
11 services approved by prior authorization if, for each service
12 for which a provider is denied reimbursement, an exception as
13 described in the bill is applicable.

14 Under the bill, if a covered person's plan is subject to
15 the insurance laws and regulations of this state, or subject
16 to the jurisdiction of the commissioner of insurance, a carrier
17 shall disclose to a provider through an online provider portal
18 or other means that a covered person's plan is state-regulated.
19 The carrier shall also include the statement "state-regulated" on
20 an electronic or physical identification card issued to a covered
21 person on or after July 1, 2025.

22 Under the bill, a carrier shall establish written policies and
23 procedures (policies) for a provider to appeal an overpayment
24 recovery (overpayment) or overpayment request. "Overpayment"
25 is defined in the bill. A carrier shall notify a provider of
26 the policies to appeal the overpayment or overpayment request,
27 and must allow a provider to appeal such overpayment recovery
28 or overpayment request within a minimum of 90 calendar days
29 after the notice is received. The policies also must allow the
30 provider to access the claim information that is the subject of
31 the overpayment dispute.

32 A carrier shall not attempt to recover an overpayment made
33 to a provider unless, no later than 365 calendar days after the
34 date the provider receives the overpayment, the carrier provides
35 written notice of the overpayment to the provider, and states a

1 request for recovery of the overpayment or notice of withholding
2 or reducing a payment to the provider. If a recovery attempt is
3 made pursuant to the requirements of the bill, a carrier shall be
4 deemed to have met the notice requirement.

5 A carrier may attempt to recover an overpayment by withholding
6 or reducing payment to a provider for a different claim if the
7 carrier notifies the provider in writing within 28 calendar days
8 after the date of withholding or reducing the payment for the
9 other claim.

10 The requirements of Code sections 514C.3D and 514C.3F, as
11 enacted in the bill, shall not be waived by contract. Any
12 contract contrary to Code sections 514C.3D and 514C.3F, as
13 enacted in the bill, shall be null and void. The commissioner
14 of insurance may adopt rules pursuant to Code chapter 17A to
15 administer Code sections 514C.3D and 514C.3F, as enacted in the
16 bill.

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