



Vermont State Dental Society

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Assignment of Benefits Issue

[Alabama](#) | [Alaska](#) | [Arkansas](#) | [Colorado](#) | [Connecticut](#) | [Florida](#) | [Georgia](#) | [Hawaii](#) | [Idaho](#) | [Illinois](#) | [Maine](#) | [Maryland](#) | [Missouri](#) | [Nevada](#) | [New Hampshire](#) | [New Jersey](#) | [North Dakota](#) | [Rhode Island](#) | [Tennessee](#) | [Texas](#) | [Virginia](#) | [Washington](#)

(22 States)

Definition of terms used in left margin:

- *Dental (19 States)* = law applies specifically to dental plans/dentists;
- *General (3 States)* = law does not specify that it applies to dental benefits, nor does it exclude dental;
- *Non-Par:* at least 10 state laws specify that the patient may assign payment to non-participating providers.
 - (absence of any provision specifying the right to assign payment to non-participating providers SHOULD NOT be seen as expressly prohibiting assignment to non-participating providers)

Alabama <i>Dental</i> <i>Non-Par</i>	§ 27-1-19. Reimbursement of health care providers.
Alaska <i>Dental</i> <i>Non-Par</i>	21.51.120 Payment of Claims
Arkansas <i>Dental</i> <i>Non-Par</i>	§ 23-99-604 Coverage for out-of-network dentists
Colorado <i>Dental</i> <i>Non-Par</i>	§ 10-16-317.5. Assignment of benefits & 10-16-106.7.

	health insurance
Connecticut <i>Dental</i>	§ 38a-491b. Assignment of benefits to a dentist or oral surgeon
Florida <i>Dental</i>	627.638. Direct payment for hospital, medical services
Georgia <i>Dental</i> <i>Non-Par</i>	§ 33-24-54. Payment of benefits under accident and sickness policies to licensed nonparticip

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	ating or nonpreferred providers
Hawaii <i>General</i>	431:10-230 . Payment discharges insurer. 431:10-229 Dividends payable to the real party
Idaho <i>Dental</i> <i>Non-Par</i>	§ 41-3417 . Subscriber's contracts
Illinois <i>Dental</i>	215-5/370a . Assignability of Accident and Health Insurance
Maine <i>Dental</i>	24-19 (subchapter 1) 2332-H . Assignment of benefits
Maryland (Enacted 2011) <i>Non-Par</i> <i>General</i> <i>(Physician)</i>	MD Code, Insurance, § 14-205.3
Missouri <i>Dental</i> <i>(appears to exclude Non-Pars)</i>	376.427 . Assignment of benefits made by insured to provider--payment, how made--

Back to top	exceptions--all claims to be paid, when (DSGA note: appears to exclude non-par/See Section 4)
Nevada <i>Dental</i>	689A.135 . Assignment of benefits to provider of health care
New Hampshire <i>Dental</i>	420-B:8-n Point of Service Plans
New Jersey <i>Dental</i> <i>Non-Par</i>	17:48C-8.3 Assignments
North Dakota <i>General</i>	NDCC, 26.1-36-12 (Application is uncertain as it refers to "medical benefits")
Rhode Island <i>Dental</i> <i>Non-Par</i>	27-18-63 . Dental insurance assignment of benefits
Tennessee <i>Dental</i>	56-7-120 . Assignment of benefits
Texas <i>Dental</i> <i>(indirectly identified)</i>	Title 8. Subtitle A. § 1204.053. Assignment of Benefits

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Virginia <i>Dental</i>	38.2-3407.13. Refusal to accept assignments prohibited; dentists and oral surgeons
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Washington <i>Dental</i> <i>Non-Par</i> <i>(Requires sig of non-par provider AND enrollee)</i>	48.44.026. Payment for certain health care services
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Studies

Florida

- Florida AoB law 2009 revision includes a requirement to study impact on networks and costs to state group health plan.

Florida has a law requiring insurers to comply with patient's assignment of benefits (AoB). In 2005, [House Bill 811](#) added dentists to the list of health care providers affected under this law. The law was revised in 2009 via [Senate Bill 1122](#) to specifically include "other person who provided the services in accordance with the provisions of the policy" to the list of providers affected under the AoB law. In addition to that revision, the new law required a study to be conducted and reported to the legislature no later than March 1, 2012. If the specific revisions made in SB 1122 cause the third-party administrator of the state group health plan to suffer a net loss of physicians from its preferred provider plan network and, as a direct result, cause an increase in costs to the state group health plan, the specific amendments made in SB 1122 would be repealed, and the status of the law would revert back to 2009 status (which would still include dentists).

Study/Report

- Findings show no loss in network physicians and cost increases cannot be directly linked to revised AoB law.

The Florida Office of Program Policy Analysis and Government Accountability issued report number 12-01 entitled: [Negative Effects on the State's Third Party Provider Network from 2009 Law Not Apparent](#). The summary reports that: "Statutory changes made by the 2009 Legislature that require the state group health plan's third party administrator to directly pay non-network providers for services did not result in a loss of network physicians." Further the summary says: "...increased costs cannot be directly linked to the 2009 law because many factors contribute to rising health care costs."

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Maryland

- Bars insurers from prohibiting assignment of benefits. Requires study of impact of direct reimbursement, the impact of not allowing insurers to refuse assignments and impact on networks.

[Senate Bill 314](#) was enacted in Maryland in 2010, but implementation was delayed. SB 314 prohibits insurers from barring assignment of benefits to a physician and prohibits insurers from refusing to directly reimbursing a non-preferred provider under an assignment of benefits arrangement.

The General Assembly delayed implementation until July 1, 2011 to address uncertainties on impact. Prior to the implementation of law, the Maryland Health Care Commission, in consultation with the Maryland Insurance Administration and the Office of the Attorney General, was tasked with a study of:

1. the benefits and costs associated with the direct reimbursement of nonparticipating providers by health insurance carriers under a valid assignment of benefits;
2. the impact of enacting a cap on balance billing for non-preferred, on-call physicians and hospital-based physicians;
3. the impact on consumers of prohibiting health insurance carriers from refusing to accept a valid assignment of benefits; and
4. the impact of requiring direct reimbursement of nonparticipating providers by health insurance carriers on a health insurance carrier's ability to maintain an adequate number of primary and specialty providers in their networks, including the impact on billed charges, allowed charges, and patient responsibility for remaining charges, by specialty.

In addition to the study required under the bill, the Maryland governor requested additional information concerning the impact of assignment of benefits on provider networks and fee schedules, taking into account information from other states and Maryland's experience with health maintenance organizations (HMOs).

Study/Report

The report is entitled "Life and Health 2010 to present": [MIA Report on Assignment of Benefits](#).

- "...the reported similarity in provider networks for HMOs and carriers under the same holding company suggests that policy provisions on assignment of benefits and balance billing are not in and of themselves predictive of the size of a network for hospital-based physicians."