

1 H.734

2 Introduced by Representatives Dickinson of St. Albans Town, Bancroft of
3 Westford, Browning of Arlington, Corcoran of Bennington,
4 Fegard of Berkshire, Higley of Lowell, Kimbell of Woodstock,
5 LaClair of Barre Town, and Marcotte of Coventry

6 Referred to Committee on

7 Date:

8 Subject: Health; dental insurance; dentists

9 Statement of purpose of bill as introduced: This bill proposes to prohibit
10 dental insurance plans from imposing fee schedules on dentists for dental
11 services that are not otherwise covered under the plan. It would also prohibit
12 these plans from placing restrictions on allowable methods of payment in their
13 contracts with dentists such that the only acceptable method is a credit card
14 payment.

15 An act relating to prohibiting certain provisions in dental insurance
16 contracts with dentists

17 It is hereby enacted by the General Assembly of the State of Vermont:

18 Sec. 1. 8 V.S.A. chapter 110 is added to read:

19 CHAPTER 110. DENTAL INSURANCE

20 § 4121. DEFINITIONS

1 As used in this chapter:

2 (1) “Covered individual” means an individual covered under a dental
3 insurance plan.

4 (2) “Dental insurance plan” means a stand-alone dental plan or policy
5 that provides coverage for dental services apart from a health insurance plan.

6 (3) “Dental insurer” means any health or dental insurance company,
7 including a nonprofit dental service corporation, that offers a dental insurance
8 plan for sale.

9 (4) “Dentist” means an individual licensed to practice dentistry under
10 26 V.S.A. chapter 12.

11 (5) “Health insurance plan” means any individual or group health
12 insurance policy, any hospital or medical service corporation or health
13 maintenance organization subscriber contract, or any other health benefit plan
14 offered, issued, or renewed for any person in this State by a health insurer, as
15 defined in 18 V.S.A. § 9402. The term does not include benefit plans
16 providing coverage for specific disease or other limited benefit coverage.

17 (6) “Noncovered service” means a dental care service that is not
18 reimbursable under a covered individual’s dental insurance plan even absent a
19 contractual limitation such as a deductible, co-payment, coinsurance, waiting
20 period, annual or lifetime maximum, frequency limitation, or alternative
21 benefit payment.

1 § 4122. FEES FOR NONCOVERED DENTAL SERVICES

2 (a) A dental insurance plan, contract, or participating provider agreement
3 with a dentist shall not directly or indirectly require a dentist to provide
4 noncovered services to a covered individual at a fee established by or subject
5 to the approval of a dental insurance plan.

6 (b) A dental insurer or third-party administrator shall not make available
7 dentists within its provider network to a dental insurance plan that requires a
8 dentist to provide noncovered services to a covered individual at a fee
9 established by or subject to the approval of a dental insurance plan.

10 (c) The Commissioner of Financial Regulation shall enforce the provisions
11 of this section pursuant to the Commissioner’s authority under this title.

12 § 4123. PAYMENT FOR DENTAL SERVICES

13 (a) As used in this section, “credit card payment” means a type of
14 electronic funds transfer in which a dental insurance plan or dental insurer or
15 its contracted vendor issues a single-use series of numbers associated with
16 payment for dental services delivered by a dentist and chargeable for a
17 predetermined dollar amount, in which the dentist is responsible for processing
18 the payment using a credit card terminal or Internet portal. The term includes
19 virtual or online credit card payments in which no physical credit card is
20 presented to the dentist and the single-use credit card number expires upon
21 payment processing.

1 (b) A dental insurance plan, contract, or participating provider agreement
2 with a dentist shall not contain restrictions on methods of payment from the
3 dental insurer or its third party administrator to the dentist in which the only
4 acceptable payment method is a credit card payment.

5 Sec. 2. EFFECTIVE DATE

6 This act shall take effect on January 1, 2021 and shall apply to all contracts
7 and participating provider agreements between a dental insurer or third-party
8 administrator and a dentist that are entered into on or after that date and to all
9 dental insurance plans issued on and after January 1, 2021 on such date as a
10 dental insurer offers, issues, or renews the plan, but in no event later than
11 January 1, 2022.