

1 H.294

2 Introduced by Representatives Dickinson of St. Albans Town, Corcoran of
3 Bennington, Higley of Lowell, Jerome of Brandon, Kimbell of
4 Woodstock, Marcotte of Coventry, and Savage of Swanton

5 Referred to Committee on

6 Date:

7 Subject: Health; dental insurance; dentists

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

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

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

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

18 CHAPTER 110. DENTAL INSURANCE

19 § 4121. DEFINITIONS

20 As used in this chapter:

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

3 (2) “Covered service” means a dental service for which reimbursement
4 is available under a covered individual’s dental insurance plan or health
5 insurance plan or for which reimbursement would be available but for the
6 application of contractual limitations such as deductibles, co-payments,
7 coinsurance, waiting periods, annual or lifetime maximums, frequency
8 limitations, alternative benefit payments, or other limitations.

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

11 (4) “Dental insurer” means any health or dental insurance company,
12 including a nonprofit dental service corporation, that offers a dental insurance
13 plan for sale.

14 (5) “Dentist” means an individual licensed to practice dentistry under
15 26 V.S.A. chapter 12.

16 (6) “Health insurance plan” means any individual or group health
17 insurance policy, any hospital or medical service corporation or health
18 maintenance organization subscriber contract, or any other health benefit plan
19 offered, issued, or renewed for any person in this State by a health insurer.
20 The term does not include benefit plans providing coverage for a specific
21 disease or other limited benefit coverage.

1 (7) “Health insurer” has the same meaning as in 18 V.S.A. § 9402.

2 § 4122. FEES FOR COVERED DENTAL SERVICES

3 (a) No dental insurer, health insurer, or other similar entity that covers
4 dental services and is subject to regulation by the Department of Financial
5 Regulation, and no contract or participating provider agreement with a dentist,
6 shall require, directly or indirectly, that a dentist who is a participating
7 provider provide dental services to a covered individual at a fee set by, or
8 subject to the approval of, the insurer or other regulated entity unless the dental
9 services are covered services.

10 (b) No person providing third-party administrator services shall make
11 available to any customers a plan that sets dental fees for providers in its
12 provider network for any dental services other than covered services.

13 (c) Fees for covered services shall be set in good faith and shall not be
14 nominal.

15 (d) The Commissioner of Financial Regulation shall enforce the provisions
16 of this section pursuant to the Commissioner’s authority under this title.

17 § 4123. PAYMENT FOR DENTAL SERVICES

18 (a) As used in this section, “credit card payment” means a type of
19 electronic funds transfer in which a dental insurance plan or dental insurer or
20 its contracted vendor issues a single-use series of numbers associated with
21 payment for dental services delivered by a dentist and chargeable for a

1 predetermined dollar amount, in which the dentist is responsible for processing
2 the payment using a credit card terminal or Internet portal. The term includes
3 virtual or online credit card payments in which no physical credit card is
4 presented to the dentist and the single-use credit card number expires upon
5 payment processing.

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

10 Sec. 2. EFFECTIVE DATE

11 This act shall take effect on January 1, 2022 and shall apply to all contracts
12 and participating provider agreements between a dental insurer or third-party
13 administrator and a dentist that are entered into on or after that date and to all
14 dental insurance plans issued on and after January 1, 2022 on such date as a
15 dental insurer offers, issues, or renews the plan, but in no event later than
16 January 1, 2023.