HOUSE RESEARCH =

Bill Summary =

FILE NUMBER: H.F. 122 DATE: April 28, 2011

Version: First engrossment

Authors: Davids

Subject: Dental plan provider agreements

Analyst: Tom Pender (651) 296-1885

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd.

Overview

This bill amends laws enacted in 2000 that regulate provider agreements between dental insurers and dentists.

- 1 Dental provider contract. Defines this term as an agreement between a dentist or dental clinic and a dental insurer or third-party administrator ("TPA") under which the dentist or dental clinic provides dental care to enrollees of the insurer or TPA.
- Dental provider contract period. Prohibits a dental provider contract of longer than three years. Permits amendment within a contract period only with written consent of the dentist or dental clinic. Requires that a proposed renewal contract provided to a dentist or dental clinic be accompanied by a disclosure by the dental organization of all significant changes in terms or reimbursement from the previous contract.
- Contract amendment. Requires that a dental organization proposing a change in an existing dental plan agreement disclose it to the dentist or dental clinic at least 120 days before it goes into effect, but this does not apply to a proposed change in the fee schedule. Prohibits a dental organization from changing a dental provider agreement or imposing an additional obligation on a dentist or dental clinic unless the dental organization complies with this subdivision or the alteration or amendment is made due to state or federal law.
- 4 Provider audits. This section deals with audits by dental organizations of contract compliance of dentists and dental clinics. Specifies the requirements an audit has to meet to permit a dental organization to recover or withhold payments from a dentist or dental clinic. Requires that an audit use a practicing dentist to review charts. Requires a dental organization that finds evidence that it made payments to a dentist for noncovered services, to issue new explanation of benefits ("EOB") forms to notify patients that they may be responsible for payment of the noncovered services. Requires payments recovered as a result of a provider audit to be returned to the insuring agency. Specifies the procedural requirements for the provider audit process.
- **Payment of covered services.** Prohibits a dental plan or dental provider agreement from specifying fees charged to patients for services not covered by the dental provider agreement. Prohibits third-party administrators from making its providers available to a dental plan that sets fees for noncovered

services.

Effective date. Makes all sections effective August 1, 2011, and apply to dental plans and provider agreements entered into on or after that date.