

SHB 2229 - S COMM AMD

By Committee on Health & Long Term Care

ADOPTED 02/27/2018

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 18.32.675 and 2017 c 320 s 2 are each amended to  
4 read as follows:

5 (1) No corporation shall practice dentistry or shall solicit  
6 through itself, or its agent, officers, employees, directors or  
7 trustees, dental patronage for any dentists or dental surgeon  
8 employed by any corporation: PROVIDED, That nothing contained in this  
9 chapter shall prohibit a corporation from employing a dentist or  
10 dentists to render dental services to its employees: PROVIDED,  
11 FURTHER, That such dental services shall be rendered at no cost or  
12 charge to the employees; nor shall it apply to corporations or  
13 associations in which the dental services were originated and are  
14 being conducted upon a purely charitable basis for the worthy poor.

15 (2) Nothing in this chapter precludes a person or entity not  
16 licensed by the commission from:

17 (a) Ownership or leasehold of any assets used by a dental  
18 practice, including real property, furnishings, equipment,  
19 instruments, materials, supplies, and inventory, excluding dental  
20 records of patients;

21 (b)(i) Employing or contracting for the services of personnel  
22 other than licensed dentists, licensed dental hygienists, licensed  
23 expanded function dental auxiliaries, certified dental anesthesia  
24 assistants, and registered dental assistants;

25 (ii) Contracting for the services of a licensed dentist or  
26 employing or contracting for the services of licensed dental  
27 hygienists, licensed expanded function dental auxiliaries, certified  
28 dental anesthesia assistants, and registered dental assistants if the  
29 entity is a health service contractor that is licensed under chapter  
30 48.44 RCW and is organized as a nonprofit integrated care delivery  
31 system, if all of the following conditions are met:

1 (A) The arrangement between the parties meets the personal  
2 services and management contracts safe harbor requirements as  
3 provided by 42 C.F.R. Sec. 1001.952(d); and

4 (B) The arrangement between the parties meets either of the  
5 following safe harbors:

6 (I) The managed care organization safe harbor requirements as  
7 provided by 42 C.F.R. Sec. 1001.952(t); or

8 (II) The space rental safe harbor requirements as provided by 42  
9 C.F.R. Sec. 1001.952(b) and the equipment rental safe harbor  
10 requirements as provided by 42 C.F.R. Sec. 1001.952(c);

11 (c) Providing business support and management services to a  
12 dental practice, including as a sole provider of such services; and

13 (d) Receiving fees for the services in (a) through (c) of this  
14 subsection provided to a dental practice calculated as agreed to by  
15 the dental practice owner or owners.

16 (3) Nothing in this chapter shall prohibit a health carrier as  
17 defined in RCW 48.43.005, while acting in its capacity as a health  
18 carrier and in no other capacity, from entering into provider  
19 contracts or provider compensation agreements, as defined in RCW  
20 48.43.730, with a dentist or dental practice.

21 (4) Any corporation violating this section is guilty of a gross  
22 misdemeanor, and each day that this chapter is violated shall be  
23 considered a separate offense."

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24 On page 1, line 2 of the title, after "systems;" strike the  
25 remainder of the title and insert "and amending RCW 18.32.675."

**EFFECT:** Allows a health care service contractor organized as a nonprofit integrated care delivery system to contract for the services of licensed dentists, and employ or contract for the services of licensed dental hygienists, licensed expanded function dental auxiliaries, certified dental anesthesia assistants, and registered dental assistants if certain requirements are met. Provides that the act does not prohibit health carriers from entering into provider contracts with dentists.

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