
Health Care & Wellness Committee

SSB 5351

Brief Description: Ensuring patient choice and access to care by prohibiting unfair and deceptive dental insurance practices.

Sponsors: Senate Committee on Health & Long-Term Care (originally sponsored by Senators King, Chapman, Cleveland, Muzzall, Orwall, Christian, Nobles, Harris, Salomon, Conway, Frame, Hasegawa, Holy, Shewmake and Trudeau).

Brief Summary of Substitute Bill

- Prohibits dental-only plans from denying claims because the procedures were performed on the same day.
- Limits the circumstances under which a dental claim may be paid with a credit card.
- Requires a stakeholder forum to be convened to discuss and make recommendations on dental insurance issues.

Hearing Date: 3/19/25

Staff: Jim Morishima (786-7191).

Background:

Dental Insurance.

Dental benefits are provided to enrollees in a variety of forms. For example, some comprehensive health plans offer dental benefits. Dental benefits are also offered by stand-alone dental plans, which may be offered by limited health service contractors or fully licensed carriers offering only dental benefits.

Relationships Between Dental Insurers and Dental Providers.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Disability insurers and health care service contractors offering dental benefits may not:

- set or limit the fee a dentist charges for noncovered services; or
- prohibit a dentist from providing noncovered services.

Medical Loss Ratio.

The federal Affordable Care Act requires health insurers to spend a minimum percentage of premiums on health care, known as the medical loss ratio. For large group plans, the minimum medical loss ratio is 85 percent and for individual and small group market plans, the minimum medical loss ratio is 80 percent. If a carrier does not meet the minimum ratio, it must provide a rebate to its enrollees.

State law requires each stand-alone dental insurer to provide a supplemental data statement to the Office of the Insurance Commissioner that includes information about the carrier's dental loss ratio. The dental loss ratio is calculated by dividing the total amount of dental payments by the total amount of dental revenue.

Summary of Bill:

Claims Denials.

A dental-only plan may not deny coverage for procedures solely because the procedures were performed on the same day. This prohibition does not prevent a dental-only plan from denying a claim relating, in whole or in part, to:

- limitations intended to prevent fraud, waste, and abuse;
- a claim indicating unbundling of procedure elements where payment for a service, bundles multiple procedure elements;
- clinical appropriateness;
- medical necessity;
- a final benefit decision that has been pended due to the need for further documentation or provider narrative; or
- plan benefit limitations.

Credit Card Reimbursements.

A dental-only plan (or a contracted vendor) may pay a claim for reimbursement using a credit card if:

- the provider is notified in advance of any fees associated with the use of the credit card; and
- the provider has been advised of available methods of payment and has been provided with clear instructions on how to select an alternate payment method.

Data Statement.

Data submitted to the Office of the Insurance Commissioner (OIC) by carriers offering stand-alone dental plans must be based only on Washington data.

Collaborative Forum.

The OIC must enter into a contract with the William D. Ruckelshaus Center (Ruckelshaus Center) to design, convene, and facilitate a collaborative forum with the following members:

- the Washington State Dental Association;
- a representative of the Washington Denturist Association;
- dental insurance carriers, including carriers with a significant market share in Washington;
- consumer representatives;
- the OIC; and
- other relevant organizations as appropriate.

The forum must facilitate discussions related to dental loss ratio and relative payment for dentists or denturists based upon their provider network status, including payment based on the usual and customary rate. The forum must also develop recommendations for legislative or regulatory action. The Ruckelshaus Center must provide quarterly progress updates to legislative members designated by the chairs of the appropriate legislative committees and submit to the Legislature a final report summarizing findings, areas of agreement, and recommendations for legislative or regulatory action by June 30, 2026.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on March 14, 2025.

Effective Date: Section 4 of the bill contains an emergency clause and takes effect immediately. The remainder of the bill takes effect 90 days after adjournment of the session in which the bill is passed.