

2022 -- H 7667

LC005079

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

A N A C T

RELATING TO INSURANCE – ACCIDENT AND SICKNESS INSURANCE POLICIES

Introduced By: Representatives Kennedy, Azzinaro, and Diaz

Date Introduced: March 02, 2022

Referred To: House Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 27-18-56 and 27-18-63 of the General Laws in Chapter 27-18
2 entitled "Accident and Sickness Insurance Policies" are hereby amended to read as follows:

3 **27-18-56. Prohibition against dentists being required to indemnify provider.**

4 (a) No accident and sickness insurance provider may contract to require that a dentist
5 indemnify or hold harmless the accident and sickness insurance provider for any expenses and
6 liabilities, including, without limitation, judgments, settlements, attorneys' fees, court costs, and
7 any associated charges, incurred in connection with any claim or action brought against the accident
8 and sickness insurance provider based on the accident and sickness insurance provider's
9 management decisions or utilization review provisions for any patient.

10 (b) Dental services rendered to patients in Rhode Island shall be governed by Rhode Island
11 general laws, including, but not limited to, chapter 18.8 of this title.

12 **27-18-63. Dental insurance assignment of benefits.**

13 (a) Every entity providing a policy of accident and sickness insurance as defined in this
14 chapter shall allow, as a provision in a group or individual policy, contract or health benefit plan
15 for coverage of dental services, any person insured by such entity to direct, in writing, that benefits
16 from a health benefit plan, policy or contract, be paid directly to a dental care provider who has not
17 contracted with the entity to provide dental services to persons covered by the entity but otherwise
18 meets the credentialing criteria of the entity and has not previously been terminated by such entity
19 as a participating provider. If written direction to pay is executed and written notice of the direction

1 to pay is provided to such entity, the insuring entity shall pay the benefits directly to the dental care
2 provider. Any efforts to modify the amount of benefits paid directly to the dental care provider
3 under this section may include a reduction in benefits paid of no more than five percent (5%) less
4 than the benefits paid to participating dentists. The entity paying the dentist, pursuant to a direction
5 to pay duly executed by the subscriber, shall have the right to review the records of the dentist
6 receiving such payment that relate exclusively to that particular subscriber/patient to determine that
7 the service in question was rendered. Provided, however, this section shall not apply to insurance
8 coverage providing benefits for:

- 9 (1) Hospital confinement indemnity;
- 10 (2) Disability income;
- 11 (3) Accident only;
- 12 (4) Long-term care;
- 13 (5) Medicare supplement;
- 14 (6) Limited benefit health;
- 15 (7) Specified disease indemnity;
- 16 (8) Sickness or bodily injury or death by accident or both; and
- 17 (9) Other limited benefit policies.

18 [\(b\) Dental services rendered to patients in Rhode Island shall be governed by Rhode Island](#)
19 [general laws, including, but not limited to, chapter 18.8 of this title.](#)

20 SECTION 2. Section 27-18.8-4 of the General Laws in Chapter 27-18.8 entitled "Health
21 Care Accessibility and Quality Assurance Act" is hereby amended to read as follows:

22 **27-18.8-4. Contracts with providers for dental services.**

23 [\(a\)](#) No contract between a dental plan of a healthcare entity and a dentist for the provision
24 of services to beneficiaries may require that a dentist provide services to its patients at a fee set by
25 the healthcare entity unless said services are covered services under the applicable subscriber
26 agreement. "Covered services," as used herein, means services reimbursable under the applicable
27 beneficiary agreement, subject to such contractual limitations on beneficiary benefits as may apply,
28 including, for example, deductibles, waiting period, or frequency limitations.

29 [\(b\) Dental services rendered to patients in Rhode Island shall be governed by Rhode Island](#)
30 [general laws.](#)

31 SECTION 3. Section 27-19-54 of the General Laws in Chapter 27-19 entitled "Nonprofit
32 Hospital Service Corporations" is hereby amended to read as follows:

33 **27-19-54. Dental insurance assignment of benefits.**

34 [\(a\)](#) Every entity providing a contract of insurance subject to this chapter shall allow, as a

1 provision in a group or individual policy, contract or health benefit plan for coverage of dental
2 services, any person insured by such entity to direct, in writing, that benefits from a health benefit
3 plan, policy or contract, be paid directly to a dental care provider who has not contracted with the
4 entity to provide dental services to persons covered by the entity but otherwise meets the
5 credentialing criteria of the entity and has not previously been terminated by such entity as a
6 participating provider. If written direction to pay is executed and written notice of the direction to
7 pay is provided to such entity, the insuring entity shall pay the benefits directly to the dental care
8 provider. Any efforts to modify the amount of benefits paid directly to the dental care provider
9 under this section may include a reduction in benefits paid of no more than five percent (5%) less
10 than the benefits paid to participating dentists. The entity paying the dentist, pursuant to a direction
11 to pay duly executed by the subscriber, shall have the right to review the records of the dentist
12 receiving such payment that relate exclusively to that particular subscriber/patient to determine that
13 the service in question was rendered.

14 [\(b\) Dental services rendered to patients in Rhode Island shall be governed by Rhode Island](#)
15 [general laws, including, but not limited to, chapter 18.8 of this title.](#)

16 SECTION 4. Section 27-20-49 of the General Laws in Chapter 27-20 entitled "Nonprofit
17 Medical Service Corporations" is hereby amended to read as follows:

18 **27-20-49. Dental insurance assignment of benefits. Dental insurance.**

19 [\(a\)](#) Every entity providing a contract of insurance as defined in this chapter shall allow, as
20 a provision in a group or individual policy, contract or health benefit plan for coverage of dental
21 services, any person insured by such entity to direct, in writing, that benefits from a health benefit
22 plan, policy or contract, be paid directly to a dental care provider who has not contracted with the
23 entity to provide dental services to persons covered by the entity but otherwise meets the
24 credentialing criteria of the entity and has not previously been terminated by such entity as a
25 participating provider. If written direction to pay is executed and written notice of the direction to
26 pay is provided to such entity, the insuring entity shall pay the benefits directly to the dental care
27 provider. Any efforts to modify the amount of benefits paid directly to the dental care provider
28 under this section may include a reduction in benefits paid of no more than five percent (5%) less
29 than the benefits paid to participating dentists. The entity paying the dentist, pursuant to a direction
30 to pay duly executed by the subscriber, shall have the right to review the records of the dentist
31 receiving such payment that relate exclusively to that particular subscriber/patient to determine that
32 the service in question was rendered.

33 [\(b\) Dental services rendered to patients in Rhode Island shall be governed by Rhode Island](#)
34 [general laws, including, but not limited to, chapter 18.8 of this title.](#)

1 SECTION 5. Section 27-20.1-3 of the General Laws in Chapter 27-20.1 entitled "Nonprofit
2 Dental Service Corporations" is hereby amended to read as follows:

3 **27-20.1-3. Contracts.**

4 (a) Each nonprofit dental service corporation may contract with its subscribers for a dental
5 service as may be provided under any nonprofit dental service plan adopted by the corporation.

6 (b) The rates charged by the nonprofit dental service corporation to its subscribers shall be
7 consistent with the proper conduct of its business and the interests of the public and shall at all
8 times be subject to the approval of the director of business regulation.

9 (c) Nothing contained in this chapter or in any nonprofit dental service plan shall affect the
10 ordinary professional relationship between the person rendering dental services under the plan and
11 the subscriber to whom the services are rendered; and no action based upon or arising out of the
12 relationship or relating to dental services rendered pursuant to a nonprofit dental service plan shall
13 be maintained against the nonprofit dental service corporation operating the plan.

14 (d) No contract between a nonprofit dental service corporation and a dentist for the
15 provisions of services to patients may require that the dentist indemnify or hold harmless the
16 nonprofit dental service corporation for any expenses and liabilities, including without limitation,
17 judgments, settlements, attorneys' fee, court costs, and any associated charges, incurred in
18 connection with any claim or action brought against the nonprofit dental service corporation based
19 on the nonprofit dental service corporation's management decisions, or utilization review
20 provisions for any patient.

21 [\(e\) Dental services rendered to patients in Rhode Island shall be governed by Rhode Island](#)
22 [general laws, including, but not limited to, chapter 18.8 of this title.](#)

23 SECTION 6. Sections 27-41-58 and 27-41-66 of the General Laws in Chapter 27-41
24 entitled "Health Maintenance Organizations" are hereby amended to read as follows:

25 **27-41-58. Prohibition against requiring indemnification from dentists.**

26 (a) No contract between a health maintenance organization (H.M.O.) and a dentist
27 containing provisions for the provision of services to patients may require that the dentist indemnify
28 or hold harmless the health maintenance organization for any expenses and liabilities, including
29 without limitation, judgments, settlements, attorneys' fees, court costs, and any associated charges,
30 incurred in connection with any claim or action brought against the H.M.O. based on the H.M.O.'s
31 management decisions, or utilization review provisions for any patient.

32 [\(b\) Dental services rendered to patients in Rhode Island shall be governed by Rhode Island](#)
33 [general laws including, but not limited to, chapter 18.8 of this title.](#)

34 **27-41-66. Dental insurance assignment of benefits.**

1 (a) Every entity licensed under this chapter shall allow, as a provision of any evidence of
2 coverage of dental services, any person covered by such entity to direct, in writing, that benefits
3 from a health benefit plan, policy or contract, be paid directly to a dental care provider who has not
4 contracted with the entity to provide dental services to persons covered by the entity but otherwise
5 meets the credentialing criteria of the entity and has not previously been terminated by such entity
6 as a participating provider. If written direction to pay is executed and written notice of the direction
7 to pay is provided to such entity, the insuring entity shall pay the benefits directly to the dental care
8 provider. Any efforts to modify the amount of benefits paid directly to the dental care provider
9 under this section may include a reduction in benefits paid of no more than five percent (5%) less
10 than the benefits paid to participating dentists. The entity paying the dentist, pursuant to a direction
11 to pay duly executed by the subscriber, shall have the right to review the records of the dentist
12 receiving such payment that relate exclusively to that particular subscriber/patient to determine that
13 the service in question was rendered.

14 (b) Dental services rendered to patients in Rhode Island shall be governed by Rhode Island
15 general laws including, but not limited to, chapter 18.8 of this title.

16 SECTION 7. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO INSURANCE – ACCIDENT AND SICKNESS INSURANCE POLICIES

- 1 This act would require that the laws of the state where the medical services are rendered
- 2 shall be the state law that applies to reimbursement.
- 3 This act would take effect upon passage.

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