

HB 3008 A -A5, -A6, -A7, -A8 STAFF MEASURE SUMMARY

Senate Committee On Health Care

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Meeting Dates: 4/19, 4/24, 5/10

WHAT THE MEASURE DOES:

Requires dental insurers that contract with vendors who impose fees on providers to process claims to notify providers in advance and provide alternative payment methods without fees. Requires that dentists must "opt in" to payment methods that impose fees. Imposes conditions on the ability of a third party to access the services and discounted rates of a network contract between a carrier and a provider, requiring a dentist to "opt in" when a third party accesses the contract. Exempts dental insurer contracts with licensees or affiliates, the state medical assistance program, and dental insurers that rely only on employees to provide dental care.

REVENUE: No revenue impact

FISCAL: Fiscal impact issued

Ayes, 56; Excused, 4--Dexter, Nguyen D, Nguyen H, Ruiz.

ISSUES DISCUSSED:

- Requirements for dentists to "opt-in" or "opt-out" when third parties access contracts
- Provisions of the measure

EFFECT OF AMENDMENT:

-A5 Clarifies that a third party may access a network contract between a dentist and an insurer, allowing the dentist to opt out of the contract.

-A6 Requires a dentist to opt in when a third party makes a material change to fee schedule or reimbursement.

-A7

Creates an exemption to the requirement (Section 6, chapter 37, Oregon Laws 2022) that at least three primary care visits be covered by health insurance plans without requiring copay, coinsurance, or deductible. Allows the Department of Consumer and Business Services to adopt rules to allow an individual or group policy or certificate of health insurance to impose a copayment of not more than \$5 for a primary care visit if necessary to comply with federal laws.

-A8 Combines provisions of A6 and A7.

BACKGROUND:

Under the Affordable Care Act, beginning in 2014, health insurers are required to conduct electronic funds transfer (EFT) and electronic remittance advice (ERA) transactions according to the standards adopted by the Department of Health and Human Services. Despite this standardization, some insurers have utilized virtual credit cards to make one-time payments. Virtual credit card transactions can carry a fee, often a percentage of the transaction amount, that essentially reduce the providers' total reimbursement.

Oregon restricts payment methods that impose fees on providers unless the insurer notifies the provider in advance and offers alternatives, and the provider agrees to the payment method ([House Bill 3021](#) (2015)).

House Bill 3008 limits the use of payment methods by dental insurers that impose fees on providers imposes conditions on third party contracts that that pay discounted rates to network providers.