

1 SB433
2 136761-1
3 By Senator Bussman
4 RFD: Health
5 First Read: 20-MAR-12

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8 SYNOPSIS: Under existing law, health insurance
9 policies and health maintenance organization plans
10 offer coverage for certain dental services.

11 This bill would provide that certain health
12 insurance policies, health maintenance organization
13 plans, and the like, which cover dental services
14 shall not require a dentist to provide services to
15 covered individuals at a fee set by the plan or
16 policy unless the services are covered under the
17 plan or policy.

18 This bill would not apply to any corporation
19 organized pursuant to Article 6 of Chapter 20 of
20 Title 10A, Code of Alabama 1975.

21
22 A BILL
23 TO BE ENTITLED
24 AN ACT
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1 Relating to the terms of certain health insurance
2 policies, health maintenance organization plans, and the like,
3 with respect to dental services; to prohibit a policy or plan
4 to set fees for services that are not covered by the plan or
5 policy; and to exclude corporations organized pursuant to
6 Article 6 of Chapter 20 of Title 10A, Code of Alabama 1975.

7 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

8 Section 1. As used in this act, the following terms
9 shall have the following meanings:

10 (1) COVERED PERSON. Any individual, family, or
11 family member on whose behalf third-party payment or
12 prepayment of health or medical expenses is provided under an
13 insurance policy, plan, or contract providing for third-party
14 payment or prepayment of health care or medical expenses.

15 (2) COVERED SERVICES. Dental care services for which
16 a reimbursement is available under an enrollee's plan contract
17 or for which a reimbursement would be available but for the
18 application of contractual limitations such as deductibles,
19 copayments, coinsurance, waiting periods, annual or lifetime
20 maximums, frequency limitations, alternative benefit payments,
21 or any other limitation.

22 (3) DENTAL CARE PROVIDER. A licensed dentist.

23 (4) INSURANCE POLICY, PLAN, OR CONTRACT PROVIDING
24 FOR THIRD-PARTY PAYMENT OR PREPAYMENT OF HEALTH OR MEDICAL
25 EXPENSES. Includes an individual or group policy for accident
26 or health insurance, an individual or group hospital or health

1 care service contract, an individual or group health
2 maintenance organization contract, an organized delivery
3 system contract, a preferred provider organization contract,
4 and any other similar policy, plan, or contract.

5 Section 2. An insurance policy, plan, or contract
6 providing for third-party payment or prepayment of health or
7 medical expenses shall not require a dental care provider to
8 provide service to a covered person at a fee set by the policy
9 or plan unless the services are covered by the policy or plan.

10 Section 3. Nothing in this act shall be construed as
11 limiting the ability of an insurer or a third-party
12 administrator to restrict any of the following as related to
13 covered services:

- 14 (1) Balance billing.
- 15 (2) Waiting periods.
- 16 (3) Frequency limitations.
- 17 (4) Deductibles.
- 18 (5) Maximum annual benefits.

19 Section 4. Nothing in this act shall apply to
20 corporations organized pursuant to Article 6 of Chapter 20 of
21 Title 10A, Code of Alabama 1975.

22 Section 5. This act shall become effective on the
23 first day of the third month following its passage and
24 approval by the Governor, or its otherwise becoming law.