

# Regulating Network Leasing to Preserve Patient Benefits



**Insurance companies can pawn dentists off to a different insurance network without the dentist's knowledge or consent, significantly impacting the insurance benefits available to their patients.**

## Patient Concerns

Without network leasing laws, health care transparency suffers. Patients and providers should be fully informed about the costs of care as early as possible in any health care transaction. Leased networks often have the opposite effect. Because leased networks operate “silently”, the provider and patients are unable to determine coverages and discounts. This erodes patient/dentist trust, which can lead to assumptions in treatment plans and costs based on a false understanding of patient coverage.

Without protections in law, the PPO contracting entities can include dentists in an agreement without their knowledge, consideration or consent. Likewise, there are no protections for dentists from having to comply with various terms, conditions and fee schedules to which they had no opportunity to consider, negotiate or accept/reject.

## Solution

The North Dakota Dental Association is advocating for network leasing laws that would expand transparency and provide an opportunity for dentists to accept or refuse these contracts, enforcing basic fairness while reducing occurrences of unexpected bills following a procedure. One third of states currently employ such legislation.

## What Are the Benefits of Network Leasing Laws?

- Dentists are fully engaged as they choose to join a network, allowing dentists to understand and negotiate the terms of their agreement.
- As a result, dentists and patients are informed partners as they discuss financial planning around future procedures.

## Proposed Network Leasing Laws in North Dakota



Dental Care Bill of Rights

HB 1154 – Dental Insurance Reform



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# Provider Network Leasing Legislation is Gaining Momentum Across the Nation

▶ PASSED IN

## 20 states

In **California, AB954**, passed in 2019, requires that a provider network contract allows a provider to opt out of third-party access, while identifying all third parties.

Passed in 2020, **Nebraska's L774** asks that the third-party access provision of any provider network contract be clearly identified, and that dental providers have the option to opt-out of third-party access.

In **New Jersey, AB2507**, passed in 2018, ensures that dental providers have the option to opt out of network leasing arrangements. Dental carriers are required to identify and regularly update information regarding third parties.

**North Carolina's SB252**, passed in 2019, requires that insurers proactively identify all third parties with network access, and that such third parties are in compliance with the network contract's terms. Providers can choose not to participate in third-party access to the provider network contract.

▶ To learn more about Network Leasing Legislation in North Dakota, please contact the North Dakota Dental Association at 701-223-8870 or by email at [wsherwin@smilenorthdakota.org](mailto:wsherwin@smilenorthdakota.org)