



## WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

**2017 Senate Bill 367**

**Senate  
Amendment 1**

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### **2017 SENATE BILL 367**

2017 Senate Bill 367 creates certain requirements, described below, regarding the rental of dental provider networks. The requirements created by the bill first apply to a contract or agreement that is entered into, modified, or renewed after the bill takes effect.

### **SENATE AMENDMENT 1**

Senate Amendment 1 makes several changes, described below, to the bill.

#### **Notification Requirements**

**The bill** creates certain notification requirements regarding the rental of dental provider networks. First, the bill requires an insurer that provides coverage of dental services, has a network of participating dental service providers, and engages in the practice of renting its network to include both of the following in any contract with a dental service provider:

- A notification that the insurer engages in that practice.
- A list of all potential entities to which the network may be rented.

In addition, an insurer must notify a dental service provider, in writing, of such a contract rental within 45 days after the rental of the contract.

Finally, the bill requires insurers to also maintain a website through which a dental service provider may obtain a list of entities to which the dental service provider's contract may be rented.

**Senate Amendment 1** makes the following three changes relating to those requirements:

- Requires a contract with a dental service provider to include a list of all current entities to which the network may be rented, rather than a list of potential entities under the bill.
- Requires the list that a dental service provider may obtain through a website to include entities to which a contract is rented, rather than may be rented under the bill.
- Requires an insurer to provide written notification to a dental service provider before the rental of a contract, rather than within 45 days of such rental under the bill.

### **Application of Contract Terms**

**The bill** requires a person that obtains a network of participating dental service providers through rental from an insurer to abide by the terms and conditions of the original contract between the insurer and dental service provider.

**Senate Amendment 1** specifies that such a person must abide by **all** such terms and conditions.

### **Right to Terminate Contract**

**The bill** authorizes a dental service provider whose contract has been rented to another entity to terminate their participation in the contract with that entity without terminating the original contract with the insurer.

**Senate Amendment 1** removes that provision from the bill.

### **BILL HISTORY**

Senator Lasee offered Senate Amendment 1 on December 5, 2017. On December 13, 2017, the Senate Committee on Insurance, Housing, and Trade voted to recommend adoption of the amendment and the bill, as amended, on unanimous votes.