



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.