



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-2384/1
TJD:ahc

2017 ASSEMBLY BILL 457

July 28, 2017 - Introduced by Representatives VANDERMEER, BALLWEG, BERNIER, BRANDTJEN, R. BROOKS, HORLACHER, KREMER, KULP, MURPHY, NOVAK, PETERSEN, RIEMER, ROHRKASTE, SKOWRONSKI, SPIROS, STEFFEN, TAUCHEN, TITTL and WEATHERSTON, cosponsored by Senators LEMAHIEU, FEYEN, COWLES, RINGHAND, RISSER, VINEHOUT, WANGGAARD and SHILLING. Referred to Committee on Insurance.

1 **AN ACT** *to create* 609.28 of the statutes; **relating to:** dental provider network
2 rental by insurance plans.

Analysis by the Legislative Reference Bureau

Generally, this bill sets requirements on certain health insurance plans that rent networks of dental service providers to other entities. The bill requires a defined network plan, which includes a health maintenance organization, a preferred provider plan, a limited service health organization, or other insurer that covers dental services and engages in the practice of renting its network of dental service providers to 1) include in any contract with a dental service provider a notification that the plan, organization, or insurer engages in the practice of network rental and a list of all potential entities to which the network may be rented, 2) maintain and update an Internet site with a list of entities to which a dental service provider's contract may be rented, and 3) notify a dental service provider, in writing, that his or her contract has been rented and to what entity the contract has been rented. Any person that rents a network of participating dental service providers is required by the bill to abide by the terms and conditions of the dental service provider's original contract. Additionally, the bill allows a dental service provider whose contract has been rented to terminate their participation in the contract with the entity to which his or her contract has been rented without terminating the original contract.

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This proposal may contain a health insurance mandate requiring a social and financial impact report under s. 601.423, stats.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 609.28 of the statutes is created to read:

2 **609.28 Dental provider network rental.** (1) A defined network plan,
3 preferred provider plan, limited service health organization, or other insurer that
4 offers coverage of dental services, has a network of participating dental service
5 providers, and engages in the practice of renting its network of participating dental
6 service providers to other entities shall do all of the following:

7 (a) Include in any contract with a dental service provider entered into or
8 renewed on or after January 1, 2018, a notification that the plan, organization, or
9 insurer engages in the practice of network rental and a list of all potential entities
10 to which the network may be rented.

11 (b) Maintain an Internet site that allows a dental service provider that has a
12 contract with the plan, organization, or insurer to obtain a list of entities, updated
13 at least every 90 days, to which his or her contract may be rented.

14 (c) Notify a dental service provider, in writing, that his or her contract has been
15 rented and to what entity the contract has been rented, within 45 days after the date
16 of the rental of the contract.

17 **(2)** Any person that obtains a network of participating dental service providers
18 through rental from a defined network plan, preferred provider plan, limited service
19 health organization, or other insurer shall abide by the terms and conditions of the
20 original contract, including discounted rates or fees, between a dental service

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1 provider and the defined network plan, preferred provider plan, limited service
2 health organization, or other insurer.

3 (3) A dental service provider whose contract has been rented to another entity
4 may terminate their participation in the contract with the entity without
5 terminating the original contract with the defined network plan, preferred provider
6 plan, limited service health organization, or other insurer.

7 **SECTION 2. Nonstatutory provisions.**

8 (1) For any contracts or agreements containing provisions that conflict with
9 this act, this act first applies to contracts or agreements between defined network
10 plans, preferred provider plans, limited service health organizations, or other
11 insurers and dental service providers that are entered into, modified, or renewed on
12 the effective date of this subsection.

13 (END)