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SENATE BILL 6097

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State of Washington

68th Legislature

2024 Regular Session

By Senators Cleveland and Rivers

1 AN ACT Relating to clarifying requirements for fairness and  
2 transparency in network contracting for dental services by carriers  
3 offering stand-alone dental plans; reenacting and amending RCW  
4 48.39.005; and adding a new section to chapter 48.39 RCW.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 48.39.005 and 2013 c 293 s 2 are each reenacted and  
7 amended to read as follows:

8 The definitions in this section apply throughout this chapter  
9 unless the context clearly requires otherwise.

10 (1) "Dental services" means services for the diagnosis,  
11 prevention, treatment, or cure of a dental condition, illness,  
12 injury, or disease. "Dental services" do not include services  
13 delivered by a provider that are billed as medical expenses under a  
14 health benefit plan.

15 (2) "Dental services provider" means a health care provider that  
16 provides dental services.

17 (3) "Dental services provider contract" means a provider contract  
18 as defined in RCW 48.43.730 between a payor offering a stand-alone  
19 dental plan and a dental services provider that specifies the rights  
20 and responsibilities of the payor and provides for the delivery and  
21 payment of dental services to an enrollee.

1       (4) "Health care provider" or "provider" has the same meaning as  
2 in RCW 48.43.005 and, for the purposes of this chapter, includes  
3 facilities licensed under chapter 70.41 RCW.

4       ~~((2))~~ (5) "Material amendment" means an amendment to a contract  
5 between a payor and health care provider that would result in  
6 requiring a health care provider to participate in a health plan,  
7 product, or line of business with a lower fee schedule in order to  
8 continue to participate in a health plan, product, or line of  
9 business with a higher fee schedule. A material amendment does not  
10 include any of the following:

11       (a) A decrease in payment or compensation resulting from a change  
12 in a fee schedule published by the payor upon which the payment or  
13 compensation is based and the date of applicability is clearly  
14 identified in the contract, compensation addendum, or fee schedule  
15 notice;

16       (b) A decrease in payment or compensation that was anticipated  
17 under the terms of the contract, if the amount and date of  
18 applicability of the decrease is clearly identified in the contract;  
19 or

20       (c) Changes unrelated to compensation so long as reasonable  
21 notice of not less than ~~((sixty))~~ 60 days is provided.

22       ~~((3))~~ (6) "Material dental services amendment" means an  
23 amendment or modification to a contract between a payor offering a  
24 stand-alone dental plan and a dental services provider that would  
25 result in requiring a dental services provider to participate in a  
26 new health plan, product, or line of business regardless of whether  
27 or not there are changes in payment or compensation.

28       (7) "Payor" or "third-party payor" means carriers licensed under  
29 chapters 48.20, 48.21, 48.44, and 48.46 RCW, and ~~((managed health~~  
30 ~~care systems as defined in RCW 74.09.522.))~~ managed care  
31 organizations as defined in RCW 74.09.010.

32       (8) "Stand-alone dental plan" means coverage for a set of  
33 benefits limited to oral care including, but not necessarily limited  
34 to, pediatric oral health.

35       (9) "Same brand licensee program" means a regional or national  
36 association of payors offering stand-alone dental plans that entitles  
37 payors meeting certain standards to license the use of a regional or  
38 national brand name.

39       (10) "Third party" means a person or entity that enters into a  
40 contract with a payor offering a stand-alone dental plan or an

1 intermediary to gain access to the dental services or provider  
2 compensation agreements of dental services providers. "Third party"  
3 does not include an employer or group for whom a payor or  
4 intermediary provides administrative services.

5 NEW SECTION. Sec. 2. A new section is added to chapter 48.39  
6 RCW to read as follows:

7 (1) A payor offering a stand-alone dental plan shall permit a  
8 dental services provider to choose not to:

9 (a) Participate in third-party access to a dental services  
10 provider contract;

11 (b) Accept a proposed material dental services amendment; and

12 (c) Enter into a contract directly with a payor offering a stand-  
13 alone dental plan that acquires a dental services provider contract.

14 (2) When initially contracting with a dental services provider, a  
15 payor offering a stand-alone dental plan shall accept a dental  
16 services provider who otherwise meets the legitimate selection  
17 criteria of the payor even if the dental services provider does not  
18 accept provisions in the provider contract that would permit a third  
19 party access to the dental services provider contract or provider  
20 compensation agreement, or to the dental services provider's dental  
21 services.

22 (3) A payor offering a stand-alone dental plan shall provide no  
23 less than 60 days' notice to a dental services provider of any  
24 proposed material dental services amendment to the dental services  
25 provider contract with the payor.

26 (4) Any material dental services amendment to a dental services  
27 provider contract must be clearly defined in a notice to the dental  
28 services provider from the payor offering a stand-alone dental plan  
29 as being a material change to the contract and must describe the  
30 third party being granted access to the dental services provider's  
31 dental services or provider compensation agreement, before the  
32 provider's notice period begins. The notice also must inform the  
33 dental services provider that the proposed material dental services  
34 amendment will not be effective unless and until the dental services  
35 provider affirmatively agrees through written or electronic means to  
36 accept the material dental services amendment.

37 (5) A material dental services amendment is not effective,  
38 regardless of the notice period, unless the dental services provider

1 affirmatively agrees through written or electronic means to accept  
2 such material dental services amendment.

3 (6) A dental services provider's rejection or nonacceptance of a  
4 material dental services amendment does not affect the terms of the  
5 dental services provider's existing dental services contract with the  
6 payor offering a stand-alone dental plan. If a dental services  
7 provider does not accept a material dental services amendment, the  
8 payor offering a stand-alone dental plan may not cancel or otherwise  
9 end the existing provider contract with the dental services provider.

10 (7) A failure to comply with the terms of subsections (3) through  
11 (6) of this section shall void the effectiveness of the material  
12 dental services amendment.

13 (8) Subsections (1) through (7) of this section do not apply to a  
14 dental services provider contract if:

15 (a) Access to a dental services provider contract or provider  
16 compensation agreement is granted to a payor operating in accordance  
17 with the same brand licensee program as the payor offering the stand-  
18 alone dental plan, or a payor that is an affiliate, as defined in RCW  
19 48.31B.005, of the payor offering stand-alone dental plans. A list of  
20 payors operating under the same brand licensee program or as  
21 affiliates must be made available to a dental services provider on  
22 the website of the payor and must be updated at least once every 90  
23 days; or

24 (b) The dental services provider contract is for dental services  
25 provided to beneficiaries of state-sponsored health programs such as  
26 medicaid and the children's health insurance program.

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