

# Support Fairness & Transparency in Dental Contracts & Avoid Surprises for Patients

## VOTE YES ON HB1682 (Ware)

### **WHAT IS A PREFERRED PROVIDER ORGANIZATION (PPO)?**

A health insurer routinely contracts with a dentist or provider to treat their enrollees (patients) as a preferred provider (i.e. PPO). Enrollees in a PPO select a provider in the PPO network and the insurer pays a predetermined amount for covered procedures.

### **WHAT IS A SILENT PPO?**

In a silent PPO, the original plan sells or rents its provider network to other payors of dental services (insurance companies, self-funded plans, or others). Participating dentist routinely have no knowledge of the sale or rental.

### **WHY IS THIS PRACTICE PROBLEMATIC FOR PATIENTS AND DENTISTS?**

- Because dentists are unaware of the silent PPO, accurate cost and benefit information cannot be provided to the patient at the time of service. This may cause the patient to forgo benefits and treatment to which they are entitled.
- This poses a dilemma for dentists as they end up being contracted to provide services in a network they never joined and often do not find out about until they receive payment from a 3rd party payor claiming entitlement to a payment reduction.

### **WHAT IS THIS LEGISLATION ATTEMPTING TO DO?**

The Virginia General Assembly prohibited silent PPOs by Worker's Compensation carriers. This legislation does not prohibit any contract transactions; it simply provides fairness & transparency by adding the following five common-sense provisions:

1. *PROACTIVE Provider Notification* -- the carrier must notify (via first class mail or electronically if agreed to in advance) all affected providers that their participating provider contract is being rented or sold to a third party.
2. *FRONT END Patient Notification* – carriers must identify on the beneficiaries' ID card those network leasing/sharing arrangements in which the payor participates – allowing the dentist to give accurate benefit info BEFORE treatment.
3. *BACK END Notification to Providers and Patients* – carriers must ensure that an explanation of benefits (EOB) furnished to the participating provider identifies the contract source relied upon to discount reimbursement to the provider.
4. *ADHERANCE to Fee Schedule* – the silent PPO carrier must abide by the fee schedule set forth in the original contract.
5. *MANDATORY ACCESS to All Network Patients* – any carrier that utilizes a silent PPO network must include all provider directories, advertising, websites, etc. as it does with directly contracted providers.

**THANK YOU FOR YOUR SUPPORT!**

