

A bill for an act

relating to insurance; regulating dental provider contracts and provider audits;
amending Minnesota Statutes 2010, sections 62Q.76, by adding a subdivision;
62Q.78, by adding subdivisions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2010, section 62Q.76, is amended by adding a
subdivision to read:

Subd. 8. **Dental provider contract.** "Dental provider contract" means a written
agreement between a dentist or dental clinic and dental organization to provide dental
care services.

Sec. 2. Minnesota Statutes 2010, section 62Q.78, is amended by adding a subdivision
to read:

Subd. 4. **Contract amendment.** An amendment or change in terms of an existing
contract between a dental organization and a dentist must be disclosed to the dentist at
least 90 days before the effective date of the proposed change.

Sec. 3. Minnesota Statutes 2010, section 62Q.78, is amended by adding a subdivision
to read:

Subd. 5. **Provider audits.** (a) A dental organization is prohibited from recovering
payments or otherwise withholding payments from a provider.

(b) Notwithstanding paragraph (a), a dental organization may recover payments or
withhold payments from a provider after an audit or investigation where the following
circumstances are met:

(1) the dental organization has conducted an audit or investigation of the provider's actual patient records and claims submissions, reviewed all relevant information and documentation, and made verified findings following the audit or investigation;

(2) looks back no more than 42 months from the date the audit or investigation results are given to the provider, except for an audit of public programs or where fraud has occurred; and

(3) the payments or withholding amount do not rely, in any way, on mathematical extrapolation or other statistical modeling.

(c) If a dental organization conducts a provider audit, the dental organization must use a licensed dentist whose license is in good standing to review the charts.

(d) As part of any provider audit process, a dental organization shall:

(1) provide a written explanation to the provider of the reason for the audit and the process the dental organization intends to use to audit the patient charts, as well as a written explanation of the processes available to the provider once the dental organization completes its review of the audited patient records; and

(2) allow the provider at least 75 days from the date that the provider receives the verified audit or investigation findings to review, meet, and negotiate an informal resolution to the audit or investigation.

Sec. 4. Minnesota Statutes 2010, section 62Q.78, is amended by adding a subdivision to read:

Subd. 6. **Payment for covered services.** (a) No contract of any dental plan or dental organization that covers any dental services or dental provider agreement with a dentist may require, directly or indirectly, that a dentist provide services to an enrolled participant at a fee set by, or at a fee subject to the approval of, the dental plan or dental organization unless the dental services are covered services.

(b) A dental plan or dental organization or other person providing third-party administrator services shall not make available any providers in its dentist network to a plan that sets dental fees for any services except covered services.

(c) "Covered services" means dental care services for which a reimbursement is available under an enrollee's plan contract, or for which a reimbursement would be available but for the application of contractual limitations such as deductibles, co-payments, coinsurance, waiting periods, annual or lifetime maximums, frequency limitations, alternative benefit payments, or any other limitation.

Sec. 5. **EFFECTIVE DATE.**

H.F. No. 122, 2nd Engrossment - 87th Legislative Session (2011-2012) [H0122-2]

- 3.1 Sections 1 to 4 are effective August 1, 2011, and apply to dental plans and provider
- 3.2 agreements entered into or renewed on or after that date.