



January 28, 2000

# SENATE BILL No. 469

DIGEST OF SB 469 (Updated January 26, 2000 12:32 PM - DI 97)

**Citations Affected:** IC 27-13.

**Synopsis:** Dental limited service health maintenance organizations. Requires a limited service health maintenance organization that provides dental care services (LSHMO) to appoint a licensed dental director. Provides that the dental director is responsible for oversight of policies, procedures, quality assurance, credentialing, and utilization management decisions with input from participating providers before implementation. Requires the department of insurance to classify complaints regarding an LSHMO and provide the information to the public. Requires an LSHMO to offer a point-of-service product, a preferred provider plan, and an accident and sickness insurance policy that provides dental care services beginning July 1, 2001.

**Effective:** July 1, 2000.

**Johnson**

January 10, 2000, read first time and referred to Committee on Health and Provider Services.  
January 27, 2000, amended, reported favorably — Do Pass.

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SB 469—LS 7197/DI 97+



January 28, 2000

Second Regular Session 111th General Assembly (2000)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1999 General Assembly.

## SENATE BILL No. 469

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 27-13-34-24 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2000]: **Sec. 24. (a) A limited service health**  
4 **maintenance organization that provides dental care services shall**  
5 **appoint a dental director who has an unlimited license to practice**  
6 **dentistry under IC 25-14 or an equivalent license issued by another**  
7 **state.**

8 (b) The dental director appointed under subsection (a) is  
9 responsible for oversight of treatment policies, protocols, quality  
10 assurance activities, credentialing of participating providers, and  
11 utilization management decisions of the limited service health  
12 maintenance organization.

13 (c) A limited service health maintenance organization that  
14 provides dental care services shall contract with or employ at least  
15 one (1) individual who holds an unlimited license to practice  
16 dentistry under IC 25-14 or an equivalent license issued by another  
17 state to do the following:

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**(1) Develop, in consultation with a group of appropriate providers, the limited service health maintenance organization's treatment policies, protocols, and quality assurance activities.**

**(2) Respond when a treating provider requests in writing that a dentist reconsider an adverse utilization review decision.**

**(d) A limited service health maintenance organization that provides dental care services shall provide participating providers with an opportunity to comment before implementation of the following:**

- (1) Treatment policies.**
- (2) Protocols.**
- (3) Quality assurance activities.**
- (4) Credentialing policies and procedures.**
- (5) Utilization management policies and procedures.**

**SECTION 2. IC 27-13-34-26 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 26. (a) The department shall maintain records concerning complaints filed against a limited service health maintenance organization that provides dental care services.**

**(b) The department shall classify complaints described in subsection (a) as categorized by National Association of Insurance Commissioners standardized complaint report procedures.**

**(c) The department shall classify the disposition of complaints in each category by:**

- (1) number of complaints for which corrective action is considered necessary by the department; and**
- (2) number of complaints classified by National Association of Insurance Commissioners disposition codes.**

**(d) The department shall make information specified in this section available to the public in a form that does not identify any specific individual.**

**(e) A limited service health maintenance organization that provides dental care services may not take any retaliatory action, including cancellation or refusal to renew a participating provider contract, individual contract, or group contract, solely because a participating provider, enrollee, or individual or group contract holder files a complaint against the limited service health maintenance organization.**

**SECTION 3. IC 27-13-37-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 4. (a) Beginning July**

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1 ~~†, 1999, each~~ **Each** health maintenance organization shall offer to each  
2 purchaser of a group contract or individual contract a point-of-service  
3 product to the extent permitted by IC 27-13-13-8.  
4 **(b) Beginning July 1, 2001, a limited service health maintenance**  
5 **organization that provides dental care services shall offer to each**  
6 **purchaser of a group contract or individual contract:**  
7 (1) a point-of-service product to the extent permitted by  
8 IC 27-13-34-10(a)(6);  
9 (2) a preferred provider plan (as defined in IC 27-8-11-1); or  
10 (3) a policy of accident and sickness insurance (as defined in  
11 IC 27-8-5-1);  
12 that provides dental care services.

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## COMMITTEE REPORT

Mr. President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 469, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 6, after "IC 25-14" insert "**or an equivalent license issued by another state**".

Page 1, line 7, after "director" insert "**appointed under subsection (a)**".

Page 1, line 14, after "IC 25-14" insert "**or an equivalent license issued by another state**".

Page 2, line 2, delete "Consult with the treating provider before an adverse" and insert "**Respond when a treating provider requests in writing that a dentist reconsider an adverse utilization review decision.**".

Page 2, delete line 3.

Page 2, line 6, delete "on treatment policies, protocols," and insert "**before implementation of the following:**

- (1) **Treatment policies.**
- (2) **Protocols.**
- (3) **Quality assurance activities.**
- (4) **Credentialing policies and procedures.**
- (5) **Utilization management policies and procedures.**

Page 2, delete lines 7 through 26.

Page 2, line 33, delete "filed under" and insert "**described in**".

Page 2, line 34, delete "according to the source of the complaint and the" and insert "**as categorized by National Association of Insurance Commissioners standardized complaint report procedures.**".

Page 2, delete lines 35 through 42.

Page 3, delete lines 1 through 4.

Page 3, line 9, delete "for which corrective action is not" and insert "**classified by National Association of Insurance Commissioners disposition codes.**".

Page 3, delete line 10.

Page 3, line 19, delete "under this section." and insert "**against the limited service health maintenance organization.**".

Page 3, line 21, strike "Beginning July".

Page 3, line 22, strike "1, 1999, each" and insert "**Each**".

Page 3, line 27, after "individual contract" insert ":

- (1) **a**".

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Page 3, line 29, delete "." and insert ";

**(2) a preferred provider plan (as defined in IC 27-8-11-1); or**

**(3) a policy of accident and sickness insurance (as defined in IC 27-8-5-1);**

**that provides dental care services."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 469 as introduced.)

MILLER, Chairperson

Committee Vote: Yeas 8, Nays 0.

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