

FINAL BILL REPORT

SSB 5351

PARTIAL VETO

C 219 L 25

Synopsis as Enacted

Brief Description: Ensuring patient choice and access to care by prohibiting unfair and deceptive dental insurance practices.

Sponsors: Senate Committee on Health & Long-Term Care (originally sponsored by Senators King, Chapman, Cleveland, Muzzall, Orwall, Christian, Nobles, Harris, Salomon, Conway, Frame, Hasegawa, Holy, Shewmake and Trudeau).

Senate Committee on Health & Long-Term Care

House Committee on Health Care & Wellness

House Committee on Appropriations

Background: The Affordable Care Act requires fully-insured commercial market health carriers to pay a minimum amount of the premium collected toward medical care or quality improvement initiatives. In the individual and small group markets, this threshold is 80 percent and in the large group market it is 85 percent. This percentage is known as the medical loss ratio. If expenses and profit exceed these thresholds, the difference must be returned to customers as refunds or rebates.

Health carriers offering dental-only plans must submit annual data on the plans, including the total number of members, the total revenue, the total amount of payments, and the dental loss ratio. There is not a minimum dental loss ratio threshold for dental-only plans, however, the Office of the Insurance Commissioner (OIC) does publish data on the dental loss ratios for carriers that operate in Washington State.

OIC reviews health plan rates for all individual and small-group health plans to determine if the rate change is reasonable in relation to the plan's benefits. If OIC determines the rate request is justified, state law requires OIC to approve the increase. If OIC determines the rate increase is not justified, it will be denied. The carrier can then revise its rate-increase request or it can request a hearing. OIC also reviews and approves pediatric dental-only plans offered as an essential health benefit on the individual and small group plan markets.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Limited health care service contractor means a health care service contractor that offers one and only one limited health care service, including dental care services, vision care services, mental health services, chemical dependency services, pharmaceutical services, podiatric care services, and such other services determined by OIC.

Summary: A carrier or limited health service contractor may not deny coverage for procedures on the basis that the procedures were performed on the same day.

Claims Payment. A carrier, limited health service contractor, or third-party administrator, or vendor contracted with the insurer or third-party administrator, may pay a claim for reimbursement made by a dental care provider using a credit card if:

- the payor notifies the provider in advance of the potential fees or charges;
- the payor offers the provider an alternative payment method that does not impose a fee; and
- the payor advises the provider of available methods of payment and provides clear instructions to the provider as to how to select an alternative payment method.

OIC must contract with the Ruckelshaus Center to host a forum with the Washington State Dental Association, Washington Denturist Association, dental carrier, consumer representative, OIC, and other relevant parties to discuss dental loss ratio and relative payment for dentists or denturists based upon their provider network status including, but not limited to, payment based on the usual and customary rate. The Center must submit a report to the Legislature with any policy recommendations by June 30, 2026.

Data submitted to OIC on dental-only plan membership, revenue, payments, dental loss ratio, and premiums must be based on Washington data and may not include data from any other state.

Votes on Final Passage:

Senate	49	0
House	94	0

Effective: July 27, 2025

Partial Veto Summary:

- Removed the emergency clause.