



## 2024 Dental Insurance Law Summary

On March 25, 2024, Governor Bill Lee signed Senate Bill 677 / House Bill 949 into law as [Public Chapter 589](#). Summary points of the law include:

### Virtual Credit Cards:

- A dental benefit plan may not restrict methods of payment to credit card payment only.
- When initiating or changing payments using an electronic funds transfer payments, including virtual credit card payments, a dental benefit plan must:
  - notify the dentist if any fees are associated with the payment method
  - advise of the available payment methods, and
  - provide clear instructions on how to select an alternative payment method.
- A dental benefit plan that initiates or changes payments to a dentist for healthcare electronic funds transfer and remittance advice transactions may not charge a fee solely to transmit the payment unless the dentist has consented to the fee.
- Authorizes a dentist agent, when transmitting healthcare electronic funds transfer and remittance advice transactions, to charge reasonable fees for payments related to transaction management, data management, portal services, and other value-added services in addition to the bank transmittal.

### Downcoding and Bundling:

- Requires a dental carrier to make their current dental benefit plan policies or guidelines available online and send a copy of the policies to the provider through mail or electronic mail if requested by contracted providers.
- Requires the dental benefit plan to furnish providers with the following:
  - a summary of all material changes made to a dental benefit plan no less than 30 days before the change takes effect,
  - the downcoding and bundling policies that the dental carrier reasonably expects to be applied to the provider's services as a matter of policy, and
  - a description of the dental benefit plan's utilization review procedures including:
    - a procedure for a covered person to obtain a review of an adverse determination; and
    - a statement of the provider's rights and responsibilities regarding the procedure.

## Downcoding and Bundling Continued:

- Prohibits a dental carrier from offering a plan that:
  - based on the provider's contracted fee for covered services, uses downcoding in a way that prevents a provider from collecting the fee for actual services performed either from the dental benefit plan or the patient.
  - uses bundling in a way where a procedure code is labeled as nonbillable to the patient unless, under generally accepted practice standards, the code is for a procedure that may be provided in conjunction with another procedure.
- Requires a dental carrier to ensure an explanation of benefits includes the reason for any downcoding or bundling.
- Establishes that a violation of this section may subject the insurer, dental service plan, third-party administrator, etc., to sanctions by the TN Department of Commerce and Insurance (TDCI).

## Other Considerations:

- Establishes that a violation of the current non-covered services law may subject the insurer, dental service plan, third-party administrator, etc., to sanctions by the TN Department of Commerce and Insurance (TDCI).
- The proposed legislation does not apply to TennCare program or the CoverKids program.

*The Tennessee Dental Association does not render legal advice or opinions to individual members or other affected parties. This executive summary should not be relied upon as providing full details of the new law. The TDA strongly encourages individuals to consult personal legal counsel for a complete understanding of the features and impact of this legislation.*



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