

SF1265 - 0 - Dental Providers; Third-Party Payer Provisions

Chief Author: **Melissa Wiklund**
 Committee: **Commerce And Consumer Protection**
 Date Completed: **2/22/2023 2:24:07 PM**
 Lead Agency: **Commerce Dept**
 Other Agencies:
 Minn Management and Budget MNSure

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings) Dollars in Thousands	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
State Total					
Total	-	-	-	-	-
Biennial Total			-		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Shannon Zila **Date:** 2/22/2023 2:24:07 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Total		-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total		-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
Total		-	-	-	-	-
Biennial Total				-		-

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Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Shannon Zila **Date:** 2/20/2023 3:43:29 PM
Phone: 651-296-6053 **Email:** shannon.zila@lbo.mn.gov

State Cost (Savings) Calculation Details

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State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
	Total	-	-	-	-	-
	Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
	Total	-	-	-	-	-
	Biennial Total			-		-
2 - Revenues, Transfers In*						
	Total	-	-	-	-	-
	Biennial Total			-		-

Bill Description

House File 1176-0 amends § 62Q.735, subdivision 1 to remove the alternative approach allowed for dental plan organizations to satisfy the subdivision’s provider contract disclosure requirements and effectively subjects these organizations to the general requirements applicable to all health plan companies.

HF1176 amends § 62Q.78 to require that dental provider contracts include a payment method for reimbursement of dental services that does not subject the provider to any fees related to that payment method. The bill further specifies that any fees associated with other payment methods must be disclosed prior to entering into or renewing a dental provider contract.

HF1176 further amends § 62Q.78 to establish requirements under which dental organizations may grant a third-party access to a dental provider contract, a provider’s dental care services, or a provider’s contractual discounts.

Assumptions

Commerce assumes that HF 1176-0 will not have a fiscal impact on the agency as it does not include any specific responsibilities for the department.

Expenditure and/or Revenue Formula

N/A

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

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 Agency: **Minn Management and Budget**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Susan Nelson **Date:** 2/21/2023 2:07:35 PM
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State Cost (Savings) Calculation Details

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State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

House File 1176-0 alters existing dental fee reimbursement transparency guidelines between dental payors and dental providers. It also establishes guidelines for the practice of “network leasing” between dental organizations, dentists, and third-party organizations.

Assumptions

Minnesota Management and Budget (MMB) administers the State Employee Group Insurance Program (SEGIP) which provides health, dental, life, and other benefits to eligible State employees and their dependents, and quasi-state agencies defined in Minnesota Statute. Health benefits are provided through the self-funded Minnesota Advantage Health Plan (Advantage). SEGIP contracts with three health plan administrators to provide medical benefits and a Pharmacy Benefit Manager (PBM) to provide its prescription drug benefit.

MMB assumes that HF1176-0 does not affect SEGIP’s dental plan, as the bill applies only to dental organizations, third party administrators, and dentists, and SEGIP is none of those three entities. Thus, we assume no fiscal impact on SEGIP.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

Agency Fiscal Note Coordinator Signature: Ronika Rampadarat

Date: 2/21/2023 1:40:26 PM

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 Agency: **MNsure**

State Fiscal Impact	Yes	No
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Fee/Departmental Earnings		X
Tax Revenue		X
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Local Fiscal Impact		X

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Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Shannon Zila **Date:** 2/13/2023 10:59:29 AM
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State Cost (Savings) Calculation Details

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Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This bill specifies provisions for third-party payers and dental providers. This bill also adds a definition for “third party” under section 62Q.76 and modifies dental benefit plan requirements related to method of payments and network leasing.

Assumptions

MNsure does not anticipate a direct fiscal impact to MNsure as a result of this bill.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

Agency Fiscal Note Coordinator Signature: Pete Engler

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