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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony for Senator Hayes in Support of Senate Bill 813 - Health Insurance and Dental Plan Organizations - Dentists - Assignment of Benefits and Reimbursement of Nonpreferred Providers

Good afternoon, Chair, Vice Chair, and members of the Health Committee,

For the record, I am Senator Antonio Hayes, and I am pleased to present **Senate Bill 813**. This legislation seeks to improve patient access to dental care and reduce financial administrative burdens for Maryland families by modernizing how dental insurance benefits are processed.

Currently, unlike in medical insurance, many dental plans prohibit patients from "assigning benefits" to a dentist if that dentist is out-of-network (nonpreferred). This means that even if a patient has insurance coverage, they are often required to pay the full cost of the procedure upfront, wait for the insurance company to send a check to their home, and then settle the account. Alternatively, the insurance check is mailed to the patient, who may not realize it needs to be turned over to the provider, leading to confusion and collections issues.

The Solution: Assignment of Benefits

SB 813 extends the same rights patients currently have with physicians to their dental care.

- **Direct Reimbursement:** The bill prohibits insurers and dental plan organizations from refusing to directly reimburse a nonpreferred dentist when a patient has assigned their benefits.
- **Parity:** This simply adds "dentist" to the existing statute that already protects this right for physicians.

Crucially, this bill includes robust consumer protections to ensure patients are fully informed before they receive care. To accept an assignment of benefits, a nonpreferred dentist must provide the patient with a clear disclosure before performing the service, including:

- A statement that the dentist is a nonpreferred provider;

- A notification that the patient may be balance billed for covered services or charged for noncovered services;
- An estimate of the cost of services; and
- Specific terms regarding payment and interest

The bill provides reasonable exceptions where an insurer is not required to honor the assignment, such as if the patient paid the full amount at the time of service or if the assignment was withdrawn.

Senate Bill 813 streamlines the payment process, reduces out-of-pocket friction for patients, and ensures transparency regarding costs. The Act will take effect on January 1, 2027.

I respectfully request a favorable report on Senate Bill 813.

Position: Favorable