



Legislative Fiscal Office  
83<sup>rd</sup> Oregon Legislative Assembly  
2025 Regular Session

Prepared by: MaryMichelle Sosne  
Reviewed by: Emily Coates, Michael Graham, Matt Stayner  
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**Bill Title:** Relating to dental insurers.

**Government Unit(s) Affected:** Board of Dentistry, Department of Consumer and Business Services, Oregon Health Authority

### Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ -	\$ -	\$ 120,905	\$ -	\$ 120,905	-	-
<b>Total Fiscal Impact</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 120,905</b>	<b>\$ -</b>	<b>\$ 120,905</b>	<b>-</b>	<b>-</b>
2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ -	\$ -	\$ 483,623	\$ -	\$ 483,623	-	-
<b>Total Fiscal Impact</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 483,623</b>	<b>\$ -</b>	<b>\$ 483,623</b>	<b>-</b>	<b>-</b>

- Legislation resulting in an impact on revenues or expenditures related to the health care benefits provided by the Public Employees' Benefit Board or the Oregon Educators Benefit Board may impact the budgets of the employers that provide this coverage for their employees.

### Measure Description

The measure requires dental insurers to pay, deny, or request additional information to process a claim within 30 days of receiving the claim. Dental insurers must establish a method to communicate with dental providers on claim completion procedures. The measure requires a dental provider to receive direct payment for a valid claim from the dental insurer. The measure takes effect on January 1, 2026, and is operative January 1, 2027.

### Fiscal Analysis

The expansion of coverage for health benefit plans may be considered a new mandate under the Patient Protection and Affordable Care Act. This Act requires states to offset the cost of required benefits for plans issued through the health insurance marketplace. Federal guidance does not clarify whether these offsets must be paid out of the General Fund or from other state funds such as marketplace assessment funds. If coverage of these services is considered a new mandate, the bill may have a fiscal impact for the state.

Changes to the list of required services that health benefit plans must cover will impact the premiums for employee health plans offered by the Public Employees' Benefit Board (PEBB) and Oregon Educators Benefit Board (OEBB), which are housed in the Oregon Health Authority. While the health care coverage offered in each program is budgeted as Other Funds, the corresponding revenue largely comes from the premiums paid by state agencies and universities for PEBB's plans and the K-12 school system for OEBB's plans. State agencies finance PEBB's premium payments from the revenue streams available in their budgets, including the General Fund.

PEBB and OEBC contract with three dental carriers for coverage: Willamette Dental, Kaiser Permanent and Delta Dental. Willamette Dental and Kaiser Permanent employ their providers, so these providers do not submit claims. Instead, most claims are pre-authorized, and the member's cost share is calculated at the time of service. As a result, neither Willamette Dental nor Kaiser Permanent have a fiscal impact.

Delta Dental would require additional staff to process and pay dental claims within 30 days of receiving a claim. These increased costs will be paid through premiums. Based on input provided by PEBB's and OEBC's actuaries, premiums paid to Delta Dental will increase by an estimated average of 0.20% under the measure. For PEBB, this increase would result in additional costs of \$58,696 Other Funds in 2025-27, and \$234,786 Other Funds in 2027-29. For OEBC, the premium increase would result in additional costs of \$62,209 Other Funds in 2025-27, and \$248,837 Other Funds in 2027-29.

The measure is not anticipated to have a fiscal impact on the Oregon Board of Dentistry or the Department of Consumer and Business Services.

**Relevant Dates**

The measure takes effect on January 1, 2026, and is operative on January 1, 2027.