

A-Engrossed Senate Bill 532

Ordered by the Senate April 15
Including Senate Amendments dated April 15

Sponsored by Senator PATTERSON, Representative NOSSE, Senator HAYDEN (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Makes dental insurers follow some rules for payment and denial of claims. (Flesch Readability Score: 60.7).

Requires dental insurers to follow certain rules for payment and denial of claims.

A BILL FOR AN ACT

Relating to dental insurers; creating new provisions; and amending ORS 743B.456.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Sections 2, 4 and 5 of this 2025 Act are added to and made a part of the Insurance Code.

SECTION 2. As used in ORS 743B.456 and sections 4 and 5 of this 2025 Act:

(1) "Dental insurance plan" means a policy or certificate of insurance or other contract that provides only a dental benefit.

(2) "Dental insurer" means an insurer that offers a policy or certificate of insurance or other contract that provides only a dental benefit.

(3) "Dental provider" means a person licensed, certified or otherwise permitted by laws of this state to administer dental services in the ordinary course of business or practice of a profession.

SECTION 3. ORS 743B.456 is amended to read:

743B.456. [(1) As used in this section, "dental insurer" means an insurer that offers a policy or certificate of insurance or other contract, that provides only a dental benefit.]

[(2)] (1) A dental insurer may pay a claim for reimbursement made by a dental care provider using a credit card or electronic funds transfer payment method that imposes on the provider a fee or similar charge to process the payment if:

(a) The dental insurer notifies the provider, in advance, of the potential fees or other charges associated with the use of the credit card or electronic funds transfer payment method;

(b) The dental insurer offers the provider an alternative payment method that does not impose fees or similar charges on the provider; and

(c) The provider or a designee of the provider elects to accept a payment of the claim using the credit card or electronic funds transfer payment method.

[(3)] (2) If a dental insurer contracts with a vendor to process payments of dental providers' claims, the dental insurer shall require the vendor to comply with the provisions of subsection [(2)(a)] (1)(a) of this section.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (3) Except as provided in this subsection, when a claim under a dental insurance plan is
2 submitted to a dental insurer by a dental provider on behalf of a beneficiary, the dental
3 insurer shall pay a clean claim or deny the claim not later than 30 days after the date on
4 which the dental insurer receives the claim. If a dental insurer requires additional informa-
5 tion before payment of a claim, not later than 30 days after the date on which the dental
6 insurer receives the claim, the dental insurer shall notify the beneficiary and the dental
7 provider in writing and give the beneficiary and the dental provider an explanation of the
8 additional information needed to process the claim. The dental insurer shall pay a clean
9 claim or deny the claim not later than 30 days after the date on which the dental insurer
10 receives the additional information.

11 (4) A contract between a dental insurer and a dental provider may not include a provision
12 governing payment of claims that limits the rights and remedies available to a provider un-
13 der this section or has the effect of relieving either party of its obligations under this sec-
14 tion.

15 (5) A dental insurer shall establish a method of communicating to dental providers the
16 procedures and information necessary to complete claim forms. The procedures and infor-
17 mation must be reasonably accessible to dental providers.

18 (6) This section does not create an assignment of payment to a dental provider.

19 (7) As used in this section, "clean claim" means a claim that has no defect or error, is
20 understandable and reasonably legible, includes required substantiating documentation and
21 does not require special treatment that delays timely payment on the claim.

22 **SECTION 4.** (1) As used in this section, "refund" means the return, either directly or
23 through an offset to a future claim, of some or all of a payment already received by a dental
24 provider.

25 (2) Except in the case of fraud or abuse of billing, and except as provided in subsections
26 (3) and (5) of this section, a dental insurer may not:

27 (a) Request from a dental provider a refund of a payment previously made to satisfy a
28 claim unless the dental insurer:

29 (A) Requests the refund in writing on or before the last day of the period specified by the
30 contract with the dental provider or 18 months after the date the payment was made,
31 whichever is earlier; and

32 (B) Specifies in the written request why the dental insurer believes the dental provider
33 owes the refund.

34 (b) Request that a contested refund be paid earlier than six months after the dental
35 provider receives the request.

36 (3) A dental insurer may not do the following for reasons related to coordination of
37 benefits with another dental insurer or entity responsible for payment of a claim:

38 (a) Request from a dental provider a refund of a payment previously made to satisfy a
39 claim unless the dental insurer:

40 (A) Requests the refund in writing within 30 days after the date the payment was made;

41 (B) Specifies in the written request why the dental insurer believes the provider owes the
42 refund; and

43 (C) Includes in the written request the name and mailing address of the other dental
44 insurer or entity that has primary responsibility for payment of the claim.

45 (b) Request that a contested refund be paid earlier than six months after the dental

1 provider receives the request.

2 (4) If a dental provider fails to contest a refund request in writing to the dental insurer
3 within 30 days after receiving the request, the request is deemed accepted and the dental
4 provider must pay the refund within 30 days after the request is deemed accepted. If the
5 dental provider has not paid the refund within 30 days after the request is deemed accepted,
6 the dental insurer may recover the amount through an offset to a future claim.

7 (5) A dental insurer may at any time request from a dental provider a refund of a pay-
8 ment previously made to satisfy a claim if:

9 (a) A third party, including a government entity, is found responsible for satisfaction of
10 the claim as a consequence of liability imposed by law; and

11 (b) The dental insurer is unable to recover directly from the third party because the third
12 party has already paid or will pay the provider for the dental services covered by the claim.

13 (6) If a contract between a dental insurer and a dental provider conflicts with this sec-
14 tion, the provisions of this section prevail. However, nothing in this section prohibits a dental
15 provider from choosing at any time to refund to a dental insurer any payment previously
16 made to satisfy a claim.

17 (7) This section neither permits nor precludes a dental insurer from recovering from a
18 subscriber, enrollee or beneficiary any amounts paid to a dental provider for benefits to
19 which the subscriber, enrollee or beneficiary was not entitled under the terms and conditions
20 of the dental insurance plan, insurance policy or other benefit agreement.

21 SECTION 5. A dental provider that bills a dental insurer for covered services provided
22 to an individual who is insured under a dental insurance plan shall be reimbursed by the
23 insurer by a direct payment issued to the dental provider.

24 SECTION 6. Sections 2, 4 and 5 of this 2025 Act and the amendments to ORS 743B.456
25 by section 3 of this 2025 Act become operative on January 1, 2027.