

TESTIMONY OF KIM DAVIS
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BUREAU OF INSURANCE
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION
In opposition to L.D. 1058
An Act to Prevent Dental Insurance Companies from Denying Coverage
When Other Insurance Is Involved
Presented by Representative Greenwood
Before the Joint Standing Committee on Health Coverage,
Insurance & Financial Services
April 1, 2025 at 1:00 pm

Senator Bailey, Representative Mathieson, and members of the Committee, I am Kim Davis, Deputy Director of the Consumer Health Care Division at the Bureau of Insurance. I am here today to testify in opposition to L.D. 1058. When a patient is covered by more than one health plan, the total amount of coverage for a particular service may exceed the cost of the service. Coordination of benefits is the process by which insurers are permitted to reduce their benefit payments to prevent the patient or provider from receiving benefits that exceed the cost of the service. Savings realized from coordination of benefits are taken into account when setting premium rates, so that carriers do not profit unfairly from this process.

This bill would amend the Coordination of Benefits section of the chapter on individual health insurance contracts to prohibit individual health insurers from coordinating benefits for dental services when an insured is covered under an individual policy and at least more than one other benefit plan. It would apply both to dental insurers and to medical insurers issuing policies that provide dental benefits. It would require the carrier to pay the full policy benefit for every covered dental procedure even if payments from another health benefit plan would make the provider's total reimbursement exceed the cost of the service.

The problem the bill attempts to address is unknown. The Bureau is unaware of any complaints on coordination of benefits involving dental services plans.

Thank you, I would be glad to answer any questions now or at the work session.