

SENATE BILL NO. 463

BY SENATOR WHEAT

1 AN ACT

2 To enact Subpart H of Part III of Chapter 4 of Title 22 of the Louisiana Revised Statutes of
3 1950, to be comprised of R.S. 22:1161 through 1166, relative to dental healthcare
4 plans; to provide for transparency of expenditures of dental healthcare plan
5 premiums; to require an annual report; to require rules; to provide for an effective
6 date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Subpart H of Part III of Chapter 4 of Title 22 of the Louisiana Revised
9 Statutes of 1950, comprised of R.S. 22:1161 through 1166, is hereby enacted to read as
10 follows:

11 **SUBPART H. LOUISIANA DENTAL LOSS RATIOS FOR DENTAL**

12 **HEALTHCARE SERVICES PLANS ACT**

13 **§1161. Short title**

14 **This Subpart shall be cited as the "Louisiana Dental Loss Ratios for**
15 **Dental Healthcare Services Plans Act".**

16 **§1162. Purpose**

17 **The purpose of this Subpart is to provide for transparency of the**
18 **expenditures of dental healthcare service plan premiums and to require annual**
19 **reports.**

20 **§1163. Definitions**

21 **As used in this Subpart, the following definitions apply:**

22 **(1) "Dental carrier" or "carrier" means a dental insurance company,**
23 **dental service corporation, dental plan organization authorized to provide**
24 **dental benefits, or a health insurance plan that includes coverage for dental**
25 **services.**

26 **(2) "Dental healthcare service plan" or "plan" means any plan that**
27 **provides coverage for dental healthcare services to enrollees in exchange for**

1 premiums.

2 (3) "Dental loss ratio" means a percentage of premium dollars spent on
3 patient care as calculated pursuant to R.S. 22:1164.

4 §1164. Dental loss ratio calculations

5 The dental loss ratio is calculated by dividing the numerator by the
6 denominator as follows:

7 (1)(a) The numerator is the sum of the amount incurred for clinical
8 dental services provided to enrollees, the amount incurred on activities that
9 improve dental care quality, and other incurred claims as defined in 45 CFR
10 158.140(a).

11 (b) The activities to improve dental care quality shall not exceed five
12 percent of the carrier's net revenue.

13 (c) Administrative and overhead costs shall not be included in the
14 numerator.

15 (2) The denominator is the total amount of premium revenue except for
16 federal and state taxes, licensing and regulatory fees paid, and any nonprofit
17 community benefit expenditures, as defined in 45 CFR 158.162(c), and any
18 other payments required by federal law.

19 §1165. Transparency of patient premium expenditures; dental loss ratio annual
20 report

21 A. In order to provide transparency of patient premium expenditures for
22 dental healthcare services, all carriers that renew, deliver, or issue a dental
23 healthcare service plan in this state shall file a dental loss ratio annual report
24 for the preceding calendar year to the commissioner no later than March 1,
25 2025, and annually thereafter, no later than June thirtieth of each calendar
26 year.

27 B. The dental loss ratio annual report shall comply with all of the
28 following:

29 (1) Be organized by market and product type.

30 (2) Contain the same information as required by the 2013 Centers for

1 Medicare and Medicaid Services Medical Loss Ratio Annual Reporting Form
2 (CMS-10418).

3 (3) If not already provided for pursuant to Paragraph (2) of this
4 Subsection, provide the number of enrollees, the plan cost sharing, deductible
5 amounts, the annual maximum coverage limit, and the number of enrollees who
6 meet or exceed the annual coverage limit.

7 C. Any terms used in the dental loss ratio annual report shall have the
8 same meaning as used in the Public Health Service Act, 42 U.S.C. 300gg-18 and
9 Part 158 of Title 45 of the Code of Federal Regulations.

10 D. If the commissioner finds that additional information is needed to
11 verify a plan's representation of its data, the commissioner shall provide a
12 written notice to the carrier that requests this additional information. The
13 carrier shall have thirty days from receipt of the notice to submit the additional
14 information.

15 E. The dental loss ratio annual report filed with the commissioner shall
16 be made available to the public no later than June 30, 2025, and annually
17 thereafter, no later than June thirtieth of each calendar year. The commissioner
18 shall post the dental loss ratio in a searchable format on the department's
19 website.

20 F. The commissioner shall file a report on the data collected pursuant to
21 this Section with the Senate Committee on Insurance and the House Committee
22 on Insurance, and a copy of the report shall be forwarded to the David R.
23 Poynter Legislative Research Library as required by R.S. 24:771 and 772, no
24 later than June 30, 2025, and annually thereafter, no later than June thirtieth
25 of each calendar year.

26 G. The provisions of this Subpart shall not apply to plans under
27 Medicaid or the Louisiana Children's Health Insurance Program.

28 §1166. Rulemaking

29 The commissioner shall promulgate rules and regulations in accordance
30 with the Administrative Procedure Act as necessary to implement the provisions

1 of this Subpart, including but not limited to definitions of eligible clinical dental
2 services, activities to improve dental care quality, and administrative and
3 overhead cost expenditures.

4 Section 2. This Act shall become effective on January 1, 2025.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____