

2020 Regular Session

HOUSE BILL NO. 353

BY REPRESENTATIVE BROWN

INSURANCE CLAIMS: Provides relative to claims for dental services made by healthcare providers

1 AN ACT

2 To enact R.S. 22:1151(7) and (8) and 1157, relative to downcoding by dental service  
3 contractors; to prohibit downcoding unless certain criteria are met; to require an  
4 explanation of the change of procedure code; to require disclosure of downcoding  
5 policies; to define key terms; to provide for penalties; and to provide for related  
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1151(7) and (8) and 1157 are hereby enacted to read as follows:

9 §1151. Definitions

10 For the purposes of this Subpart, the following words and phrases shall be  
11 defined as follows:

12 \* \* \*

13 (7) "Downcode" or "downcoding" means the alteration by a dental service  
14 contractor, insurer, or other third-party payer of a service code submitted with a  
15 claim for reimbursement by a dentist or other healthcare provider to one of lesser  
16 complexity, resulting in decreased reimbursement.

17 (8) "Regular fee" means the fee a dentist or other healthcare provider would  
18 normally charge for a procedure before any discounts applicable by a preferred  
19 provider organization network, dental benefit plan, dental referral plan, direct  
20 primary care agreement, or similar contracts.

21 \* \* \*

1        §1157. Dental reimbursement or payments; procedure codes; downcoding

2            A.(1) A dental service contractor shall not systematically downcode with the  
3        intent to deny reimbursement otherwise due to a dentist or other healthcare provider.

4            (2) A violation of Paragraph (1) of this Subsection shall be considered an  
5        unfair or deceptive practice pursuant to Part IV of Chapter 7 of this Title and shall  
6        be subject to the penalties contained in that Part.

7            B. No dental service contractor shall change a procedure code submitted by  
8        a dentist or other healthcare provider unless all of the following conditions are met:

9            (1) The change is consistent with the dental service contractor's policies.

10          (2) The dental service contractor has sufficient information to make the  
11        change.

12          (3) The dental service contractor has consulted with the submitting dentist  
13        or other healthcare provider prior to the change.

14          C.(1) If a procedure code change is made pursuant to Subsection B of this  
15        Section, the explanation of benefits provided to the subscriber shall include the  
16        reason for the downcoding and citation of the dental service contractor's applicable  
17        policy.

18          (2) The explanation of benefits shall not state or infer that the code billed by  
19        the dentist or other healthcare provider was inappropriate unless there is clear  
20        evidence the code listed on the claim by the dentist or provider in no way related to  
21        the procedure actually performed.

22          (3) The explanation of benefits shall not state or infer that the dentist or other  
23        healthcare provider's charge was excessive unless there is clear evidence the charge  
24        was substantially higher than the dentist's or provider's regular fees.

25          D. The dental service contractor shall disclose in its provider contracts, on  
26        its website, or both, the specific downcoding policies that the dental service  
27        contractor reasonably expects to be applied to the provider or provider's services on  
28        a routine basis as a matter of policy.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 353 Original

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Brown

**Abstract:** Prohibits downcoding of claims for dental services unless specific criteria are met.

Proposed law defines "downcode" or "downcoding" as the alteration by a dental service contractor, insurer, or other third-party payer of a service code submitted with a claim for reimbursement by a dentist or other healthcare provider to one of lesser complexity, resulting in decreased reimbursement.

Proposed law prohibits a dental service contractor from systematically downcoding with the intent to deny reimbursement otherwise due to a dentist or other healthcare provider and deems a violation of proposed law to be an unfair or deceptive practice subject to the penalties in present law relative to unfair trade practices.

Proposed law prohibits a dental service contractor from changing a procedure code submitted by a dentist or other healthcare provider unless all of the following conditions are met:

- (1) The change is consistent with the dental service contractor's policies.
- (2) The dental service contractor has sufficient information to make the change.
- (3) The dental service contractor has consulted with the submitting dentist or other healthcare provider prior to the change.

Proposed law requires the explanation of benefits (EOB) provided to the subscriber to include the reason for the downcoding and citation of the dental service contractor's applicable policy and prohibits the EOB from stating or inferring either of the following:

- (1) That the code billed by the dentist or other healthcare provider was inappropriate unless there is clear evidence the code listed on the claim by the dentist or provider in no way related to the procedure actually performed.
- (2) That the dentist or other healthcare provider's charge was excessive unless there is clear evidence the charge was substantially higher than the dentist's or provider's regular fees.

Proposed law requires the dental service contractor to disclose in its provider contracts, on its website, or both, the specific downcoding policies that the dental service contractor reasonably expects to be applied to the provider or provider's services on a routine basis as a matter of policy.

(Adds R.S. 22:1151(7) and (8) and 1157)