

Multiple Agency Fiscal Note Summary

Bill Number: 5351 S SB	Title: Dental insurance practices
-------------------------------	--

Estimated Cash Receipts

NONE

Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Washington State Health Care Authority	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Insurance Commissioner	.3	0	0	290,164	.1	0	0	25,492	.1	0	0	25,492
Total \$	0.3	0	0	290,164	0.1	0	0	25,492	0.1	0	0	25,492

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Washington State Health Care Authority	.0	0	0	.0	0	0	.0	0	0
Office of Insurance Commissioner	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

Prepared by: Jason Brown, OFM	Phone: (360) 742-7277	Date Published: Final 3/19/2025
--------------------------------------	---------------------------------	---

Individual State Agency Fiscal Note

Revised

Bill Number: 5351 S SB	Title: Dental insurance practices	Agency: 107-Washington State Health Care Authority
-------------------------------	--	---

Part I: Estimates

☒ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Amanda Cecil	Phone: 360-786-7460	Date: 03/14/2025
Agency Preparation: Kodi Campbell	Phone: 360-725-0000	Date: 03/19/2025
Agency Approval: Tanya Deuel	Phone: 360-725-0908	Date: 03/19/2025
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 03/19/2025

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

See attached.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

See attached.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

See attached.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

HCA Fiscal Note

Bill Number: **SSB 5351**

HCA Request #: 25-165

Title: **Dental Insurance Practices**

Part I: Estimates

☒ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

HCA Fiscal Note

Bill Number: **SSB 5351**

HCA Request #: 25-165

Title: **Dental Insurance Practices**

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

This version of the bill differs from the previous version in the following ways:

New Section 1 (formerly Section 2) adds a new section in 48.43 RCW (Insurance Reform) stating that a dental plan may not deny coverage for procedures solely based on the procedures that are performed on the same day.

New Section 2 (formerly Section 4) adds a new section in 48.43 RCW (Insurance Reform) that a dental only plan offered by a carrier or limited health care service contractor may pay a claim for reimbursement made by a dental care provider using a credit card if the carrier notifies the provider in advance of any fees associated with the use of the credit card; offers the provider an alternative payment method that does not impose fees or similar charges on the provider; and the carrier advises the provider of available methods of payment as well as clear instructions on how to select an alternative payment method.

New Section 4 states that the Office of the Insurance Commissioner (OIC) will enter a contract with the William D. Ruckelshaus center to facilitate discussions and address issues to dental loss ratio, other payment situations, and produce a final report summarizing findings.

New Section 5 (formerly Section 9) amends 48.43.743 RCW (Dental only plan) adding additional language to the annual statement that the information provided must be based on Washington data and may not include data from other states.

Removes the following:

- Allowing a treating dentist, in consultation with the covered person, to make all decisions on dental services provided to the covered person rather than making such decisions through contracts or agreements between the dentist and the limited health care service contractor. The limited health care service contractor may not deny coverage for services or procedures and may not modify the reimbursement rates paid to a contracting dentist during the term of the contract.
- Requiring that an employee benefit plan or health insurance policy must provide that payment or reimbursement for a non-contracting provider dentist is no less than the payment for reimbursement for a contracting provider dentist
- Adding an annual dental loss ratio for a dental only plan less than 85 percent

‘*****’

II. B - Cash Receipts Impact

HCA Fiscal Note

Bill Number: **SSB 5351**

HCA Request #: 25-165

Title: **Dental Insurance Practices**

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

NONE

II. C – Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Part III: Expenditure Detail

III. A – Operating Budget Expenditure

This version of the bill differs significantly from the previous version as there are no fiscal impacts based on the revised bill language.

Section 1 adds a new section in 48.43 RCW (Insurance Reform) stating that a dental plan may not deny coverage for procedures solely based on the procedures that are performed on the same day. HCA dental plans offered to the Public Employees' Benefits Board (PEBB) and School Employees' Benefits Board (SEBB) members already comply with this section of the bill.

Section 4 states that the OIC will enter a contract with the William D. Ruckelshaus center to facilitate discussions and address issues related to dental loss ratio, other payment situations, and produce a final report summarizing findings by June 30, 2026. There could be future impacts depending on future legislative action related to the outcomes of this legislative report.

III. B – Expenditures by Object Or Purpose

NONE

III. C – Operating FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.

NONE

III. D – Expenditures By Program (optional)

Part IV: Capital Budget Impact

IV. A – Capital Budget Expenditures

NONE

HCA Fiscal Note

Bill Number: **SSB 5351**

HCA Request #: 25-165

Title: **Dental Insurance Practices**

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout: Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 5351 S SB	Title: Dental insurance practices	Agency: 160-Office of Insurance Commissioner
-------------------------------	--	---

Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.5	0.1	0.3	0.1	0.1
Account					
Insurance Commissioners Regulatory Account-State 138-1	277,418	12,746	290,164	25,492	25,492
Total \$	277,418	12,746	290,164	25,492	25,492

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

Legislative Contact: Amanda Cecil	Phone: 360-786-7460	Date: 03/14/2025
Agency Preparation: Sydney Rogalla	Phone: 360-725-7042	Date: 03/19/2025
Agency Approval: Tom Zuvela	Phone: (800) 562-6900	Date: 03/19/2025
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 03/19/2025

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 1 prohibits a dental only plan offered by a carrier or limited health care service contractor (L-HCSC) from denying coverage solely on the basis that the procedure was performed on the same day. This section also outlines the circumstances under which a dental only plan may deny a claim.

Section 2 outlines the terms under which a dental only plan can pay a claim for reimbursement may pay a claim for reimbursement using a credit card.

Section 3 grants the Office of the Insurance Commissioner (OIC) rulemaking authority to adopt rules necessary to implement Sections 1 and 2.

Section 4 requires the OIC to enter into a contract with the William D. Ruckelshaus Center to design, convene, and facilitate a collaborative forum to address issues related to dental loss ratio (DLR) and payment parity for dentists or denturists and develop recommendations for legislative or regulatory action.

Section 5 requires carriers offering dental only plans to submit by April 1 each year Washington-specific data on members, revenue, payments, dental loss ratio, and premium averages and changes. The OIC must publish this information online.

The bill takes effect on July 1, 2025.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

NONE.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Section 1 prohibits a dental only plan offered by a carrier or limited health care service contractor (L-HCSC) from denying coverage solely on the basis that the procedure was performed on the same day. This section also outlines the circumstances under which a dental only plan may deny a claim.

Section 2 outlines the terms under which a dental only plan can pay a claim for reimbursement may pay a claim for reimbursement using a credit card.

Section 3 grants the Office of the Insurance Commissioner (OIC) rulemaking authority to adopt rules necessary to implement Sections 1 and 2.

The OIC anticipates a 4% increase in calls, complaints, and written inquiries from consumers as a result of this bill. Using the average call handling (5.01 minutes), and inquiry handling (12 minutes) times for the L&D Unit in 2024, along with the estimated complaint handling for less complex cases in 2024 (0.9 hours) this amounts to 44.9 hours (1,246 complaints * 4% * 0.9 hours) of complaint handling, 10.9 hours [(3,251 calls * 4% * 5.01 minutes) / 60] of call handling, and 8.1 hours [(1,008 written inquiries * 4% * 12 minutes) / 60] of inquiry handling. Therefore, the OIC requires 63.9 hours of a Functional Program Analyst 3 starting in FY2026 and thereafter.

Additionally, the OIC expects additional enforcement resources as result of this bill. Therefore, the OIC requires 20 hours of a Paralegal 2 as well as 60 hours of an Insurance Attorney starting in FY2026 and thereafter.

Section 4 requires the OIC to enter into a contract with the William D. Ruckelshaus Center to design, convene, and facilitate a collaborative forum to address issues related to dental loss ratio (DLR) and payment parity for dentists or denturists and develop recommendations for legislative or regulatory action.

The OIC based its estimates on similar projects and committee work with the NAIC and other organizations. Therefore, the OIC require one-time costs, in FY2026, for 180 hours of a Washington Management Service 2 role as well as 120 hours of a Functional Program Analyst 3 to perform research and provide technical input.

Additionally, the OIC require one-time costs, in FY2026, for 48 hours of a Functional Program Analyst 4 to attend meetings, collect data, perform research, and provide technical input.

The OIC will contract with the Ruckelshaus Center to collect data, convene forum of interested parties directed by legislation, and develop policy solutions for DLR as well as the reimbursement parity. The OIC anticipates one-time costs, in FY2026, of \$193,000 for this contract.

The OIC require one-time costs, in FY2026, for 180 hours of a Health Policy Analyst as well as 60 hours of a Senior Health Policy Advisor as well as 60 hours of a Senior Economic & Data Analyst to attend meetings, coordinate venues, collect data, perform research, and provide technical input.

Additionally, the OIC require one-time costs, in FY2026, for 40 hours of an Actuary 3 to address issues related to the dental loss ratio.

Section 5 requires carriers offering dental only plans to submit by April 1 each year Washington-specific data on members, revenue, payments, dental loss ratio, and premium averages and changes. The OIC must publish this information online.

The OIC will need to develop new queries and reports based on the additions from this bill. Therefore, the OIC require one-time costs, in FY2026, for 5 hours of a Washington Management Service 2 role to make adjustments to the query and reports.

This bill will require a simple rulemaking.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
138-1	Insurance Commissioners Regulatory Account	State	277,418	12,746	290,164	25,492	25,492
Total \$			277,418	12,746	290,164	25,492	25,492

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.5	0.1	0.3	0.1	0.1
A-Salaries and Wages	51,130	7,607	58,737	15,214	15,214
B-Employee Benefits	16,404	2,590	18,994	5,180	5,180
C-Professional Service Contracts					
E-Goods and Other Services	209,884	2,549	212,433	5,098	5,098
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	277,418	12,746	290,164	25,492	25,492

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2026	FY 2027	2025-27	2027-29	2029-31
Actuary 3	181,788	0.0		0.0		
Functional Program Analyst 3	78,468	0.1	0.0	0.1	0.0	0.0
Functional Program Analyst 4	86,712	0.0		0.0		
Health Policy Advisor	86,712	0.0		0.0		
Health Policy Analyst	100,524	0.1		0.1		
Insurance Attorney	95,652	0.0	0.0	0.0	0.0	0.0
Paralegal 2	78,468	0.0	0.0	0.0	0.0	0.0
Senior Economic & Data Analyst	95,652	0.0		0.0		
Senior Policy Analyst	131,328	0.0		0.0		
Washington Management Services 2	98,712	0.1		0.1		
Total FTEs		0.5	0.1	0.3	0.1	0.1

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact**IV. A - Capital Budget Expenditures**

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

NONE.

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Section 3 grants the Office of the Insurance Commissioner (OIC) rulemaking authority to adopt rules necessary to implement Sections 1 and 2. This bill will require a simple rulemaking.