

HB 273

Dental Care Agreement

Dental Loss Ratio

HB 273

- HB 273 Two components:
 - Direct Health Care agreements- dental care services
 - Dental Loss Ratio
- More transparency
- More accountability
- More value for Alaskan dental patients

Dental Care

- Oral health prevention is key to avoiding oral diseases
- Dental coverage is a key driver for patients to seek dental care
- Dental plans have limited oversight
- With typical dental insurance plans, patients are not the customers...the customers are actually the employers.
- Very difficult, if not impossible, for patients to determine the true value of their coverage until months or years later when a claim is denied.

HB 273: Direct Health Care Agreements

- Direct Health Care Agreements (DHCA) established in Alaska statute AS 21.03.025 in 2024 through SB 45.
- Direct Health Care agreements
 - Contractual agreement between the provider and the patient
 - Flat fee (typically monthly) in exchange for services
 - No third-party middleman under a DHCA
- HB 273 seeks to add Dental Care Services to DHCA statutes

HB 273 Dental Loss Ratio

- 13 states have enacted Dental Loss Ratio (DLR) legislation
- 4 of those states have specified percentages:
 - 75%: Maine (2020)
 - 75%: North Dakota (2025)
 - 80%: New Mexico (2021)
 - 83%: Massachusetts (2019)

HB 273 Dental Loss Ratio

- Dental insurance plans file a report with the AK Division of Insurance
 - Number of enrollees
 - Plan cost-sharing and deductible amounts
 - Annual maximum coverage limit
 - Number of enrollees who meet or exceed the annual coverage limit
- Searchable database available to the public to allow comparisons of DLR's
- DLR reports are filed with the legislature, with year-to-year changes

HB 273 Dental Loss Ratio

- Division of Insurance calculates the Dental Loss Ratio (DLR)
- Division determines if the DLR falls under specified range, and steps the Division can take if the insurer is considered an outlier

HB 273 Summary

- **Direct Health Care Agreements already exist**
 - Adding Dental Care Services plans
- **Dental Loss Ratio**
 - Setting up a transparent process to see that dental insurance companies spend most of your premium dollars on actual dental care, not on overhead costs or profit.

Thank you

Questions on HB 273?

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