

What You Need to Know About "Non-Covered Services"

BACKGROUND

Many states have passed laws preventing dental plans from securing consumers discounts from dentists for services unless the dental plan "covers" that service. These laws are called "Non-Covered Services" (NCS) bills. They protect dentists' regular fees for services that the dental plan does not cover.

These state laws determine whether dental plans can negotiate with contracted dentists for price discounts for services that are paid in full by dental plan members. There are two reasons why dental plans might not pay for some dental services: 1) a plan simply does not cover a specific dental service like teeth whitening or dental implants; or 2) a plan member has exhausted his/her coverage for the plan year. A plan member can exhaust coverage by reaching a frequency limit or by reaching the annual limit on the amount a dental plan will pay (i.e. the annual maximum).

The National Conference of Insurance Legislators (NCOIL) has recommended that state laws only prohibit the first type of non-covered service (i.e., something that is "never" covered by the dental policy). This approach lets the consumer keep the discount that is negotiated by the plan on a service that would be covered if the dental policy limits or maximums had not been reached.

Consumers buy dental policies to lower their out-of-pocket costs for dental services. For this reason, NADP opposes NCS bills. When a state wants to pass an NCS bill, NADP has supported the NCOIL approach as a compromise. Consumers should have, at a minimum, the discounts that a dental plan negotiates for services that are covered by its policies.

NCS laws vary from state to state. See the map showing states with and without laws on NCS.

Examples of NCS:

1)

Teeth whitening: Your dentist offers teeth whitening as a service, but your plan does not cover teeth whitening. The insurer would not pay the dentist for that service, so you would be responsible for the cost at the dentist's regular fees.

2)

An extra teeth cleaning: This year, you have had two dental cleanings. Your dentist recommends you have a third cleaning. The plan only covers a maximum of two cleanings per year. Because of that, the insurer will not pay the dentist for the service and you could be responsible for the full, non-discounted cost of the third cleaning depending on the version of NCS enacted in state.

