**CHAPTER 147**

**( HB 210 )**

AN ACT relating to dental benefit plans.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔SECTION 1. A NEW SECTION OF KRS 304.17C-130 TO 304.17C-138 IS CREATED TO READ AS FOLLOWS:

***(1) (a) An insurer providing coverage under a dental benefit plan shall honor a written assignment of benefits due under the plan that is:***

***1. Made:***

***a. By a covered person to a provider for dental services provided to the covered person; and***

***b. On a form established by the commissioner in an administrative regulation promulgated in accordance with KRS Chapter 13A and subsection (2) of this section; and***

***2. Signed by the covered person and the provider.***

***(b) A provider with a valid assignment under paragraph (a) of this subsection shall provide the following to the insurer when submitting a request for payment pursuant to the assignment:***

***1. A copy of the dually signed assignment; and***

***2. Any information or documentation necessary for verifying coverage, or required for claims processing, under the dental benefit plan.***

***(c) 1. Upon a provider's compliance with paragraph (b) of this subsection, the insurer shall make payments for covered services directly to the provider.***

***2. A payment made to a provider under subparagraph 1. of this paragraph shall be made according to the same criteria and payment schedule under which the insurer would have been required to make the payment to the covered person if the benefits due under the plan had not been assigned.***

***(2) The form established by the commissioner under subsection (1)(a)1.b. of this section shall include a notice informing the covered person that:***

***(a) The provider, as applicable:***

***1. Is an out-of-network provider;***

***2. May charge the covered person for noncovered services; and***

***3. May charge the covered person for any portion of the cost of a covered service that is not reimbursed under the dental benefit plan;***

***(b) Any assignment of benefits is optional; and***

***(c) If the covered person has accrued a credit balance on his or her account, the provider shall:***

***1. Notify the covered person of the credit balance with the provider within thirty (30) days; and***

***2. a. Except as provided in subdivision b. of this subparagraph, refund any credit balance that has accrued on the covered person's account with the provider within thirty (30) days of receiving a request for refund from the covered person; and***

***b. If, under the assignment, the provider collects payment from the covered person and subsequently receives payment from the insurer, refund the covered person within thirty (30) days of receiving the payment from the insurer unless the provider and covered person agree otherwise in writing.***

***(3) (a) An assignment of benefits may be revoked by the covered person, with or without the consent of the provider, by submitting the revocation, in writing, to the insurer.***

***(b) An insurer that receives a revocation referenced in paragraph (a) of this subsection shall promptly send a dated and time-stamped copy of the revocation to the provider.***

***(c) A revocation made in accordance with this subsection shall:***

***1. Become effective when the insurer receives a copy of the revocation; and***

***2. Only be effective for any charges incurred on or after the effective date established under subparagraph 1. of this paragraph.***

***(4) This section shall not be construed to limit an insurer's ability to:***

***(a) Determine the scope of a dental benefit plan's benefits, services, or other terms that are not in conflict with this section; or***

***(b) Negotiate any contract with a health care provider regarding reimbursement rates or any other lawful provisions that are not in conflict with this section.***

➔Section 2. KRS 304.14-250 is amended to read as follows:

Except as provided in ***Section 1 of this Act and*** KRS 304.17A-265 and 304.20-105:

(1) A policy may be assignable or not assignable, as provided by its terms;

(2) Subject to its terms relating to assignability, a life or health insurance policy, regardless of when it was issued, under the terms of which the beneficiary may be changed upon the sole request of the insured or owner, may be assigned either by pledge or transfer of title, by an assignment executed by the insured or owner alone and delivered to the insurer, whether or not the pledgee or assignee is the insurer;

(3) Any assignment of a policy which is otherwise lawful and of which the insurer has received notice shall entitle the insurer to deal with the assignee as the owner or pledgee of the policy in accordance with the terms of the assignment, until the insurer has received at its principal office written notice of the termination of the assignment or pledge or written notice by or on behalf of some interest in the policy in conflict with the assignment; and

(4) (a) Any individual insured under a group insurance policy or group annuity contract shall have the right, unless expressly prohibited under the terms of the policy or contract, to assign to any other person his or her rights and benefits under the policy or contract, including but not limited to the right to designate the beneficiary or beneficiaries and the rights as to conversion provided for in KRS 304.16-180 to 304.16-200, inclusive.

(b) While the assignment is in effect, and regardless of when it was made, the insurer shall be entitled to deal with the assignee as the owner of the rights and benefits in accordance with the terms of the assignment and without prejudice to the insurer on account of any lawful action taken or payment made by the insurer prior to receipt by the insurer at its principal office of written notice of the assignment or of the termination thereof.

(c) This subsection acknowledges, confirms, and codifies the existing right of assignment of interests under group life insurance policies.

➔Section 3. KRS 304.17-130 is amended to read as follows:

(1) There shall be a provision as follows:

"Payment of Claims: Indemnity for loss of life will be payable in accordance with the beneficiary designation and the provisions respecting payment which may be prescribed herein and effective at the time of payment. If no designation or provision is then effective, any indemnity shall be payable to the estate of the insured. Any other accrued indemnities unpaid at the insured's death may, at the option of the insurer, be paid either to a beneficiary or to the estate. All other indemnities will be payable to the insured."

(2) Except as provided in ***Section 1 of this Act and*** KRS 304.17A-265, the following provisions, or either of them, may be included with the provision required under subsection (1) of this section at the option of the insurer:

(a) "If any indemnity of this policy shall be payable to the estate of the insured, or to an insured or beneficiary who is a minor or otherwise not competent to give a valid release, the insurer may pay such

indemnity, up to an amount not exceeding $.... (insert an amount which shall not exceed $5,000), to any relative by blood or connection by marriage of the insured or beneficiary who is deemed by the insurer to be equitably entitled thereto. Any payment made by the insurer in good faith pursuant to this provision shall fully discharge the insurer to the extent of the payment."; and

(b) "Subject to any written direction of the insured in the application or otherwise, all or a portion of any indemnities provided by this policy on account of hospital, nursing, medical, or surgical services may, at the insurer's option and unless the insured requests otherwise in writing not later than the time of filing proofs of the loss, be paid directly to the hospital or person rendering services, but it is not required that the service be rendered by a particular hospital or person."

➔Section 4. KRS 304.18-090 is amended to read as follows:

Except as provided in ***Section 1 of this Act and*** KRS 304.17A-265:

(1) Subject to subsection (2) of this section, all benefits under any blanket health insurance policy or contract shall be payable to the person insured, or to the person's designated beneficiary or beneficiaries, or to the person's estate, except that if the person insured is a minor or otherwise not competent to give a valid release, the benefits may be made payable to the person's parent, guardian, conservator, or other person actually supporting the minor or person not competent to give a valid release; and

(2) (a) A blanket health insurance policy or contract may provide that all or a portion of any indemnities provided by the policy or contract on account of hospital, nursing, medical, or surgical services may, at the option of the insurer and unless the insured requests otherwise in writing not later than the time of filing proofs of such loss, be paid directly to the hospital or person rendering such services, but the policy or contract may not require that the service be rendered by a particular hospital or person.

(b) Payment made directly to a hospital or other person for all or a portion of any indemnities provided by a blanket health insurance policy or contract shall discharge the obligation of the insurer with respect to the amount of insurance so paid.

➔Section 5. This Act shall apply to policies, plans, and contracts issued or renewed on or after January 1, 2026.

➔Section 6. This Act takes effect January 1, 2026.

**Signed by Governor April 1, 2025.**