



February 11, 2026

The Honorable William Sutton  
Chair, House Committee on Insurance  
Kansas State House of Representatives  
Room 370W, Capitol Building  
300 SW 10th Avenue  
Topeka, KS 66612-1504

**RE: HB 2564 – Alternative Payment Methods – Oppose**

Dear Chair Sutton, Vice Chair Bergkamp, and Members of the Committee,

On behalf of the National Association of Dental Plans (NADP)<sup>1</sup> and the American Council of Life Insurers (ACLI)<sup>2</sup>, we appreciate the opportunity to provide comments in opposition to House Bill 2564. As introduced, HB 2564 would require dental providers to “expressly accept,” or opt in, to receiving payments through electronic payment methods, including virtual credit cards. While framed as a provider protection, this approach would fundamentally alter Kansas’ existing electronic payment framework. Kansas law already ensures transparency and preserves provider choice. Requiring opt-in would not strengthen these protections, but instead introduce unnecessary complexity, increase the risk of payment delays, and disrupt a system that is already working as intended.

Virtual credit cards and electronic funds transfer (EFT) payments allow dental providers to receive reimbursement quickly and efficiently using established systems. Requiring providers to affirmatively opt in to these payment methods, as proposed by HB 2564, would introduce unnecessary administrative complexity for both providers and plans, potentially resulting in payment delays and disruption to established reimbursement processes.

In 2022, the Legislature enacted HB 2386, thoughtfully addressing electronic payment practices for dental plans. K.S.A. 40-2,227 includes strong, targeted provider protections. Section (a) explicitly prohibits dental benefit plans from restricting payment methods such

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<sup>1</sup> NADP is the largest non-profit trade association focused exclusively on the dental benefits industry. NADP’s members provide dental HMO, dental PPO, dental indemnity and discount dental products to more than 200 million Americans with dental benefits. Our members include the entire spectrum of dental carriers: companies that provide both medical and dental coverage, companies that provide only dental coverage, major national carriers, regional, and single state companies, as well as companies organized as non-profit plans.

<sup>2</sup> The American Council of Life Insurers (ACLI) is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI’s member companies are dedicated to protecting consumers’ financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI’s 275 member companies represent 94 percent of industry assets in the United States.

that credit card payments are the only acceptable option. Section (b) requires plans to notify dentists of any fees associated with a payment method, advise them of all available payment options, and provide clear instructions on how to select an alternative method. Section (c) further protects providers by prohibiting fees for ACH payments absent affirmative consent. Together, these statutory safeguards demonstrate clear legislative intent: to prevent forced payment methods and undisclosed fees while maintaining efficient payment systems.

Amending Kansas' current framework to require provider opt-in would represent a significant departure from this carefully constructed approach. Plans vary widely in how and when payment method options are presented, whether at initial contracting, contract renewal, or at other points, making an opt-in requirement difficult to implement consistently. Additionally, if a provider does not affirmatively make an opt-in selection, it becomes unclear how payments would be processed, increasing the risk of confusion, reimbursement delays, and disruption to provider cash flow.

Kansas' current approach also aligns with national best practices. To date, **15 states have adopted substantially similar frameworks** for virtual credit cards and electronic payment requirements for dental plans. Existing law places the state squarely within this consensus and avoids the unintended consequences that opt-in mandates have created elsewhere.

The current electronic payment framework appropriately balances provider choice, transparency, and administrative efficiency. It preserves access to no-cost payment options while allowing plans to continue offering electronic payment methods that reduce delays and support timely, traceable reimbursement. Revisiting or amending this settled policy risks undermining a system that is already working effectively.

For these reasons, we respectfully oppose HB 2564 and urge the Legislature not to amend Kansas' existing electronic payment framework, which already provides meaningful provider protections without introducing unnecessary complexity or risk.

Thank you for your time and consideration. We appreciate the opportunity to share our perspective and would be happy to answer any questions or provide additional information.

Respectfully submitted,



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