

HOUSE BILL No. 2564

By Committee on Health and Human Services

Requested by Representative Reavis on behalf of the Kansas Dental Association

1-27

AN ACT concerning insurance; relating to dental benefit plans; providing for the use of alternative forms of payment; allowing such payment to remain in force for the duration of the contract between a dentist and a dental benefit plan; amending K.S.A. 2025 Supp. 40-2,227 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2025 Supp. 40-2,227 is hereby amended to read as follows: 40-2,227. (a) No dental benefit plan shall contain restrictions on methods of payment to a dentist from the dental benefit plan, such plan's contracted vendor or health maintenance organization in which the only acceptable payment method is a credit card payment.

(b) If initiating or changing payments to a dentist using electronic funds transfer payments, including virtual credit card payments, a dental benefit plan, such plan's contracted vendor or health maintenance organization shall:

(1) Notify the dentist if any fees are associated with a particular payment method; ~~and~~

(2) advise the dentist of the available methods of payment and provide clear instructions to the dentist as to how to select an alternative payment method; ~~and~~

(3) *require that the provider or the designee of such provider elect, through express acceptance, to accept a payment of the claim using the credit card or electronic funds transfer payment method. Violation of express acceptance nullifies any election on claim payment methodology until such time as express agreement is executed. Express acceptance shall be expressed through clear and direct agreement to the terms of the payment method, communicated explicitly by the dental plan to the dentist, in writing, signifying acceptance of such payment method without ambiguity or implied actions.*

(c) *A dentist's selected form of claim payment methodology remains effective until such time as the dentist chooses an alternative method of payment or a new contract is executed.*

~~(e)(d)~~ (d) A dental benefit plan, such plan's contracted vendor or health maintenance organization that initiates or changes payments to a dentist

1 through the automated clearing house network, as codified in 45 C.F.R. §§
2 162.1601 and 162.1602, *as in effect on July 1, 2026*, shall not charge a fee
3 solely to transmit the payment to a dentist unless the dentist has consented
4 to such fee. A dentist's agent may charge reasonable fees when
5 transmitting an automated clearing house network payment related to
6 transaction management, data management, portal services and other
7 value-added services in addition to the bank transmittal.

8 ~~(d)~~(e) The provisions of this section shall not be waived by contract.
9 Any contractual arrangement ~~in conflict~~ *that conflicts* with the provisions
10 of this section or that purports to waive any requirements of this section
11 shall be null and void and unenforceable.

12 Sec. 2. K.S.A. 2025 Supp. 40-2,227 is hereby repealed.

13 Sec. 3. This act shall take effect and be in force from and after its
14 publication in the statute book.