

## **AN ACT CONCERNING DENTAL SERVICE CORPORATIONS**

SECTION 1. Section 3 of chapter 176E of the General Laws, as appearing in the 2014 Official Edition, is hereby amended by adding the following paragraph:

Notwithstanding this section 3, a dental service corporation may contract with a corporation formed under chapter 175 for any of the following purposes: (1) the joint or cooperative administration of their affairs; or (2) the transfer, lease, license or otherwise making available any of the assets or properties of such dental service corporation. The terms of any such contract shall at all times be subject to a public hearing as provided by section 2 of chapter 30A and to the written approval of the commissioner. No such contract shall be approved if the commissioner finds that the monies to be received by the dental service corporation are less than the fair value for such administrative services or the assets or properties to be transferred, leased or otherwise made available.

SECTION 2. Section 9 of said chapter 176E is hereby amended by adding the following paragraph:

A dental service corporation shall be subject to chapter 206C of the General Laws.

SECTION 3. Chapter 175 of the General Laws, as appearing in the 2014 Official Edition, is hereby amended by inserting after section 108M the following section:

Section 108N. Any domestic company that is authorized to transact business under subdivisions (a) and (d) of clause Sixth of section 47 and that is an affiliate, as that term is defined in section 206, of a dental service corporation shall be subject to the following requirements:

- (a) The form of the agreement between the company and dentists shall at all times be subject to the written approval of the commissioner;
- (b) The fees to be paid by the company to dentists with which it contracts shall at all times be subject to a public hearing as provided by section 2 of chapter 30A and to the written approval of the commissioner;
- (c) Any registered dentist shall have the right, on complying with such rules and regulations as the company may make, to enter into a written agreement with such company, doing business in the city or town the dentist resides or has a usual place of business to perform dental services;
- (d) This chapter shall not change the normal relations between a dentist and patient except as to the manner and amount of fees which are to be paid by such company to the dentist on behalf of the member;
- (e) No restriction shall be placed by any such corporation upon a dentist as to methods of diagnosis, treatment or referrals to other dentists or other health care practitioners;
- (f) No officer, agent or employee of such company shall influence or attempt to influence a member's choice of dentist; and
- (g) Such company shall not condition its willingness to allow a registered dentist to participate in any product, network, contract, or arrangement offered by the company that is not a preferred provider arrangement, as defined by chapter 176I, on such dentist agreeing to enter into a preferred provider arrangement with the company.

SECTION 4. This act shall take effect upon its passage.