

Debunking the Insurance Industry's False Claims about Assignment of Benefits Laws

Issue Overview

Assignment of Benefits (AoB) laws require insurers to follow a patient's request to pay their dentist directly for services rendered. In states where these laws don't exist, insurers selectively reimburse the patient instead of the dentist, creating confusion, unpredictability and additional hurdles for patients.

AoB Advantage for Patients

AoB laws remove financial and logistical burdens for patients seeking care, empowering them to visit the dentist more regularly and benefit from consistent, transparent billing practices. Without AoB laws:

- Many patients seeing dentists of their choice have to pay for care upfront, and wait to be reimbursed by their insurance company. For low income patients who may not be able to pay that cost, this is an insurmountable burden to oral healthcare.
- Insurance companies create an extra hurdle for patients when they refuse to pay their healthcare provider directly, potentially creating strain and distrust between the patient and their dentist, and further discouraging patients from seeking care.

Insurance companies claim that AoB laws inadvertently increase costs for patients by weakening provider networks and allowing patients to see dentists outside their insurance network. **Independent research shows this is simply false.**

Research Results

A health policy research team at The George Washington University explored data from the National Association of Dental Plans (NADP) to track the number of dentists participating in insurance networks in four states before and after passing AoB laws. These data clearly show AoB laws do not negatively affect dentist participation in insurance networks.

State (Year of AoB passage)	Tennessee (2009)	New Jersey (2012)	Mississippi (2013)	South Dakota (2017)
Participating dentists in year of AoB law passage	2,085	6,711	780	558
Participating dentists in 2019	5,395	15,105	2,404	583
Percent change	+159%	+125%	+208%	+4%

Lack of Transparency in Dental Insurance

As part of their research, GWU requested data from numerous dental insurers, but were repeatedly denied. While the insurance industry rigorously opposes the basic measure of consumer protection based on dubious claims, they refuse to provide transparent information that would provide clear answers to the public.