

# Reducing Costly Administrative Barriers through Virtual Credit Card Legislation



**Some insurance companies require dentists to accept claim payment through a virtual credit card, which can include a per-transaction fee of as much as 5%. In some cases, insurance companies even share in the revenue generated from these fees.**

## Patient Concerns

How insurers pay claims can have an impact on patient care. Dentists are best suited to decide what form of claim payment fits the overall practice design. Adding an extra expense in the form of transactional fees does not lower healthcare costs, limits payment options and could impact investment in patient care. Dentists best serve patients when they make informed decisions on practice operations including the method of claim payment transactions.

## Solution

The North Dakota Dental Association supports legislation that would prohibit insurance companies from forcing dentists to be paid only through high-fee virtual credit cards. Virtual credit card reforms do not prohibit this payment method but require that providers be informed of other payment options and be given the opportunity to opt into a different payment method. In the last five years, legislation addressing this problem has passed with bipartisan support in over half of all states.

## What Are the Benefits of Virtual Credit Card Laws?

- Providers are able to explore a variety of claim payment methods that ultimately impact patient care and overall costs.
- Dental practices, which are often small businesses, are no longer forced to solely accept a payment method which may come with a fee of as much as 5%.

## Virtual Credit Card Laws in North Dakota

### Currently in Place

None

### Proposed

HB 1471



**North Dakota**  
DENTAL ASSOCIATION

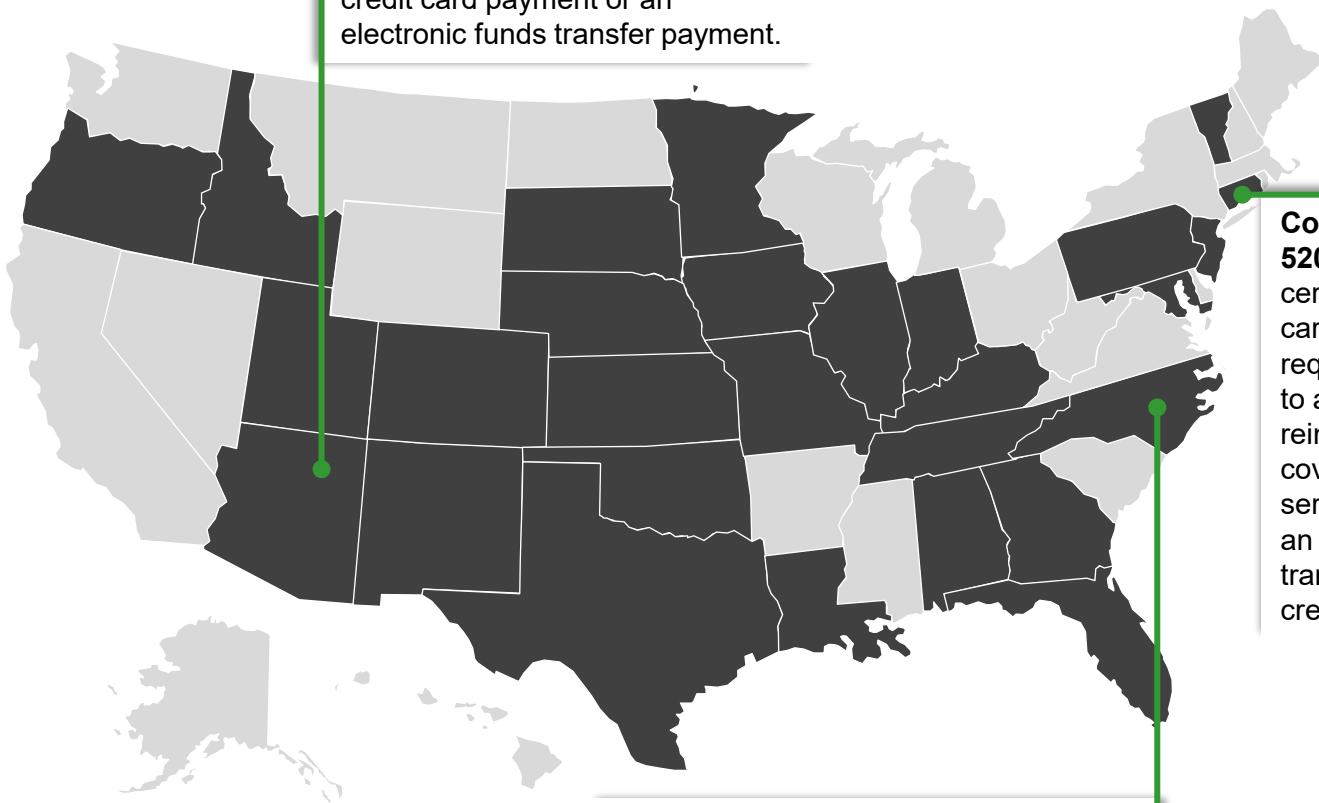


# Bipartisan Success for Virtual Credit Card Legislation

▶ PASSED IN

**29 states**

In **Arizona, HB 2494** prohibits a health insurer from restricting the method of claim payments from the health insurer to the healthcare provider in which the only acceptable payment method is a credit card payment or an electronic funds transfer payment.



**Connecticut's HB 5206** prohibits certain health carriers from requiring dentists to accept reimbursement for covered dental services by way of an electronic funds transfer or a virtual credit card.

In **North Carolina, SB 252** prohibits restrictions on methods of claim payment in which the only acceptable payment method from the insurer or entity to the provider of the dental services is a credit card payment.

▶ To learn more about virtual credit card legislation in North Dakota, please contact the North Dakota Dental Association at 701-223-8870 or William Sherwin at [wsherwin@smilenorthdakota.org](mailto:wsherwin@smilenorthdakota.org).