

SB2878



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2878

Introduced 1/16/2026, by Sen. Julie A. Morrison

SYNOPSIS AS INTRODUCED:

215 ILCS 5/355.5

Amends the Illinois Insurance Code. Prohibits an insurer, dental service plan corporation, professional service corporation, insurance network leasing company, or any other company or its contracted vendor that amends, delivers, issues, or renews an individual or group policy of accident and health insurance on or after the effective date of the amendatory Act from requiring a dental care provider to only accept payment from a credit card or electronic funds transfer, in addition to the existing prohibition on incurred fees to access and obtain payment or reimbursement for services provided. Provides that any insurer, dental service plan corporation, professional service corporation, insurance network leasing company, or any other company or its contracted vendor that amends, delivers, issues, or renews an individual or group policy of accident and health insurance may initiate or change payment methodology to a dental care provider using electronic funds transfer payments, including virtual credit card payments, if the specified conditions are met. Sets forth provisions concerning claim payment methodologies and fees for transmitting payments. Provides that the specified dental coverage reimbursement provisions shall not be waived by contract. Effective January 1, 2027.

LRB104 16882 BAB 30292 b

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by
5 changing Section 355.5 as follows:

6 (215 ILCS 5/355.5)

7 Sec. 355.5. Dental coverage reimbursement; prohibitions.

8 (a) No insurer, dental service plan corporation,
9 professional service corporation, insurance network leasing
10 company, or any other company or its contracted vendor that
11 amends, delivers, issues, or renews an individual or group
12 policy of accident and health insurance on or after the
13 effective date of this amendatory Act of the 104th General
14 Assembly ~~the effective date of this amendatory Act of the~~
15 ~~103rd General Assembly~~ shall require a dental care provider to
16 only accept payment from a credit card or electronic funds
17 transfer or to incur a fee to access and obtain payment or
18 reimbursement for services provided.

19 (b) Any insurer, dental service plan corporation,
20 professional service corporation, insurance network leasing
21 company, or any other company or its contracted vendor that
22 amends, delivers, issues, or renews an individual or group
23 policy of accident and health insurance ~~A dental plan carrier~~

1 shall provide a dental care provider with 100% of the
2 contracted amount of the payment or reimbursement.

3 (c) In this subsection, "express acceptance" means a clear
4 and direct agreement to the terms of payment method,
5 communicated explicitly by the dental plan to the dental care
6 provider, in writing, signifying acceptance of the payment
7 method without any ambiguity or implied actions. Any insurer,
8 dental service plan corporation, professional service
9 corporation, insurance network leasing company, or any other
10 company or its contracted vendor that amends, delivers,
11 issues, or renews an individual or group policy of accident
12 and health insurance may initiate or change payment
13 methodology to a dental care provider using electronic funds
14 transfer payments, including virtual credit card payments, if:

15 (1) the dental care provider is notified of any fees
16 associated with a particular payment method;

17 (2) the insurer, dental service plan corporation,
18 professional service corporation, insurance network
19 leasing company, or other company or its contracted vendor
20 advises the dental care provider of the available methods
21 of payment and provides clear instructions to the dentist
22 as to how to select an alternative payment method that
23 does not impose fees or similar charges on the provider;
24 and

25 (3) the dental care provider or a designee of the
26 provider elects, through express acceptance, to accept a

1 payment of the claim using the credit card or electronic
2 funds transfer payment method. Violation of express
3 acceptance nullifies an election on claim payment
4 methodology until the express agreement is executed.

5 (d) A dental care provider's selected form of claim
6 payment methodology remains effective until the dental care
7 provider chooses an alternative method of payment or a new
8 contract is executed.

9 (e) If a dental care provider requests a change in the
10 available payment methodology, then the insurer, dental
11 service plan corporation, professional service corporation,
12 insurance network leasing company, or other company or its
13 contracted vendor that amends, delivers, issues, or renews an
14 individual or group policy of accident and health insurance
15 shall implement the change within 30 business days after the
16 request.

17 (f) An insurer or managed care plan shall not use a dental
18 care provider's preferred method of payment as a factor when
19 deciding whether to provide credentials to a dentist.

20 (g) A dental benefit plan or its contracted vendor or
21 health maintenance organization that initiates or changes
22 payments to a dentist through the Automated Clearing House
23 Network in accordance with 45 CFR 162.1601 and 45 CFR 162.1602
24 shall not charge a fee solely to transmit the payment to the
25 dental care provider unless the dental care provider has
26 consented to the fee. A dental care provider agent may charge

1 reasonable fees when transmitting an Automated Clearing House
2 Network payment related to transaction management, data
3 management, portal services, and other value-added services,
4 in addition to bank transmittal.

5 (h) The requirements of this Section shall not be waived
6 by contract, and any contractual clause in conflict with the
7 requirements of this Section or that purports to waive any
8 requirements of this Section is void. ~~Fees incurred directly~~
9 ~~by a dental care provider from third parties related to~~
10 ~~transmitting an automated clearing house network claim,~~
11 ~~transaction management, data management, or portal services~~
12 ~~and other fees charged by third parties that are not in the~~
13 ~~control of the dental plan carrier shall not be prohibited by~~
14 ~~this Section.~~

15 (Source: P.A. 103-24, eff. 1-1-24.)

16 Section 99. Effective date. This Act takes effect January
17 1, 2027.