

Reminder: Regulation for Third-Party Financing in the Dental Office

In response to a growing nationwide trend, Illinois introduced legislation during the 2024 legislative session to regulate third-party financing options offered in dental offices. Initially, the legislation aimed to prevent dental practices from offering, brokering, or establishing deferred interest financial products, which could complicate patient payment options.

The initial proposal sought to eliminate these deferred interest financing plans. It would have required dentists to provide patients with detailed disclosures and written treatment cost estimates before proceeding with any treatment.

However, the Illinois State Dental Society (ISDS) raised significant concerns about how these restrictions would affect patient access to necessary dental care and the administrative burden on dental offices. After substantial negotiations and discussions addressing these concerns, the final legislation was revised to focus specifically on practices that could create conflicts of interest or reduce transparency.

The finalized law includes the following measures:

- Prohibits dentists or their employees from filling out financing applications on behalf of patients.
- Prohibits submission of these applications by dental office staff.
- Prohibits dental offices from providing patients with electronic devices to fill out financing applications.
- Dental staff are prohibited from promoting or advertising third-party financing during patient treatments or in sensitive settings, such as when under anesthesia.
- Dental offices must provide disclosures to patients to ensure they know the product is from a third-party financing company.

Thanks to these efforts, the final legislation aims to protect patients while maintaining access to care, leading ISDS and the coalition to adopt a neutral stance on the amended bill.

You can access the disclosure required under the law on the Illinois Department of Financial and Professional Regulation (IDFPR) website by clicking [here](#).

The legislation became effective on January 1, 2025.