

Ohio House Insurance Committee

May 23, 2018

Opponent Testimony of Nikki Scaggs, Union Benefits Trust

HB 367

Good morning Chairman Brinkman, Jr. and other esteemed members of the House Insurance Committee. Thank you for the opportunity to share our testimony.

My name is Nikki Scaggs, an employee of the Union Benefits Trust where I manage the dental insurance plan covering approximately 80,000 union represented State of Ohio employees and their families.

Our testimony today is in opposition to HB 367, legislation that uncaps the fixed dental fees chargeable for non-covered services.

While there are many reasons this legislation is a bad idea, I'll focus today on costs and oral health issues.

Let's start with cost. There is significant importance in the fact that dentists who see uninsured patients of which all services are non-covered services, may charge whatever they like for their services. Current Bureau of Labor statistics show 45.4% of workers had access to dental insurance coverage. This clearly shows that dentists are able to strike a balance between the number of discounted fee (insured) patients and full fee (uninsured) patients they have in their practice. We have seen dentists temporarily stop accepting insured patients to realign that balance, which is acceptable by the insurance carriers.

I've worked on network recruitment with various carriers for over 20 years. In its simplest form: dentists join insurance carrier networks with the purpose of increased patient volume, and in return, they accept discounted fees on covered and non-covered services.

At any point, the dentist has the choice to terminate the contract, freeing them from discounted fees for both covered and non-covered services. To leave the network however, puts the practice at risk of angering their insured patients, and possibly losing those patients to other network dentists. I caution that the same thing might happen should dentists be allowed to charge higher prices on the discounted fees.

The dentists make a decision to contract with the carriers - knowing the provisions of the contract and the promised return on the investment of being a network provider. It seems unconscionable that they and the Ohio Dental Association, who represents them, now wish, to remove those provisions through legislative action. Dentists have every right to choose not to renew those contracts, and every right to balance their practices with full fee (uninsured) patients.

Since most dental insurance is employer-provided insurance; the employer is the one who decides what services will be covered, not the employee **nor** the insurance company. The employer will purchase what they can afford but patients are still left to pay for services covered or non-covered. Patients deserve protections against price gouging, which the insurance carriers provide.

If we are to continue the strides being made in our attempts to control the cost of health care as a whole, we must not change the current landscape with respect to capped dental fees. With so much information surrounding the correlation between oral health and overall health, is this really the time to put a higher price tag on these dental services?

For these reasons and many more I strongly urge you to vote no on HB 367.

Thank you again for the opportunity to testify in opposition of HB 367.