



November 1, 2019

Senator Bob Hackett  
Chair, Senate Insurance and Financial Institutions Committee  
Senate Building  
1 Capitol Square, 1st Floor  
Columbus, OH 43215

**Re: SB 148, Dental Care Services Contract Prohibitions**

Dear Chairman Hackett:

I write today on behalf of America's Health Insurance Plans<sup>1</sup> to respectfully oppose SB 148, which would burden consumers with dramatically higher costs and could limit access to oral health care for Ohio's small businesses and families.

SB 148 would limit the ability of dental plans to provide policyholders with negotiated rates for oral health care services by removing the right of insurers and dentists to determine mutually agreeable contractual terms that benefit consumers.

Specifically, the bill seeks to prohibit dental plans from negotiating arrangements with dentists, whereby consumers have access to discounted rates for services that are not otherwise covered by the patient's dental benefit plan. Such agreed upon discounts benefit consumers. Proposals that prohibit such offerings not only harm consumers, but also infringe on the rights of dental plans and dental providers to enter into contracts with terms that are agreed to by both parties. AHIP believes in and supports such agreements, as they prove advantageous to not only providers and plans but, more importantly, to plan enrollees. When enrollees benefit, it can result in access to better oral health care which can improve and lead to better overall health.

We are also concerned that the legislation being considered will harm Ohio consumers by removing a valuable financial benefit to them – an agreed-upon price for non-covered services. To keep coverage affordable, dental plans typically pay benefits based on a negotiated fee schedule within the network, with an emphasis on coverage for preventive services.

This approach to coverage is different than that for major medical coverage, resulting in a different approach when contracting with dental care providers. Unlike contracts for services under major medical coverage, it is common to negotiate fees, not only for covered services, but also for non-covered services. These negotiated rates are then made available to consumers as part of their dental plan. This is a long-standing practice that enables consumers to access high quality dental services at an affordable cost. Prohibiting such arrangements harms consumers, who would then be required to pay billed charges without the benefit of a negotiated fee on their behalf by their dental plan.

Further, not only does this legislation limit dental plans' ability to negotiate terms with providers but it would go further by labeling the inclusion of non-covered services polices in dental contracts as an unfair

---

<sup>1</sup> AHIP is the national association whose members provide coverage for health care and related services. Through these offerings, we improve and protect the health and financial security of consumers, families, businesses, communities, and the nation. We are committed to market-based solutions and public-private partnerships that improve affordability, value, access, and well-being for consumers.

November 1, 2019  
Page 2

or deceptive practice in the business of insurance. By labeling the inclusion of non-covered services policies as a quasi-criminal offense, Ohio would unfairly deny dental plans the ability to fairly negotiate with providers. Such a change would mark Ohio as an outlier and make the market less attractive to plans while subjecting consumers to higher costs.

Studies routinely demonstrate that quality oral health care is extremely important to the development of children and the general health of adults. Should SB 148 become law, consumers will face uncertain out-of-pocket obligations. The availability of services at discounted charges provides an incentive to consumers to obtain dental care, which plays a critical role in consumers' health. Without access to affordable and high quality care, the delicate balance of overall health and financial stability is endangered.

For these reasons, AHIP respectfully opposes SB 148. We appreciate you taking our views into consideration and seek your support in opposing this legislation. Please do not hesitate to contact me at mhaffenbredl@ahip.org (202-413-9817) should you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Mary Haffenbredl".

Mary Haffenbredl  
Regional Director, State Affairs, AHIP

Cc: Senator Jay Hottinger, Vice Chair, Senate Insurance and Financial Institutions Committee  
Senator Hearcel Craig, Ranking Member, Senate Insurance and Financial Institutions Committee