



November 5, 2019

The Honorable Bob Hackett  
Chair, Senate Insurance & Financial Institutions Committee  
Ohio Senate  
1 Capitol Square  
Columbus, OH 43215

Dear Chair Hackett,

On behalf of the nearly 8,000 members of the Ohio Chamber of Commerce, I would like to express our opposition to Senate Bill 148. Dating back to 2012, when legislation to ban fee schedules for non-covered dental services was first introduced in Ohio, the Ohio Chamber has always been opposed.

To successfully compete for the scarce talent available in the current job market, employers need to be able to offer candidates and existing employees every possible reason to be part of their organizations. Ancillary benefits, such as dental coverage, are increasingly viewed by job candidates and employees as a differentiator among employers.

In fact, according to MetLife's 17th Annual U.S. Employee Benefit Trends Study, employees prioritized dental benefits as the second most important benefit, behind only health insurance. Given the importance of dental benefits to both employers and employees, the Ohio Chamber has three concerns with respect to SB 148:

1. It would eliminate the ability of a dental plan to offer a single fee schedule for all services – both covered and non-covered – under an employer's plan. This is an important component of the dental benefits plans purchased by Ohio employers and increases the overall value of the program for employees.
2. It could cause harmful financial impacts on employees. Presently, employees pay the maximum allowable fee even if the service is not covered by their dental plan. Many consumers benefit from this by seeing a reduction in their out-of-pocket costs. Without this protection, costs for non-covered services are generally higher.
3. It represents an unnecessary government intrusion into the rights of two willing parties to voluntarily enter into a private contract. Dental insurance companies' non-covered services fee maximums apply only to dentists who have signed a participation agreement with the dental insurance company. Dentists knowingly enter into contracts with these provisions in return for the increased patient volume that comes with joining a dental plan network. SB 148 would trump a key provision of these private agreements and rewrite the terms of a contract freely entered into by dentists and dental insurance companies.

The Ohio Chamber believes that the legislature should not use its power to intrude upon private business contracts. The wrong message is sent to the business community when government picks winners and losers in private-party contract disputes.

For these reasons, we urge opposition to SB 148. Thank you.

Sincerely,

A handwritten signature in black ink that reads "Keith Lake". The signature is written in a cursive, slightly slanted style.

Keith Lake  
Vice President, Government Affairs

cc: Members of the Senate Insurance & Financial Institutions Committee  
Sen. Kirk Schuring