



November 17, 2021

The Honorable Tom Brinkman
Chair, House Insurance Committee
Ohio House of Representatives
77 S. High St.
Columbus, OH 43215

Dear Chair Brinkman,

On behalf of the members of the Ohio Chamber of Commerce, I would like to express our opposition to House Bill 344. 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 2021 U.S. Employee Benefit Trends Study, employees prioritized dental benefits as among the most important benefits, with 70% of employees considering it a "must-have" benefit. Given the importance of dental benefits to both employers and employees, the Ohio Chamber has three concerns with respect to HB 344:

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 only the dental plan's maximum allowable fee even if the service itself is not covered by their plan. Many consumers benefit from this by seeing a reduction in their out-of-pocket costs. Without this protection, employees would have to pay the full, generally higher cost for the service.
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. HB 344 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 HB 344. 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 House Insurance Committee
Rep. Jason Stephens