

Mr. Chairman and Members of the House Insurance Committee, my name is Michael DeAngelo and I represent the AFLAC insurance company. I appear before you today in opposition to H.B. 160.

First, let me say that I agree with the testimony just provided by Delta Dental. AFLAC prefers to offer the same type of policy that Delta Dental offers; that is, AFLAC prefers to offer a policy that includes a maximum price schedule for all the services that a dentist may perform.

The Company believes that requiring our providers to adhere to a maximum price schedule promotes cost containment and allows the company to more successfully market our policy.

Our marketing is focused on two customers: the ultimate consumer of the dental services and the employer of those consumers. AFLAC markets primarily to businesses, which means we first must convince the owner or the human resources department that our product has value. A maximum fee schedule and transparency is a big part of that value. The market wants reasonable cost containment and no surprises; a fee schedule accomplishes both.

Furthermore, H.B. 160 would allow the providers to keep the benefits of their contract with us but would allow the providers to ignore one of the key requirements of the contract that they signed.

AFLAC believes that the government should not interfere in the private contract between the insurance company and its providers. Let the marketplace work.

Respectfully submitted,

P. Michael DeAngelo