

Oral Testimony – October 30, 2017

Massachusetts Legislature Joint Committee on Financial Services

Dr. Raymond Martin, Past President, Massachusetts Dental Society

In support of H.583/S.506, “An Act Relative to Financial Services Contracts for Dental Benefits Companies” (2017)

Introduction

Good Morning member of the Committee on Financial Services. Thank you Chairmen Michlewitz and Eldridge for the opportunity to testify on this important piece of legislation. My name is Ray Martin, and I am a past President of the Massachusetts Dental Society (“MDS”). MDS represents nearly 5,000 members, or approximately 80% of all dentists in the Commonwealth. The MDS urges this committee to carefully review *An Act Relative to Financial Services Contracts for Dental Benefits Companies* and pass it favorably. Approximately 34 other states have passed legislation which prohibits dental benefits companies from unfairly shifting costs to patients and dental practices by setting fees for services for which they do not pay providers.

Discussion

Policies that allow dental benefits companies to set fees for services for which they do not pay providers are also known as “non-covered services policies”. These policies set a cap on the amount that a participating dentist can bill a patient for services not covered under the plan (i.e., dental implants), thus setting a maximum allowable fee on non-covered services. In cases where the patient has

exhausted her annual benefits, these policies also restrict the provider to a fee set by the dental benefit company instead of allowing the provider to charge the usual and customary fee (i.e., the plan is sufficient to cover two, but not three crowns).

Allowing such a policy forces dentists to shift costs to other patients and increase fees for private-pay patients who pay out-of-pocket for care, in order to maintain the quality of their dental practices. These private payers are often elderly people or young adults with limited employment and sources of income, or low-income workers whose employers do not provide dental benefits. Private-pay patients will suffer the greatest financial burdens of these policies

Conclusion

H.583/S.506 requires that “No contract for the provision of healthcare services or benefits with a registered dentist may require that such dentist provide dental services to a covered person at a particular fee unless said dental services are services for which the company shall provide payment under the applicable group or individual policy of accident, sickness or health insurance.” This language would not apply to existing contracts and would therefore not change the provider networks for any insurer currently contracting for this provision. The Massachusetts Dental Society respectfully urges you to sign *An Act Relative to Financial Services Contracts for Dental Benefits Corporations* to prohibit insurers from unfairly shifting costs to patients.

The MDS appreciates the time and consideration you have dedicated to this matter. H.583/S.506 will not impact current contractual agreements allowing dental benefits companies to set fees for non-covered services. The law also will prevent dental benefits companies from protecting their bottom lines by reducing coverage and shifting costs to those patients least able to bear them. The MDS appreciates this committee's support in years past and hopes it will once again report the bill favorably.