



February 10, 2023

TO: The Honorable Rob Nosse, Chair and
Members, House Behavioral Health and Health Care Committee

Re: HB 3008 – Request for Amendment

Dear Chair Nosse and Members of the Committee:

On behalf of the National Association of Dental Plans (NADP)¹, America’s Health Insurance Plans (AHIP)², and the American Council of Life Insurers (ACLI)³, we are writing to provide comments on and request and amendment to proposed HB 3008, establishing requirements for the payment and reimbursement of dental services and network leasing. Thank you for the opportunity to engage on this bill.

We appreciate the flexibility offered in Section 2 of the bill regarding payment and reimbursement of dental services and that the language conforms to the requirements in the National Council of Insurance Legislators (NCOIL) Transparency in Dental Benefits Contracting Model Act (Model Act). However, we have concerns about Section 3 of the bill regarding network leasing requirements that deviates from the NCOIL Model Act. We recommend amending the bill with the language below to conform it to the Model Act for the following reasons.

¹ NADP is the largest non-profit trade association focused exclusively on the dental benefits industry. NADP’s members provide dental HMO, dental PPO, dental indemnity and discount dental products to more than 200 million Americans with dental benefits. Our members include the entire spectrum of dental carriers: companies that provide both medical and dental coverage, companies that provide only dental coverage, major national carriers, regional, and single state companies, as well as companies organized as non-profit plans.

² AHIP is the national association whose members provide health care coverage, services, and solutions to hundreds of millions of Americans every day. We are committed to market-based solutions and public-private partnerships that make health care better and to help create a space where coverage is more affordable and accessible for everyone.

³ The American Council of Life Insurers (ACLI) is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI’s member companies are dedicated to protecting consumers’ financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI’s 280 member companies represent 94 percent of industry assets in the United States.

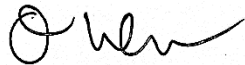
Importantly, HB 3008 recognizes that network leasing is an important practice that creates value for employers, providers, and consumers by expanding carriers' networks. Through leasing arrangements, dentists receive access to new market segments and new patients. Consumers receive the benefits of broader provider networks, from or made possible by leasing, which result in lower costs for consumers, both for premiums and cost sharing on dental care services. Dental network leases are key to providing ACA-required dental benefits and meeting state network adequacy requirements for many health and dental plans.

Over the last several years dental associations in several states have raised questions about dental network leasing practices. Dentists have expressed a desire for greater transparency in leasing, as well as legislative mandates requiring insurance carriers to allow providers to opt out of network leasing. We support provider choice with regard to participation in a carrier's leasable network. Additionally, we believe providers should be well-informed about leasing arrangements in which they participate with carriers or leasing companies, and we support efforts to enhance communication between providers and these entities. Because we strive to be sensitive to providers' concerns, we have worked with providers and legislators at NCOIL to craft compromise legislation that resolves their issues while also preserving network leasing as a practice, which is beneficial to all parties. As such, we respectfully request the attached amendments, which will conform HB 3008 to the NCOIL Model Act.

We request that Section 3(2)(a) be amended to provide an opt-out requirement rather than an opt-in requirement. This provision was negotiated at NCOIL to promote network stability and ease of administration that benefits consumers while giving providers the chance to opt out of any networks in which they do not wish to participate. In Section 3(3)(c), we request an exemption for compliance with the Health Insurance Accountability and Portability Act that is recognized in the NCOIL Model Act.

We appreciate the opportunity to share our views, and we are available to answer questions or provide additional information. Thank you again for your attention to this important matter.

Sincerely,



Owen Urech
National Association of Dental Plans



Rikki Pelta
American Council of Life Insurers



Stephanie Berry
America's Health Insurance Plans

cc: John Powell, John Powell & Associates
Elise Brown, EBI Public Affairs

Proposed Amendment

HB 3008, Section 3 (2) is amended to read as follows:

(2) A dental carrier may not contract with a third party to provide access to the dental
22 care services and discounted rates of a dental care provider under a provider network
con-
23 tract unless:

24 (a) At the time the contract is entered into or renewed, or when there are material
modifications to a contract relevant to granting access to a provider network contract to a third
party, the dental carrier allows any provider which is part of the carrier's provider network to
choose to not participate in third party access to the contract or to enter into a contract directly
with the health insurer that acquired the provider network. If a provider opts out of lease
arrangements, this shall not permit the contracting entity to cancel or otherwise end the relationship
with the provider. When initially contracting with a provider, a contracting entity must accept a
qualified provider even if a provider rejects a network lease provision; and

26 (b) The third party contract obligates the third party to comply with all applicable
terms,

27 limitations and conditions of the provider network contract.