
February 5, 2026

Testimony to the House Health Care Committee

RE: HB 4040, Section 15

Chair Nosse, Vice Chairs Diehl and Nelson and Members of the Committee

My name is Dr. Manu Chaudhry. I serve as President of Capitol Dental Care, a Dental Care Organization and dental subcontractor, providing benefit administration and integrated dental services for more than 360,000 Oregon Health Plan members through contracts with Coordinated Care Organizations statewide.

I am writing in strong opposition to the current proposed language in the printed HB 4040, Section 15, as well as the new language that is being suggested to replace it.

The language regarding patient choice is not necessary, as we have already stated in the past, as there are well-defined, consistent and long-standing processes in place for patients to use if they wish to change their provider. (This language was to have been deleted per testimony of the supporters in the January 14th Committee Hearing.)

In addition, the second portion of the language would not be allowed under Federal CFR (42CFR 438.104) and State OAR (410-141-3575(3)). (See below a list of relevant CFR and OAR information. Also included are OARs that explain what a dentist is required to do and not do in communication with their active patients. Additional document outlining communications process and requirements is included separately in OLIS.)

It is our understanding that the language above (included in the written version of the bill) is again being replaced by the proponents. This most recent proposal would require OHA to write rules that are unnecessary, as current rules already address how CCOs and dental subcontractors are required to manage member assignments. This suggested language would only result in rules that are redundant and duplicative of those currently in place. The effort and resources required to develop such an unnecessary rule should be more appropriately focused on supporting patient care in this challenging time of change and tight budget environment.

We respectfully request that Section 15 of HB 4040 be removed from bill.

Thank you for consideration of our comments.

HB 4040, SECTION 15 (See highlighted information below)

Relevant laws pertaining to dentist-patient communications around treatment, care and change in practice/location are:

- [42 CFR § 438.102](#) states that a Managed Care Organization (MCO – in Oregon, that includes a CCO or DCO/dental subcontractor) may not prohibit or otherwise restrict a provider from advising or acting on behalf of a Medicaid enrollee regarding anything related to their health status, care and treatment options. This broad category includes whether the provider is moving locations, which would of course impact the patient's continuity of care.
- [42 CFR § 438.104](#) prohibits marketing to managed care enrollees, specifies the type of information that a beneficiary can receive, and states that each contract with an MCO entity must not seek to influence enrollment in conjunction with the sale or offering of any insurance product.
- [OAR 818-012-0070](#) on patient records requires that an Oregon dentist must transfer patient records to a new Oregon dentist upon closing their practice or when changing practice locations out of the state. Such transfer must be reported to the Oregon Board of Dentistry within 14 days.
- [At OAR 818-012-0010\(3\)](#), it is unacceptable patient care to fail to arrange for emergency treatment by another provider for a patient currently receiving treatment.

Under federal rules, an Oregon CCO/Dental Subcontractor cannot market their own network, but also cannot prohibit or restrict a dentist from notifying their patients that they are changing practices or moving locations. So, patients cannot be “steered” to a network (or, importantly, away from a network). Oregon state law – in support of care continuity – mandates that dentists notify their patients as well as the Board of Dentistry when the dentist moves their practice, retires or closes an office. This is normal provider-patient good hygiene (no pun intended). In summary, state law already mandates dentist-patient communication about office/practice moves, and federal law already states that CCOs/Dental Subcontractors may not interfere in those communications.

But these laws on dentist-patient communication are separate from network enrollment and contracting requirements, which would impact and may even undermine the patient's best interest for containing their own costs. Patients must see an in-network provider to enjoy in-network rates, lower co-pays, etc. Nothing in federal or state law prevents a patient, when they learn their dentist is moving, from asking: “Will you still be in-network for my [] dental coverage?” And the dentist would need to answer truthfully. It serves everyone's interest (including the CCOs/Dental Subcontractors) to keep dentist-patient relationships intact, and no new Oregon law is required for support.

What Section 15 to HB 4040 would functionally do is pry open the network contracts, thereby undermining everything that the State of Oregon is trying to do with the Coordinated Care Organizations. The whole point of CCOs is to encourage consistent medical and dental homes, continuity of care over time, and whole-patient care to drive costs down for the state.