

February 23, 2026

Dear Chair Patterson and Members of the Committee,

Thank you for the opportunity to testify today. My name is Molly Johnson, and I serve as Vice President of Plan Operations for Advantage Dental Services. We are a Dental Subcontractor and serve more than 465,000 OHP members through contracts with 13 of Oregon's 15 CCOs. On behalf of our dental provider network and alongside other Dental Subcontractors that administer the OHP dental benefit, I am here today to voice my support of House Bill 4039, which requires the Oregon Health Authority to develop a transparent and data-driven process for developing capitation rates for CCOs.

Currently, OHP dental rates are funded under the CCO global capitation rates, but methodology factors used to determine the overall CCO rates, such as rating regions, risk adjustment and fee schedules that align with base data (eligibility, enrollment, and encounter data) years, have not generally applied to the dental rate-setting process. Instead, dental rates have been based on historical utilization data and cost trends, and then effectively backed into the CCO global budget after the 3.4% fixed cost growth target has been applied. This reactive, backward-looking methodology lacks transparency and sustainability.

Per the Oregon Health Authority, "Approximately 12% of Oregonian dentists provide nearly all of the Medicaid treatment, while 30% of the population is on Medicaid." This information was shared with the House Behavioral Health and Health Care Committee on May 30, 2024. Two years later, Dental Subcontractors are still operating under a dental workforce shortage in large part due to inadequate reimbursement and unpredictable rates. Oregon needs a clear reimbursement structure that grows and sustains comprehensive dental care capacity for OHP members and aligns with the CCO model.

A value-based system should reward prevention, early intervention, treatment completion, and stable provider participation. A stronger structure would help more dental providers enter, expand, and remain in OHP networks, especially in rural and underserved communities. House Bill 4039 creates an important opportunity to improve transparency and align reimbursement with Oregon's goals: healthy mouths, stronger provider participation, and lower total cost of care. It also creates an opportunity to reduce the variability in rates based upon the CCO region in which a provider operates, which currently makes it impossible for a dental practice to predict its financial stability when serving OHP members.

If this bill does not pass, the CCO rate-setting process will remain opaque, reactive, and unpredictable for CCOs and Dental Subcontractors alike. Providers will leave. Access will be further restricted. Health outcomes will decline. And both CCOs and Dental Subcontractors will be at risk of long-term organizational sustainability. For these reasons, I respectfully urge you to vote Yes on House Bill 4039.

Thank you for your time.



Molly Johnson
VP, Plan Operations

To Improve the Oral Health of All
www.AdvantageDentalServices.com

63140 Britta Street Suite D104 Bend, Oregon 97703 | TEL: 866.268.9631 | FAX: 866.268.9618