



February 7, 2020

Representative George J. Keiser  
NCOIL Committee on Health Insurance & Long Term Care Issues

Representative Keiser:

On behalf of the National Association of Dental Plans (NADP<sup>1</sup>), America's Health Insurance Plans (AHIP<sup>2</sup>), and the American Council of Life Insurers (ACLI<sup>3</sup>) we thank you for the opportunity to provide comments on the proposed 'Patient Dental Care Bill of Rights' which was introduced at last December's meeting of the NCOIL Health Insurance & Long Term Care Issues Committee. We have attached alternative draft language that we believe addresses the concerns expressed by proponents and urge you to consider adopting this text in lieu of the bill as introduced.

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. Because we strive to be sensitive to providers' concerns, we have worked with dental associations to craft compromise legislation that resolves their issues while also preserving network leasing as a practice, which is beneficial to all parties, including employers, consumers, and providers.

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<sup>1</sup> 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.

<sup>2</sup> AHIP is the national association whose members provide coverage for health care and related services to hundreds of millions of Americans every day. Through these offerings, we improve and protect the health and financial security of consumers, families, businesses, communities and the nation. We are committed to market-based solutions and public-private partnerships that improve affordability, value, access, and well-being for consumers.

<sup>3</sup> 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.

Since 2018, six states have enacted new leasing laws, and we are aware of two additional states where bills are pending. While not all of these laws are the same, the laws enacted in New Jersey and California represent the gold standard of dental network leasing legislation. These states' laws are more extensive than those in any other state and represent the most aggressive efforts to regulate the practice of dental network leasing in the United States. They include not only a bevy of transparency requirements, but also opt out provisions allowing dentists not to participate in the practice of leasing at all. The alternative text we have drafted and attached is modeled on these laws.

We recognize that the NCOIL bill as introduced also contains additional provisions unrelated to network leasing. Some of these provisions, like regulations on prior authorization, have been enacted by a handful of states in recent years. Others, like the provision on medical loss ratios, have scarcely been considered by any states at all, and are enormously controversial. Because the remaining provisions of the bill as introduced are disparate and contain multiple subjects, we encourage you to strike them from the bill and focus on the issue of network leasing only—network leasing is complex on its own and should be explored in detail. We also note that, while this bill is presented as a patients' rights measure, its extraneous provisions seek to regulate the relationships between insurers and dentists, rather than addressing patients' welfare. While these may be issues NCOIL wishes to consider, this is not the appropriate time or context in which to do so.

Thank you again for your time and consideration of these important issues. We remain committed to working with you to create a product that addresses the needs of providers while also protecting patients and consumers of dental services in the United States.

Sincerely,



Eme Augustini  
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Karen Melchert  
Regional Vice President, ACLI



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