

SB 148, Dental Insurance

Senate Committee Votes Out Dental Costs Bill after Insurance Provider's Opponent Testimony

The Senate Insurance and Financial Institutions Committee voted 7-5 Wednesday to report out SB148 (Schuring), regarding limitations imposed by health insurers on dental care services. Sens. Matt Dolan (R-Chagrin Falls) and Stephanie Kunze (R-Hilliard) joined the committee's three Democrats, Ranking Member Hearcel Craig (D-Columbus) and Sens. Cecil Thomas (D-Cincinnati) and Sandra Williams (D-Cleveland) in voting no. Vice Chair Jay Hottinger (R-Newark) was not able to attend the hearing.

The vote followed the addition of an amendment offered by Sen. Steve Wilson (R-Maineville) and opponent testimony by Rick Lantz on behalf of Delta Dental of Ohio. Wilson's amendment, accepted without objection, required dental care providers to give a cost estimate before performing non-covered services, rather than requiring that information be provided only on request.

Lantz, Delta vice president and chief lobbyist, said the bill would lead to Ohioans' paying more in out-of-pocket costs for dental services that are not covered or foregoing that care; is not needed in Ohio; and represents "unwarranted government interference in private contracts voluntarily entered into by dentists and dental plans."

Comparisons to past legislation on non-covered vision services is an "apples and oranges" comparison, he said, as that involves a separate transaction to purchase eyeglasses or contacts which are "materials" and dentistry does not have a similar equivalent. Further, he said, the insurance industries for vision and dental are very different, as there are two main vision insurers in the state but dozens of dental ones.

He requested the committee either not take a vote or vote against reporting the bill out, and said there was "a contrast" between the bill and SB198 (Huffman-Antonio), on surprise billing, which is also being considered by the committee.

Lantz added that his organization is part of a diverse coalition of opponents, including AFSCME Ohio Council 8, America's Health Insurance Plans, the National Association of Dental Plans, the Ohio Association of Health Plans, the Ohio Chamber of Commerce, the Ohio Education Association, Union Benefits Trust and Westfield.

Chair Bob Hackett (R-London) asked how many states had passed similar laws, and Lantz said "around 40" and that fees had increased as a result. Hackett said he hadn't seen any out-of-state testimony saying that and that the National Conference of Insurance Legislators had model legislation stronger than SB148.

There have been debates on this bill and past versions in the Legislature for years, Hackett said, and he asked why opponents hadn't put forward testimony showing higher costs during that time. Lantz responded by saying he hadn't seen studies showing costs

stayed the same and would like to review that if the numbers exist, and the dentists and the Ohio Dentist Association want to charge higher amounts through passage of the bill.

Hackett then asked about Delta Dental insurers in other states which have supported similar legislation, and Lantz said the company he represents feels an obligation to oppose it and “respectfully disagrees” with the others. He also told Hackett that they work to maintain a balance through their contracts, and that he thought the bill was a “bad idea the first time around” and remains one.

Thomas asked about AFSCME’s opposition to the bill, and Lantz said they and other organized labor groups represent “hard-working Ohioans” who have dental insurance and understand the bill would increase costs for uncovered services.

In response to a question from Sen. Dave Burke (R-Marysville) Lantz said they can adjust services based on demand, and that it would be in their interest to cover all services but not all consumers can pay the premiums involved.

He also said many of their purchasers are very sophisticated in examining contracts, can hire consultants and seek claims experience for the past one to three years to see what costs would have been with the prospective dental insurer had it been the carrier instead. Burke challenged that, however, based on his experience obtaining such insurance as a small business owner and said he thought that was the case for “rank and file” small business owners as well.

Responding to Sen. Stephen Huffman (R-Tipp City), Lantz said the bill involves patients’ out-of-pocket costs to dentists and that there have been other insurers opposed, but some of his counterparts lobby in 20 states so they haven’t appeared in person.

Dolan asked Lantz’s thoughts on the amendment added to the bill, and he said he thought it was good and likely codified existing business practices. He also told Dolan that employees would be able to choose their dentist, though out-of-network ones would bring higher costs.

Hackett then asked whether there were three insurance classifications including out-of-network. Lantz confirmed they also have two networks -- preferred provider organizations, which have agreed to accept lower reimbursement for covered services to attract more patients, and then a wider premiere network. Only 17 percent of Ohio dentists don’t participate with Delta Dental, he said, and that shows his organization is doing things well.

Thomas asked about the Ohio Chamber of Commerce’s position, and Lantz said he couldn’t speak for them but their reasoning could be that when their members purchase dental coverage, they’re getting a certain value add which would be negatively affected by the bill. He also said it was “noteworthy” the chamber had joined labor groups on the issue.

Hackett then said that not all business organizations were opposed and that dental practices were businesses too. He also said the chamber had mixed views and voiced opposition because of some members' concerns, and again questioned whether costs would go up.

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