

Senate Insurance Committee

Wednesday, September 27, 2023

Written Testimony, Angela L. Harrington, Director, Union Benefits Trust
SB 115

Good morning, Chairman Hackett and other esteemed members of the Senate Insurance Committee. Thank you for the opportunity to share our written opponent testimony today.

My name is Angela L. Harrington, Director of Union Benefits Trust (UBT). UBT provides dental, vision and life insurance to all State of Ohio bargaining unit members for seven unions. I'm testifying today because we manage the dental insurance plan covering 75,000 union represented State of Ohio employees and their families.

Our testimony today is in **opposition** to SB 115, legislation that uncaps the fixed dental fees chargeable for non-covered services.

There are several reasons this legislation would not be for Ohio citizens; I will focus on some of these issues in my testimony. Charging Ohioans more for dental services will prevent many of them from being able to afford treatment for themselves as well as for their families, especially children. If we are to continue the strides being made in our attempts to control the cost of health care as a whole and keep those costs affordable for Ohioans, we must not change the current landscape with respect to capped dental fees.

Rising healthcare costs are a major concern for Ohio's employers and their employees. This is a key reason we oppose SB 115, which would increase the cost of dental care for our employees and their family members.

SB 115 would eliminate dental benefit administrators' ability to set fair and reasonable maximum fees on services not reimbursed by an employer's dental plan. If adopted, the bill would increase the out-of-pocket cost of dental care and remove a valuable component of dental coverage for our employees.

Dentists and insurers can freely enter contracts that include cost protections for consumers, even if the dental service is not reimbursed by the patient's dental plan. As a result, dental patients save money on their care and have peace of mind knowing that they are not being subjected to excessive fees relating to their dental care. SB 115 would eliminate these patient savings and take this important consumer cost protection measure away from Ohio families.

SB 115 could also contribute to an increase in overall healthcare costs, since an increase in fees could easily lead to some patients neglecting their dental care until more severe and costly problems occur. Poor oral health has been linked to diabetes and other serious medical conditions such as pancreatic cancer, kidney cancer as well as blood cancers.

Higher costs for dental care, government intrusion in private contracts, poor oral health, and higher overall healthcare costs are all potential ramifications of SB 115. We urge you to oppose SB 115 and encourage your colleagues to do the same.

There may be times when an enrollee or the enrollee's dependent needs or wants treatment for a service that is not covered by the enrollee's dental plan. These individuals often have lower out-of-pocket expenses because our participating dentists agree to charge them no more than the maximum allowable fee for most non-covered services. This offers considerable value for enrollees and encourages them to get the treatment they desire, while providing fair compensation for participating dentists.

Early detection is key, and with the fastest growing segment of diagnosed cases in nonsmoking young adults, it is even more important to engage this segment of legislation and others to understand the importance of dental preventive visits for Ohioans. The earlier oral cancer is detected and treated, the lower the treatment costs and the better the survival rate.

Adults miss more than 164 million work hours a year due to dental-related illness. Keeping dental costs down can help continue to make dental care more affordable – and keep Ohioans healthy! By keeping up with regular preventive exams, dentists can help catch problems early before they are more costly to address.

Dentists make the decision to contract with the carriers knowing full-well the provisions of the contract and the promised return on the investment of being a network provider. Dentists have every right to choose not to renew those contracts, and every right to balance their practices with full fee (uninsured) patients. In fact, we have seen dentists temporarily stop accepting insured patients to realign that balance, which is acceptable by the insurance carriers.

It just seems unconscionable that they and the Ohio Dental Association, who represents them, now wishes to remove those provisions through legislative action. The fee savings to UBT's members on non-covered services from July 1, 2010 (inception with Delta Dental) through June 30, 2023 (end of last fiscal year) was **\$2.0** million. Since inception, approximately **\$7.4** million is the fee savings on claims over the annual maximum.

Since most dental insurance is employer-provided insurance, the employer is the one who decides what services will be covered, not the employee and not the insurance company. The employer will purchase what it can afford, but it is the patients who are still left to pay for services covered or non-covered. The patients are the ones who deserve the protections against price gouging, and this is what capping non-covered services provide.

Many dental insurances vary depending on the employer and many services are not covered. Examples of non-covered services that could go up without a cap include sealants, nitrous oxide, and resin-based composites (tooth-colored fillings). Most Ohioans cannot afford to pay more for dental coverage, especially what many Ohioans have been through the past three years with COVID, have lost jobs, lost housing, have inadequate or no daycare and have had work hours cut or adjusted.

If we are to continue with the progress being made in our attempts to control to make health care affordable for working Ohioans, we must not change the current landscape with respect to capped dental fees. With so much information surrounding the

correlation between oral health and overall health, is this really the time to put a higher price tag on these services?

Adding this extra financial burden on already hurting Ohio families is just not good... What we do not want to do is keep families from going to the dentist when they really do need to get something fixed before it becomes an even bigger issue, not only for their medical, but overall health as well. If someone is over their annual plan limit, at least they would receive a discounted fee something the dentist already agreed to contractually. Nobody wins in this scenario except the dentists who can then charge what they want when something is not covered for one reason or another. It might even be the fact that the employer plan only covers preventive and basic services, but not the more expensive restorative (major) services. At least there are discounts the patient could obtain to help with these expensive procedures. Again, the fee schedules have already been agreed to...and without these fee tables in place, it only hurts the family's financial well-being. Tough choices are already being made on how to spread the family budget these days...so something will give, and it is usually detrimental in the long run in terms of lost time at work (many organizations are already dealing with critical labor shortages), lost wages, pain and more expensive procedures later on.

For these reasons and many more I strongly urge you to vote no on SB 115.

Thank you again for the opportunity to provide written testimony in opposition to SB 115.