



February 8, 2022

Chairman Zack Stephenson
CC: Commerce Finance and Policy Committee
Minnesota House of Representatives
100 Rev. Dr. Martin Luther King Jr. Blvd
Saint Paul, MN 55155

Re: HB 2673, Dental benefit plan contract requirements modified, and third party permitted access to a dental provider contract.

Dear Chairman Stephenson and members of the Commerce Finance and Policy Committee,

On behalf of AHIP¹ and National Association of Dental Plans (NADP)², we thank you for the opportunity to provide comments on HB 2673.

We appreciate HB 2673 recognizes that network leasing is an important practice that creates value for employers, providers, and consumers by expanding carriers' networks. Through leasing arrangements, dentists receive access to new market segments and new patients. Consumers receive the benefits of broader provider networks, from or made possible by leasing, result in lower costs for consumers, both for premiums and cost sharing on dental care services. Dental network leases are key to providing ACA-required dental benefits and meeting state network adequacy requirements for many health and dental plans.

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 state and national dental associations to craft compromise legislation and the *National Council of Insurance Legislators (NCOIL) Transparency in Dental Benefits Contracting Model Act* that resolves their issues while also preserving network leasing as a practice, which is beneficial to all parties.

We support provider choice with regard to participation in a carrier's leasable network. In addition to choice, we believe providers should be well-informed about leasing arrangements in which they

¹ 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.

² 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.

participate with carriers or leasing companies, and we support efforts to enhance communication between providers and these entities. However, we respectfully request amendments to the bill which we have attached for your consideration.

In HB 2673, the definition of "dental plan organization" is different than the NCOIL model's use of dental carrier v. contracting entity. The NCOIL model does not apply the opt-out requirement to contracting entities that are not dental carriers because that is their primary business. We recommend distinguishing the difference between insurers and contracting entities. We also recommend the inclusion of the "same brand licensee" language that the vast majority of other state leasing laws include such an exemption and the NCOIL Model recognizes the same.

We appreciate the opportunity to share our views, and we are available to answer questions or provide additional information. We have attached a redline and Minnesota Dental Benefits Fact Sheet as well. Thank you again for your attention to this important matter.

Sincerely,



Owen Urech
Director of Government
& Regulatory Affairs
NADP



Joshua D. Keepes, JD
Regional Director,
State Affairs
AHIP