



May 23, 2018

The Honorable Thomas Brinkman, Chair
House Insurance Committee
Ohio House of Representatives
77 South High Street, 12th Floor
Columbus, Ohio 43215

Dear Chairman Brinkman,

On behalf of the Ohio Association of Health Plans (OAHP), thank you for the opportunity to offer written testimony in opposition to House Bill 367, legislation that would require health care consumers to pay more for the services they receive, while also inhibiting the ability of insurers to privately contract with dental providers.

The Ohio Association of Health Plans (OAHP) is the state's leading trade association representing the health insurance industry. OAHP's member plans provide health benefits to more than 9 million Ohioans through employer-sponsored coverage, the individual insurance market, and public programs such as Medicare, Medicaid and the Federal Insurance Marketplace. Our members offer a broad range of health insurance products to Ohioans in the commercial marketplace and are committed partners in public programs.

Today's health care landscape presents us with a number of challenges. At the very top of such challenges is the need to ensure that consumers have access to affordable health care services. With that said, I write to express our opposition to HB 367.

Simply put, HB 367 will cause Ohio's dental consumers to pay more for services. Most often, dental insurance is a supplemental benefit and may be included as part of comprehensive medical coverage. This type of coverage is an added benefit that is necessary in helping an individual manage their overall health and wellness. However, dental coverage – in and of itself – is not comprehensive health care coverage.

To ensure consumers have access to dental coverage, insurers typically arrange a negotiated fee schedule with its network providers. Dental examinations, fillings and other dental procedures may be included in a negotiated fee schedule. This method of contracting differs from that of major medical coverage, as dental plans often negotiate rates for non-covered services as well as covered services. This approach helps in making health care costs more manageable for

consumers, something that is of the upmost importance as individuals across the country are being subjected to increases in their overall health care costs.

As this Committee considers legislation that would modify the laws regarding disclosure and contractual requirements for health insurers and dental providers, OAHP would like to offer the following for consideration:

- ***HB 367 will harm Ohio consumers by removing a valuable benefit to them*** - an agreed upon price or discount for non-covered services. If plans and providers are prohibited from entering into contractual arrangements that extend to dental consumers discounts for services that are not covered under their dental plans, ***consumers will face higher health care costs through uncertain out of pocket obligations*** – as they will now be required to pay the provider’s full billed charges without the benefit of the fee negotiated on their behalf by their dental plan.

HB 367 will erode important quality and cost provider network benefits for Ohio consumers - by removing any incentives for consumers to use network providers for non-covered services and limiting the ability of dental plans to develop and maintain their own network of labs as a way of ensuring quality of materials and lowering costs for the enrollees.

- ***HB 367 interferes with the right to contract as it places the state right in the middle of the legal relationship between two private parties.*** A state should not be involved in proscribing contract terms between dental providers and health plans and private parties should be able to negotiate an agreement that is in the interest of both parties.

To that end, OAHP urges you to thoughtfully consider the impact that this bill will have on Ohio’s health care consumers. Consumers of health care have dealt with great change and uncertainty in recent years. If enacted, ***HB 367 would only add to such uncertainty and further burden Ohio’s families in having to cover more of their health care costs.*** This threatens to deter Ohioans from addressing one of the core components of their health care needs – dental health; and that may inhibit their ability to address their overall health care needs. OAHP urges you to vote against HB 367.

Thank you for the opportunity to comment on HB 367.

Sincerely,



Miranda C. Motter
President and CEO
Ohio Association of Health Plans