



March 16, 2010

The Honorable Haley Reeves Barbour
Governor, State of Mississippi
P.O. Box 139
Jackson, MS 39205

Dear Governor Barbour;

The National Association of Dental Plans (NADP) would like to comment on Mississippi House Bill 1167 regarding oral health and dental non-covered services. HB 1167 prohibits certain contractual provisions often utilized between dental plans and providers. We previously provided comments on February 17 to the Mississippi state legislature, and wanted to follow up with additional information and reiterate how this bill will negatively impact Mississippi consumers and employers.

There are more than 40 dental plans currently offering dental coverage in Mississippi, allowing a variety of plans in which dentists may enter into contract agreements. In fact, due to the 125 dental 'Health Professional Shortage Areas' as designated by the U.S. Health Resources and Services Administration in Mississippi, dentists are better able to negotiate than in other states with larger populations of dentists. Dentists willingly enter into contracts, and in return they receive increased patient volume that results from joining a dental plan network.

While the majority of dental plans include some type of provision to provide discounts on certain non-covered services, the contracts vary widely among the plans. Placing strict requirements on providers' contracts may suppress innovation and competition among the plans, and reduce benefits purchased today by Mississippi businesses for the benefit of their employees and their families. HB 1167 prohibits dentists that desire to enter into such contractual arrangements of offering discounts to patients from doing so, which is far more stringent than legislation introduced in other states.

Along with stifling competition, this legislation will have a negative economic effect on Mississippi residents. Legislators in states such as Indiana, Minnesota and Colorado understand the direct result of this bill - increased out-of-pocket costs of consumers - and have ended similar legislative proposals. While the dentist's argue discounting non-covered services as a philosophical issue, the conclusion remains the same - a discount the consumer has been able to rely on to keep certain procedures affordable, will no longer be available, leaving providers to charge consumers higher rates.

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Dallas, TX

National Association of Dental Plans

12700 Park Central Drive • Suite 400 • Dallas, Texas 75251

972.458.6998 • 972.458.2258 [fax]



NADP respectfully opposes and encourages defeat of HB 1167 due to the ramifications this bill will have on Mississippi residents and employers. Given the current economic circumstances, now is not the time to enact legislation that will increase costs to consumers.

NADP greatly appreciates the opportunity to share our views, and we are available to answer questions. Please feel free to contact me directly at 972.458.6998x111 or khathaway@nadp.org.

Sincerely,



Kris Hathaway
Director of Government Relations

NADP is the largest non-profit trade association focused exclusively on the dental benefits industry, i.e. dental HMOs, dental PPOs, discount dental plans and dental indemnity products. NADP's members provide dental benefits to over 82% of the 176 million Americans with dental benefits, including almost a million consumers with private policies in the state of Mississippi. Our members include major commercial carriers, regional and single state companies, as well as companies organized as non-profit plans.

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