

June 22, 2016

Mr. Ken Levine Executive Director Texas Sunset Commission P.O. Box 13066 Austin, Texas 78711

Dear Mr. Levine,

The National Association of Dental Plans (NADP) appreciates the opportunity to provide comments on the Sunset Advisory Commission Staff Report on the Texas State Board of Dental Examiners (TSBDE) released in April 2016. We support the Staff Report findings on Issue 1 regarding the TSBDE's inappropriate focus on anti-competitive regulation of business models Texas dentists use to serve their patients.

In 2014-15 and without record of complaint or data showing negative impact to patient safety, the TSBDE proposed regulations which would have interfered with dentists' ability to contract with Dental Support Organizations (DSOs).

DSOs provide assistance to dental offices with non-clinical business and administrative services such as procurement of equipment, accounting and marketing. Dental offices contracting with DSOs are often in convenient locations, offer expanded hours and have access to capital for expansion and administrative efficiencies that increase access to care and can lower consumers' overall costs of dental care. NADP member dental plans report that DSO supported practices are critical to dental care access in Texas as they have the ability to see a large percent of the population in a timely manner. Of the 4.67 million Texans receiving Medicaid in 2013, 30 percent received dental services through DSO-supported dentists.

The TSBDE's proposal would have limited dentists' ability to contract with DSOs, making the business model less competitive if not non-existent in Texas. As the Staff Report highlights, comments from the Federal Trade Commission confirmed the anticompetitive nature and effects of the proposed rule, including higher prices and reduced access to dental services.

We also commend the Staff Report's recommendation that TSBDE make greater effort to obtain public and stakeholder input on proposals. We understand initiatives to open TSBDE rulemaking for public review and transparent dialogue are currently underway and we look forward to participating in future discussions related to access to dental care in Texas.

## National Association of Dental Plans

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

972.458.6998 • 972.458.2258 [fax]

## **OFFICERS & DIRECTORS**

Chair THERESA McCONEGHEY Principal Financial Group Des Moines, IA

> Vice Chair DR. GENE SHERMAN Starmount Life Baton Rouge, LA

> > Secretary RON BOLDEN Cigna Phoenix, AZ

Treasurer STACIA ALMQUIST Assurant Employee Benefits Kansas City, MO

## Directors

DR. DAN CROLEY Delta Dental of CA, NY, PA & Affiliates San Francisco, CA

KATE McCOWN Ameritas Life Insurance Corp. Lincoln, NE

JOSH NACE Dental Health Services of America Seattle, WA

SUE WRIGHT Lincoln Financial Group Omaha, NE

#### **Immediate Past Chair**

CHRIS SWANKER, FSA, MAAA Guardian Life Insurance Company of America Bethlehem, PA

### Executive Director

EVELYN F. IRELAND, CAE National Association of Dental Plans Dallas, TX



NADP greatly appreciates your time and attention to our comments. Please contact NADP's Director of Government Relations, Kris Hathaway with any questions at khathaway@nadp.org or 972.458.6998 x. 111. Again, thank you for your consideration.

Sincerely

Evelyn F. Ireland, CAE Executive Director National Association of Dental Plans

# NADP DESCRIPTION

NADP is the largest non-profit trade association focused exclusively on the dental benefits industry, i.e. dental PPOs, dental HMOs, discount saving plans and dental indemnity products. NADP's members provide dental benefits to more than 92 percent of the 205 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.

## National Association of Dental Plans

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

972.458.6998 • 972.458.2258 [fax]

