



August 6, 2014

Mr. Rodolfo Ramos, DDS Ms. Julie Hildebrand
Chair and Presiding Officer Executive Director

Texas State Board of Dental Examiners
333 Guadalupe Street, Tower 3, Suite 800
Austin, TX 78701
Sent via email

Re: Draft Amendments to TAC 108.70 and 108.74

Dear Chair Ramos, Ms. Hildebrand and Members of the Board:

The National Association of Dental Plans (NADP) would like to comment on draft regulations amending Texas Administrative Code (TAC) 108.70 and adding 108.74 to be considered by the Board of Dental Examiners impacting the management of dental practices.

As drafted, the regulations are overly stringent and would threaten consumer choice and access to existing care. NADP understands and appreciates the importance of protecting dentists' independent performance, clinical judgment and relationships with patients. These proposed standards however have a much greater scope, especially when compared to methods employed within other states.

Dental Support Organizations (DSO) provide assistance to dental offices with non-clinical business and administrative services, and they are becoming a more popular option for dentists who do not want to be burdened with the administrative functions of owning a small business, but prefer to focus on providing the best patient care. This trend is similar to that experienced in the medical field more than a decade ago. The structure of these draft regulations seems to invalidate this business model, with the purpose of making DSOs less competitive to non-existent.

NADP would appreciate further dialog to better understand the repercussions of these standards as it seems they will completely disrupt current patient (and our enrollees) care. We look forward to discussions and working with the Board of Dental Examiners to develop a structure which provides safeguards for dentists while allowing flexibility for managing the administration of a dental office.

OFFICERS & DIRECTORS

Chair

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

Vice Chair

THERESA McCONEGHEY
Principal Financial Group
Des Moines, IA

Secretary

DR. GENE SHERMAN
Starmount Life
Baton Rouge, LA

Treasurer

KIRK E. ANDREWS
United Healthcare Dental
Santa Ana, CA

CHARLES BRODY

Dominion Dental Services, Inc.
Alexandria, VA

DR. DAN CROLEY

Delta Dental of
CA, NY, PA & Affiliates
San Francisco, CA

MARK COYNE

PPO USA, a Division of GEHA
Lee's Summit, MO

ROBIN MUCK

Premier Access Dental
and Vision
Sacramento, CA

FRED SHARPE, DDS

Avesis Third Party Admin.
Owings Mills, MD

Immediate Past Chair

FORREST FLINT
HealthPartners, Inc.
Minneapolis, MN

Executive Director

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

National Association of Dental Plans

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

972.458.6998 • 972.458.2258 [fax]

nadp.org

"the representative and recognized resource of the dental benefits industry"



NADP greatly appreciates the opportunity to share our views, and please contact me with any questions regarding these comments at khathaway@nadp.org or 972.458.6998x111. Attached you will find a Texas Dental State Fact Sheet and NADP member list for your review. Again, thank you for your consideration.

Sincerely,



Kris Hathaway
Director of Government Relations

NADP DESCRIPTION

NADP is the largest non-profit trade association focused exclusively on the dental benefits industry, i.e. dental PPOs, dental HMOs, discount dental plans and dental indemnity products. NADP's members provide dental benefits to approximately 90 percent of the 187 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

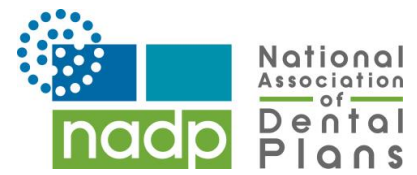
972.458.6998 • 972.458.2258 [fax]





Texas

Dental Benefits Fact Sheet

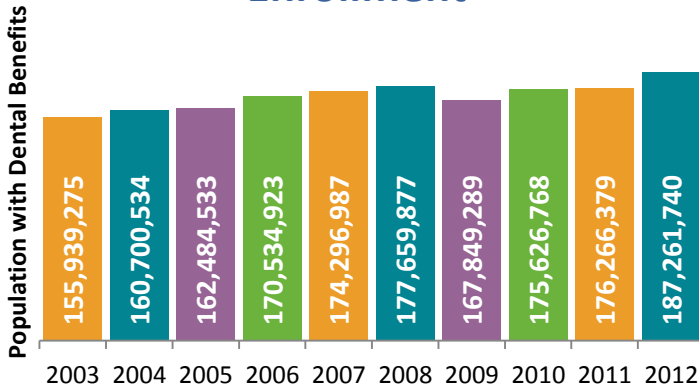


National Enrollment Trends

State Enrollment

An estimated 11,069,236 people are enrolled in a private dental plan from Texas.

Enrollment



Private Plan Enrollment

Plan Type	Enrollment
DHMO	1,031,382
DPPO	8,896,831
Indemnity	276,803
Other Private	864,218

Public Plan Enrollment

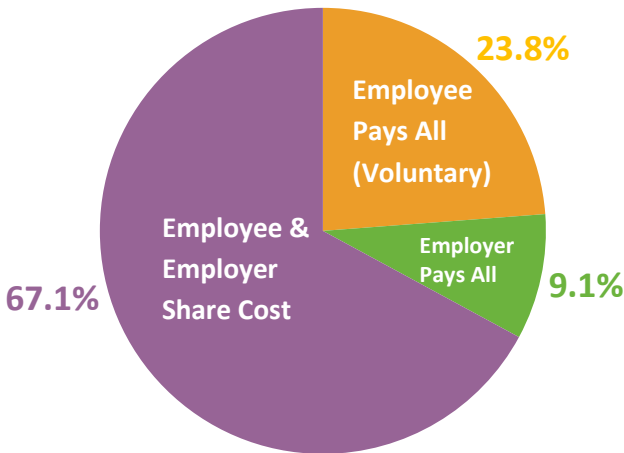
Medicaid/CHIP ¹	2,034,069
Other Public ²	2,129,675

Source: 2013 NADP/DDPA Joint Dental Benefits Report on Enrollment

Source: 2013 NADP/DDPA Joint Dental Benefits Report on Enrollment

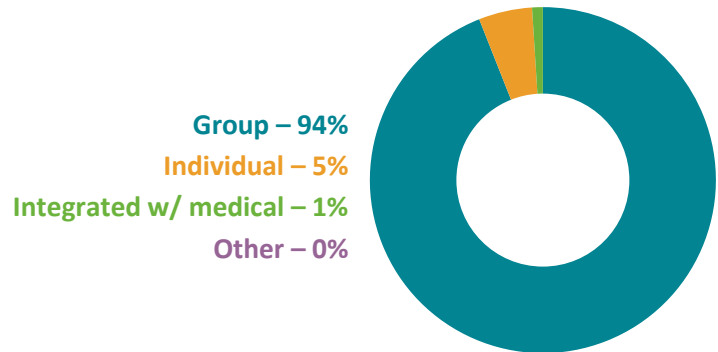
Group Policy Funding

Distribution of Commercial Benefits: State vs National



	DHMO	DPPO	Indemnity	Other
Texas	9.3%	80.4%	2.5%	7.8%
National	8.4%	77.2%	9.0%	5.4%

Sources of Private Dental Coverage



Source: 2013 NADP/DDPA Joint Dental Benefits Report on Enrollment

Source: 2013 NADP/DDPA Joint Dental Benefits Report on Enrollment

Premium Facts

Nationally, premium increases ranged for existing group coverage from 0.2% for DHMO products to 1.5% for DPPO products

Average monthly dental premium per member per month in Texas:
DPPO: \$32.17

¹ Data from the Center for Medicare and Medicaid Services. If 0, then CMS data is not available.

² "Other Public": Includes enrollment in federal and state programs not part of Medicaid

Source: NADP 2013 Dental Benefits Report: Premium and Benefit Utilization Trends, Dec 2013



Texas Dental Benefits Fact Sheet

Workforce NADP Members

The federal standard for an adequate supply of dentists is 3.33 practicing dentists per 10,000 population.²

According to the American Dental Association 11,467 dentists are actively practicing in Texas or 4.4003648154550232 dentists per 10,000 population.³

Network Type	Total Dentists	General Dentists	Pediatric Dentists	Specialists
DHMO	2,552	1,698	102	279
DPPO	11,207	8,456	297	747
Discount	8,367	6,658	154	525

Plan Types Offered by NADP Members

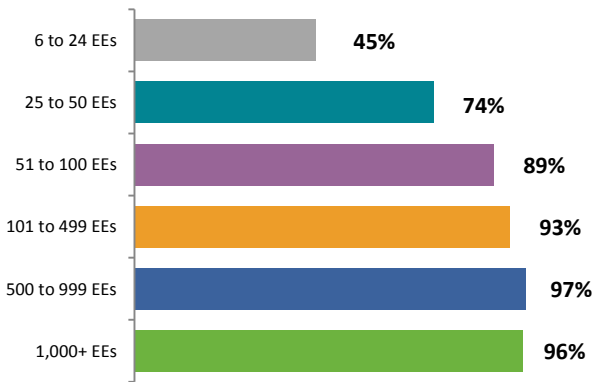


Source: 2013 NADP/DDPA Joint Dental Benefits Report on Network Statistics

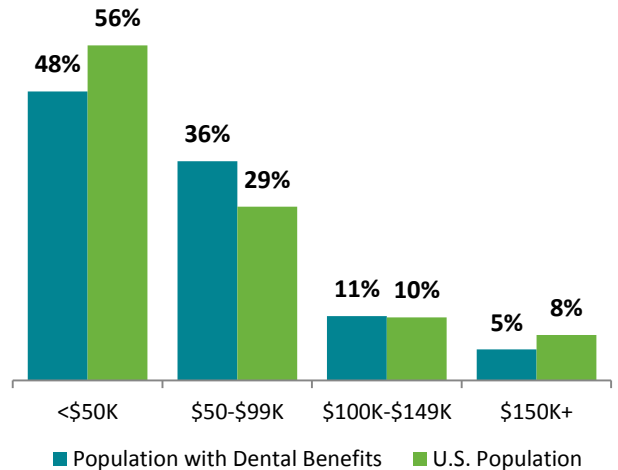
Source: 2013 NADP Membership Directory

Where do Consumers Get Dental Benefits Who Has Dental Benefits

Employers Offering Dental Benefits by Employer Size



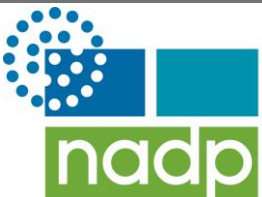
Consumers with Dental Benefits by Household Income compared to General Population



Source: 2013 NADP Purchaser Behavior Survey

Source: 2013 NADP Survey of Consumers

About



National Association of Dental Plans

The National Association of Dental Plans (NADP), a nonprofit corporation with headquarters in Dallas, Texas, is the “representative and recognized resource of the dental benefits industry.” NADP is the only national trade organization that includes the full spectrum of dental benefits companies operating in the United States. NADP’s members provide dental benefits to approximately 90 percent of the 187 million Americans with dental benefits.

² U.S. Department of Health and Human Services

³ American Dental Association

NADP MEMBERS & SUBSIDIARIES

Last Updated: June 2014



Advantage Dental Plan**Aetna Dental**

Group Dental Service

Altus Dental Ins Co

Delta Dental of RI

American Dental Professional Svcs

American Dental Partners

American Enterprise Group

Medco Benefits

AmeriPlan Corporation**Ameritas Life Ins Corp.**

First Ameritas Life Ins Corp.

Argus Dental Plan, Inc.**Assurant Employee Benefits**

Dental Health Alliance, LLC

DentCare, Inc. a Kentucky corporation

DentiCare of Alabama, Inc.

DentiCare of Oklahoma, Inc.

DentiCare, Inc. a Florida corporation

First Fortis Life Ins Co

Fortis Benefits DentalCare of New Jersey In

Fortis Benefits DentalCare of WI, Inc.

Fortis Benefits Ins Co

Fortis Dental Benefits

Georgia Dental Plan, Inc.

UDC Life and Health Ins Co

Union Security Life Ins Co of NY

United Dental Care Ins Co

United Dental Care of Arizona, Inc.

United Dental Care of Colorado, Inc.

United Dental Care of Michigan, Inc.

United Dental Care of Missouri, Inc.

United Dental Care of Nebraska

United Dental Care of New Mexico, Inc.

United Dental Care of Ohio, Inc.

United Dental Care of Pennsylvania, Inc.

United Dental Care of Texas, Inc.

United Dental Care of Utah, Inc.

United Dental Ins. Company

Avesis Third Party Admin. Inc.**Best Life and Health Ins Co****Blue Cross Blue Shield of AZ****Blue Cross Blue Shield of MA**

Blue Shield of Arkansas

Blue Shield of Hawaii

Blue Cross of Florida

Florida Combined Life Ins Co

USABLE Life

Life & Specialty Ventures

Blue Cross Blue Shield of MI

Blue Care Network

Blue Care Network of East MI

Blue Cross Blue Shield of NC**Blue Cross Blue Shield of NE****Blue Cross Blue Shield of SC****Blue Shield of CA****CareFirst BlueCross BlueShield**

The Dental Network, Inc.

CAREINGTON INTERNATIONAL**CBA, Inc.**

Blue Cross of Vermont

The CDI Group**Cigna Dental & Vision Care**

Great West Healthcare

Citizens Security Life Ins Co**Companion Life Ins Co****Dedicated Dental / Interdent****Delta Dental of AZ****Delta Dental of CA**

Alpha Delta of AL

Alpha Delta of AZ

Alpha Delta of NV

Delta Dental Ins. Co.

Delta Dental of DE

Delta Dental of DC

Delta Dental of MD

Delta Dental of NY

Delta Dental of PA

Delta Dental of PR & VI

Delta Dental of WV

Delta Dental of IA**Delta Dental of MI, OH, IN**

Delta Care

Delta Dental of AR

Delta Dental of TN

Renaissance Dental Network

Renaissance Health Inc. Company of NY

Renaissance Life & Health Ins. Company

Delta Dental of MO

Advantica Benefits

Delta Dental of WA**DENCAP Dental Plans****Dental Care Plus Group Inc.****Dental Health Svcs of America**

Custom Benefit Advisors

DBA-Preferred Administrators

Dental Health Svcs (an Oregon corp)

Dental Health Svcs, Inc.

Dental Health Svcs, Inc. (Arizona corp)

Dental Management Svcs

Dental Network Svcs

DHS Ins Svcs Inc

Dental Network of America, Inc. (DNOA)

Blue Cross Blue Shield of IL
Blue Cross Blue Shield of NM
Blue Cross Blue Shield of TX
Colorado Bankers Life
Dearborn National
DenteMax, Inc.
Ft. Dearborn Life Ins Co
Health Care Svcs Corp
Medical Life Ins Co

Dental Select

DentalPlans.com

DentaQuest

Dominion Dental Svcs, Inc

EMI Health

EmblemHealth Svcs

Connecticare
GHI HMO Select
Group Health Inc

Employee Choice

Blue Cross Blue Shield of LA

First Continental Life

GEHA

PPO USA a Division of GEHA

Guardian Life Ins Co of America

Berkshire Life Ins Co of America
First Commonwealth, Inc.
Managed Dental Care

Health Resources, Inc.

HealthPartners, Inc

Central Minnesota Group Health Inc
Group Health Plan Inc
HealthPartners Administrators, Inc.
Midwest Assurance Company

Horizon BCBS NJ

Humana Ins. Co.

CompBenefits Corporation
Oral Health Svcs

IHC Health Solutions

American National Life Ins. Company
Fidelity Security Life
GroupLink Reins Co LTD
Guarantee Trust Life
Madison National Life Ins Co
Strategic Health Alliance

Kaiser Permanente Dental Care Program

Kansas City Life Ins Co

Liberty Dental Plan

Lifemap Assurance

Lincoln Financial Group

MetLife

SafeGuard Dental and Vision
SafeGuard Health Plans, Inc
SafeGuard Health Enterprises

Mutual of Omaha

National Guardian Life Ins Co

Nevada Dental Benefits

Nippon Life Ins Co of America

Northeast Delta Dental

Pacific Source Health Plans

Pan American Life

Physicians Mutual

Premera Blue Cross

Blue Cross of WA and AK
Lifewise Assurance
Lifewise Health Plan of OR
Premera Blue Cross Blue Shield of AK

Premier Access Dental & Vision

Principal Financial Group

Diversified Dental Svcs
Employers Dental Svcs, Inc.

Reserve National

Risk Solutions Resources

Security Life Ins Co of America

Union Security Life Ins. Company of NY

SelectHealth

Solstice Benefits

Southland National Ins Corporation

Standard Ins Co

Starmount Life Ins Co

Always Care

Sun Life Financial

Superior Dental Care Inc.

TruAssure

United Concordia Companies Inc.

Blue Cross Blue Shield of WV (Mountain St)
Highmark Blue Cross Blue Shield
United Concordia Life & Health

United Healthcare Specialty Benefits

Dental Benefit Providers, Inc.
Illinois Pacific Dental
MAMSI Life & Health Ins Co
National Pacific Dental
Nevada Pacific Dental
Oxford Health Plans
Pacific Union Dental
PacifiCare Dental & Vision
PacificDental Benefits, Inc.
Solstice Benefits
United Health Care Corporation

UPMC Health Plan

WellPoint Dental Svcs

Anthem Blue Cross Blue Shield
Anthem Health & Life Ins Co
Blue Cross Blue Shield of GA
Blue Cross Blue Shield of MO
Blue Cross Blue Shield of WI
Blue Cross of CA
DeCare
Golden West Dental & Vision Plan
Unicare Health Ins Co of the Midwest
Unicare Life and Health Ins Co

Western Dental Svcs

Willamette Dental Insurance, Inc

*Willamette Dental Group
Willamette Dental Management Corporation
Willamette Dental of Idaho, Inc.
Willamette Dental of Washington, Inc.
Willamette Dental Group (Skoutes, Inc.)*

Associate Members

*Aspen Dental
Dental Associates
Dental Care Alliance
DentalOne Partners
Great Expression Dental Centers
Kool Smiles
Heartland Dental Care
Pacific Dental Services
Park Dental
Smile Brands Inc.
West Coast Dental Services*

Supporting Organizations

*Aldera
Agility Recovery
BeneCare
Colonial Life & Accident Ins Co
Davis Vision
Dentistat, Inc.& go2dental.com, Inc.
Health Solutions Plus
Healthscape Advisors
McKinsey and Company
Milliman Inc.
P & R Dental Strategies, Inc.
Pacific Resources
Qualbe Marketing
Revolv (formerly Corvesta)
Santech Solutions, Inc.
Secure EDI
Spencer Stuart
Sprig Health
Stratose
Tesia Clearinghouse
The Ignition Group
The Premier Dental Group, Inc.
Towers Watson
West Monroe Partners
Wonderbox Technologies*

Individual Members

*Dr. Peter Barnett
Dr. Manny Chopra
Jeff DeCapua
Teresa Duncan
Dr. D.E. FitzGerald
Lynda Hunnicutt
Dr. Steven Keller
James Kingston
Dr. David Klock, Ph.D.
Dr. Joel Knutson
Dolores Kordek
E. Craig Lesley
Tom Limoli, Jr.
James Lintner
Ray Martin
Allan Morris
David O. Mulligan
Chuck Stewart
Christin Taxin
Dr. Doyle Williams
Ruth Ann Woodley*