



February 3, 2015

Representative Eileen Cody
Chair, House Health Care & Wellness Committee
257A John L. O'Brien
P.O. Box 40600
Olympia, WA 98504-0600
Sent via email

To the Honorable Eileen Cody,

The National Association of Dental Plans (NADP) writes in support of House Bill 1514 to modernize the 1935 state dental statute and confirm dentists' ability to contract with Dental Support Organizations (DSOs) for non-clinical support services. The bill is on the agenda to be discussed by the House Health Care & Wellness Committee on Wednesday, February 4.

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.

Many of NADP's member plans currently include dental offices supported by DSOs as part of their dental networks in Washington, as they do in many other states. DSOs have played an integral role in the broadening of networks and have expanded access to diverse populations and particularly those in need and in underserved areas of the state. In addition to expanding networks, our members have found DSOs provide administrative efficiencies and access to advanced technology for dental offices through economies of scale and enable dentists to focus more time providing quality dental care.

The proposed legislation will confirm and protect both the independent delivery of clinical care by providers as well as a dentists' ability to contract with DSOs, which play an increasingly essential role in expanding access to dental care in Washington.

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
UnitedHealthcare Dental
Santa Ana, CA

Directors

STACIA ALMQUIST
Assurant Employee Benefits
Kansas City, MO

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

KATE MCCOWN
Ameritas Life Insurance Corp.
Lincoln, NE

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 we are available to answer any of the Committee's questions. In addition to these comments, we have also attached our Washington Dental State Fact Sheet for your review. Please contact me with any questions regarding these comments at khathaway@nadp.org or 972.458.6998 x111. Again, thank you for your consideration.

Sincerely,



Kris Hathaway
Director of Government Relations

CC: Members of the House Health Care & Wellness Committee
Representative Marcus Riccelli, Vice Chair
Representative Joe Schmick, Ranking Minority Member
Representative Paul Harris, Asst Ranking Minority Member
Representative Michelle Caldier
Representative Judy Clibborn
Representative Richard DeBolt
Representative Laurie Jinkins
Representative Norm Johnson
Representative Jim Moeller
Representative June Robinson
Representative Jay Rodne
Representative Shelly Short
Representative Steve Tharinger
Representative Kevin Van De Wege

NADP DESCRIPTION

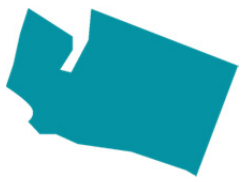
NADP is the largest non-profit trade association focused exclusively on the dental benefits industry, i.e. dental PPOs, dental HMOs, discount dental plans and dental indemnity products. NADP's members provide dental benefits to more than 90 percent of the 191 million Americans with dental benefits. Our 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]





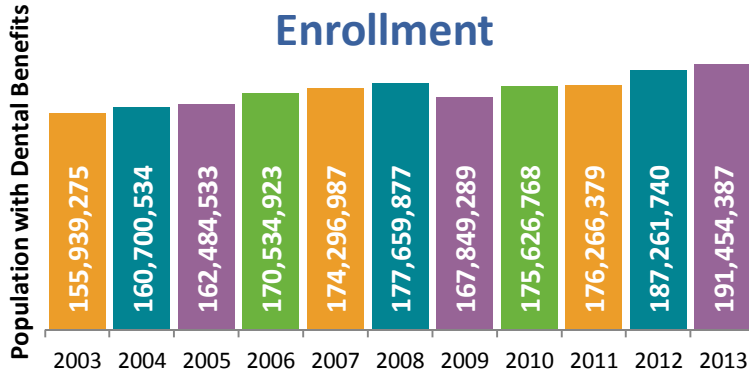
Washington

Dental Benefits Fact Sheet



National Enrollment Trends

An estimated 191,454,387 Americans, 61% of the population, have dental benefits.



Source: 2014 NADP/DDPA Joint Dental Benefits Report on Enrollment

State Enrollment

An estimated 4,275,296 residents, 55% of the population, have dental benefits in Washington.

Private Plan Enrollment

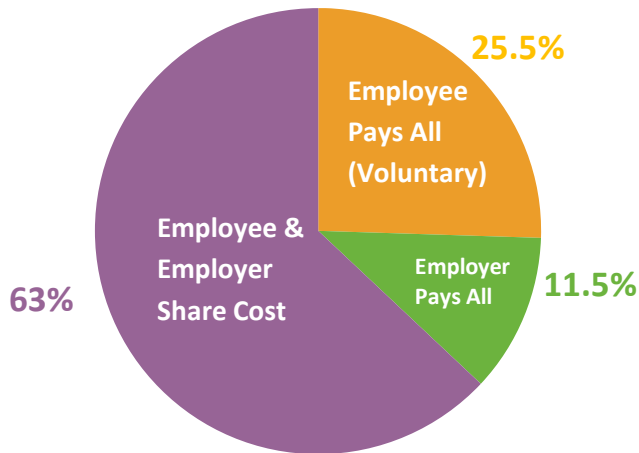
Plan Type	Enrollment
DHMO	282,191
DPPO	3,209,893
Indemnity	196,411
Other Private	88,389

Public Plan Enrollment

Medicaid/CHIP ¹	448,813
Other Public ²	30

Source: 2014 NADP/DDPA Joint Dental Benefits Report on Enrollment

Group Policy Funding

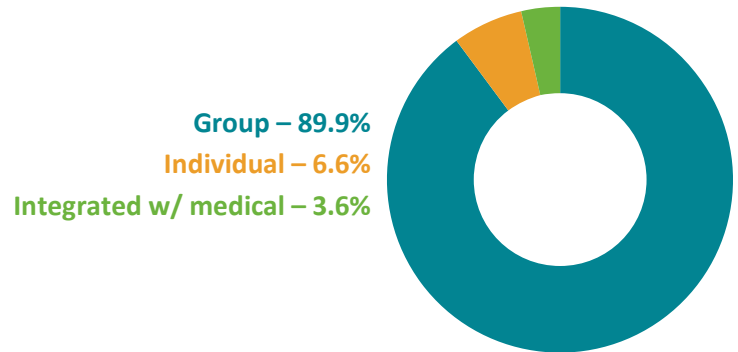


Source: 2014 NADP/DDPA Joint Dental Benefits Report on Enrollment

Distribution of Commercial Benefits: State vs National

	DHMO	DPPO	Indemnity	Other
Washington	6.6%	75.1%	4.6%	2.1%
National	7.9%	78.9%	6.8%	6.4%

Sources of National Private Dental Coverage



Source: 2014 NADP/DDPA Joint Dental Benefits Report on Enrollment

Premium Facts

Washington	DHMO	DPPO	Indemnity
Small Group	--	\$41.92	\$57.62
Large Group	--	\$46.24	--

National	DHMO	DPPO	Indemnity
All Group Avg	\$18.59	\$32.12	\$24.00

Source: NADP 2014 Dental Benefits Report: Premium and Benefit Utilization Trends

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



Washington Dental Benefits Fact Sheet

Workforce

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 4,940 dentists are actively practicing in Washington or 7.09 dentists per 10,000 population.³

Network Type	Total Dentists	General Dentists	Pediatric Dentists	Specialists
DHMO	192	121	3	68
DPPO	4,602	3,689	222	691
Discount	2,213	1,821	122	225

Source: 2014 NADP/DDPA Joint Dental Benefits Report on Network Statistics

NADP Members

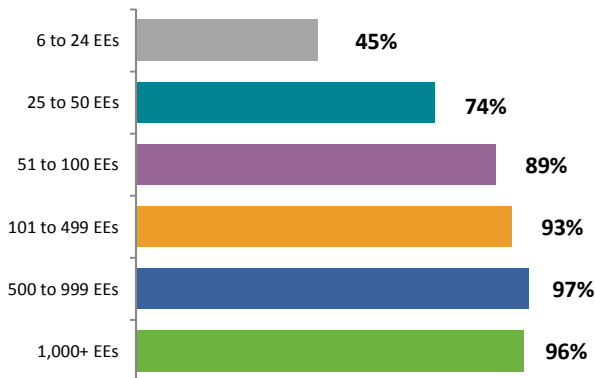
Plan Types Offered by NADP Members



Source: 2014 NADP Membership Directory

Where do Consumers Get Dental Benefits

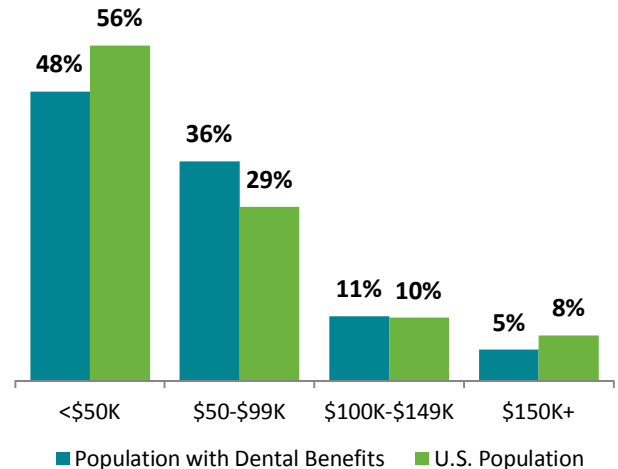
Employers Offering Dental Benefits by Employer Size



Source: 2011 NADP Purchaser Behavior Survey

Who Has Dental Benefits

Consumers with Dental Benefits by Household Income compared to General Population



Source: 2012 NADP Survey of Consumers

About



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 more than 90 percent of the 191 million Americans with dental benefits.

² U.S. Department of Health and Human Services

³ American Dental Association