



March 6, 2019

Sen. Paul Pinsky, Chairman
Senate Committee on Education, Health, and Environmental Affairs
2 West
Miller Senate Building
Annapolis, Maryland 21401

RE: Support for Senate Bill 924

Mr. Chairman:

The National Association of Dental Plans (NADP) appreciates the opportunity to provide comments on Senate Bill (SB) 924 regarding the practice of dentistry and the ability of dentists in Maryland to contract with Dental Support Organizations (DSOs). While NADP only recently learned of this legislation, and our initial comments must therefore be brief, we wanted to register our support with the Committee.

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. DSOs have become a popular option for dentists who do not wish to be burdened with the administrative aspects of small business ownership, and instead prefer to focus on patient care. This trend is similar to the one that took place in the medical field over a decade ago.

Many of NADP's member plans currently include dental offices supported by DSOs as part of their dental networks. 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. 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.

We strongly urge the Committee to support SB 924 and preserve this mutually beneficial business model, which plays an increasingly essential role in expanding access to oral health. We would likewise urge the Committee to reject any legislation that would

OFFICERS & DIRECTORS

Chair

THERESA McCONEGHEY
Principal Financial Group
Des Moines, IA

Vice Chair

RON BOLDEN
Cigna
Phoenix, AZ

Secretary

KATE McCOWN
Ameritas Life Insurance Corp.
Lincoln, NE

Treasurer

STACIA ALMQUIST
Sun Life Financial
Kansas City, MO

Directors

JEFF ALBUM

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

DR. MARY LEE CONICELLA

Aetna
Hartford, CT

JEREMY HEDRICK

Careington International
Frisco, TX

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

National Association of Dental Plans

12700 Park Central Drive • Suite 400 • Dallas, Texas 75251
972.458.6998 • 972.458.2258 [fax]



impair dentists' ability to contract with DSOs, which could result in unintended consequences, including disruption of patient care.

We appreciate the opportunity to provide comments and are available to provide further information as requested – we maintain and collect a broad range of data on the dental benefits industry. In addition to these comments, we have also attached our Maryland Dental State Fact Sheet for your review.

Sincerely,



Eme Augustini
Director of Government Relations
EAugustini@nadp.org
(972) 458-6998 x111

NADP Description: NADP is the largest non-profit trade association focused exclusively on the dental benefits industry. NADP's members provide dental HMO, dental PPO, dental Indemnity and discount dental products to more than 195 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.

CC: Members of the Committee: Vice Chair Nathan-Pulliam, Sen. Bailey, Sen. Carozza, Sen. Ellis, Sen. Gallion, Sen. Kagan, Sen. Lam, Sen. Patterson, Sen. Simonaire, Sen. Young

National Association of Dental Plans

12700 Park Central Drive • Suite 400 • Dallas, Texas 75251
972.458.6998 • 972.458.2258 [fax]

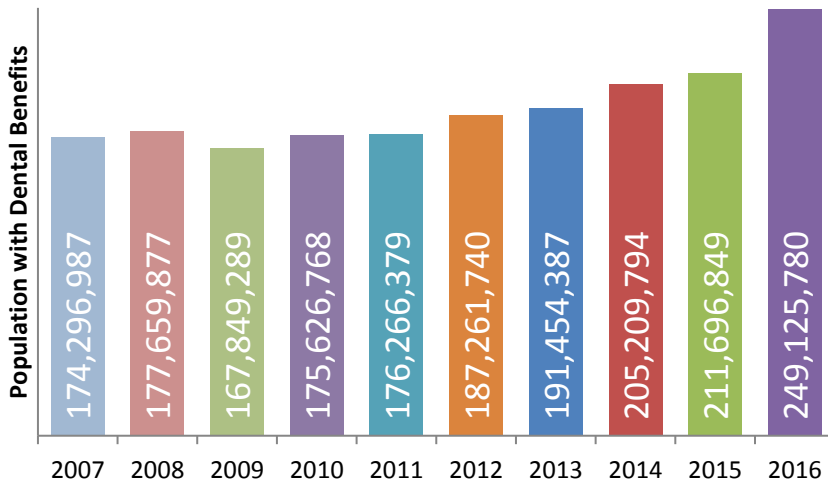


Maryland

Dental Benefits Fact Sheet



National Enrollment Trends



Source: 2017 NADP Dental Benefits Report on Enrollment

State Enrollment Trends

An estimated 5,005,876 or 83% of the Maryland population have dental benefits compared to 77% of the population nationally.

Plan Type	Enrollment
Private Plans	
DHMO	457,103
DPPO	2,970,570
Indemnity	162,061
Other Private	91,624
Public Plans	
Medicaid/CHIP	1,324,519

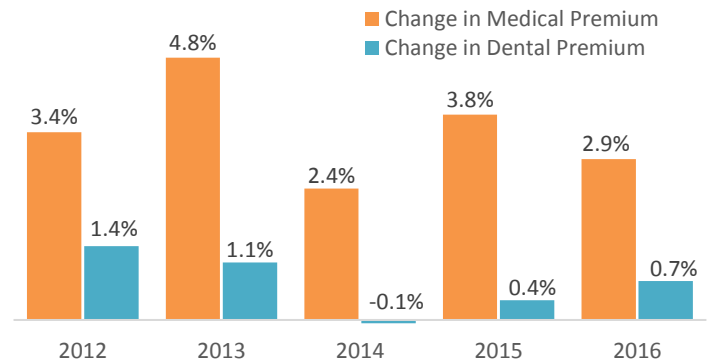
Source: 2017 NADP Dental Benefits Report on Enrollment

Distribution of Commercial Benefits: State v National

	DHMO	DPPO	Indemnity	Other
Maryland	12.4%	80.7%	4.4%	2.5%
National	6.9%	81.1%	6.4%	5%

Source: 2017 NADP Dental Benefits Report on Enrollment

National Change in Premium



Source: NADP 2013-2016 Dental Benefits Report: Premium and Benefit Utilization Trends and 2017 NADP Survey of Members

State Workforce

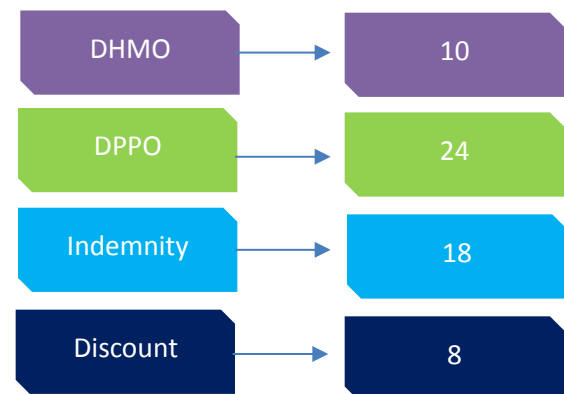
The federal standard for an adequate supply of dentists is 3.33 practicing dentists per 10,000 population. The table presents the number of dentists participating on provider networks in Maryland including the number of network dentists per 10,000 population.

Network Type	Total Dentist	General Dentists	Pediatric Dentists	Specialists	Per 10,000
DHMO	1,126	697	50	379	1.9
DPPO	7,836	5,229	573	2,034	13.0

Source: 2017 NADP Dental Benefits Report: Network Administration & Network Statistics

Maryland NADP Members

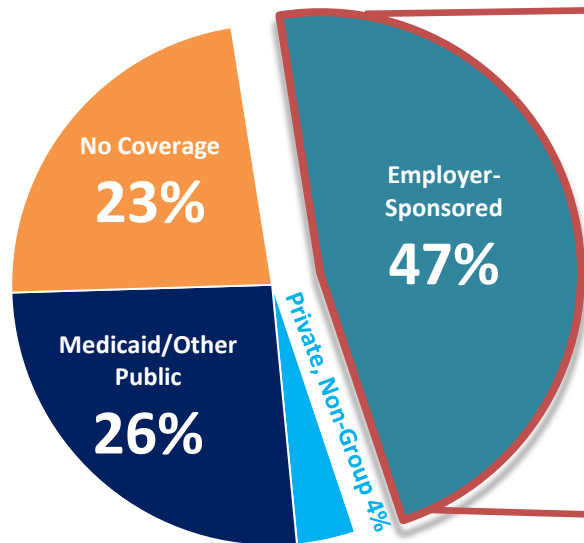
Plan Types Offered by NADP Members



Source: 2017 NADP Membership Directory

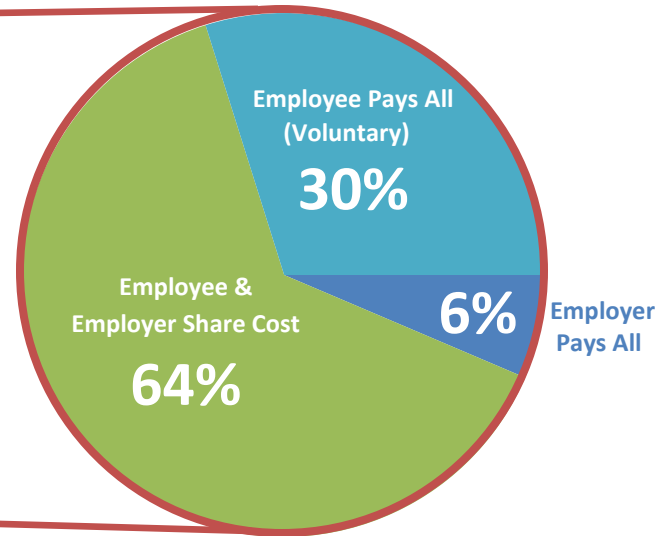
National Dental Benefits

Sources of Dental Coverage



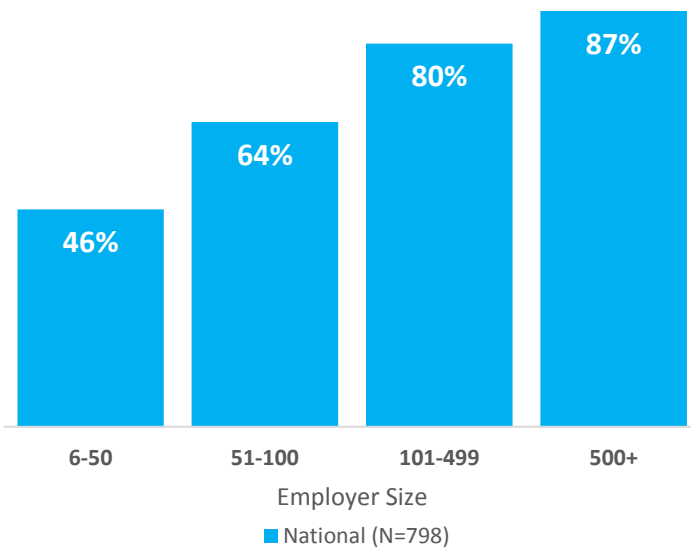
Source: 2017 NADP Dental Benefits Report on Enrollment

Group Policy Funding



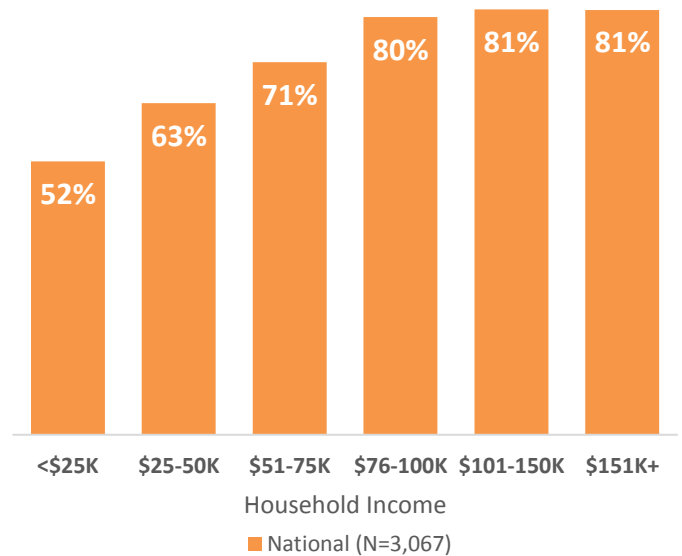
Source: 2017 NADP Survey of Employers

Employers Offering Dental by Employer Size



Source: 2017 NADP Survey of Employers

Consumers with Dental by Household Income



Source: 2017 NADP Survey of Consumers

About NADP



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 195 million Americans.