

3/6/2024

TO: Senator Nick Frentz, Travis Urness and Dan Murphy

Subject: The legislation that would not allow contracted insurance carriers to require the dentist to discount billed services after maximum or frequency of benefits has been met.

Some background from our experiences and the impacts on dental practices:

Dental practices want to afford quality care for all patients and provide for a highly skilled team.

25 years ago, being contracted with Delta was a bit different.

- We were experiencing 5-6% average write offs
- We submitted a fee schedule to delta each year and Delta did some negotiating on fees

Where we are now:

- No fee schedules are submitted to Delta
- No negotiation of any fees
- More processing restrictions
- Average of 20% write offs
- Patients call their plan "insurance". Dental plans are not insurance and not intended to cover all treatment needs. Patients often say, "if my insurance doesn't cover it, it isn't necessary, I will only do what my insurance covers". This devalues dental care and at the same time, requires the dentist to charge a lower fee.
- Delta Dental has not changed their annual maximum benefit for patients in 30 years. Most plans are still giving a \$1000 maximum benefit. On these plans, Delta's risk is no more than \$1000, yet the dentist has no limit on the write offs. Once Delta pays the \$1000 maximum, the dentist must continue discounts on all covered services, even after the maximum benefit has been exhausted.

In our office, we have the same number of private pay patients as we have delta patients. It's understandable that if a patient pays a premium for dental coverage, they will have less out of pocket than a cash patient. It's a benefit they pay for. But if the dentist has to be restricted to 20% less reimbursement on ½ of his patients, where do those \$\$ come from? All fees go up to compensate. Unfortunately, the private pay patients that value the services we offer end up paying more.

Costs of staffing and supplies have gone up dramatically in the past 3 years, yet the Delta reimbursement does not.

Dentists are choosing to go out of network so they can provide quality care at a fair price to all patients that value their services. This will provide less "In-network" access for patients. Out of network Delta patients must pay the provider on the day of service and Delta assigns benefits, to the patient. Patients will pay a bit more out of network than they are use to, but some of the burden will be shared between patient and dentist again. Right now, dentists are taking too much of the cost burden.

The legislation that would not allow contracted carriers to discount billed services after maximum or frequency is met, would make a difference. It may keep more providers in networks.

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