

Insurance and Real Estate Committee JOINT FAVORABLE REPORT

Bill No.: HB-6589

AN ACT CONCERNING THIRD-PARTY ACCESS TO PARTICIPATING DENTAL
Title: PROVIDER CONTRACTS.

Vote Date: 3/22/2021

Vote Action: Joint Favorable Substitute

PH Date: 3/18/2021

File No.:

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SPONSORS OF BILL:

Insurance and Real Estate Committee

REASONS FOR BILL:

The proposed bill will specify the circumstances in which a health carrier, or a health carrier's contractor or subcontractor, may enter into a contract with a third party for the purpose of providing the third party with access to a participating dental provider contract. The current practice of network leasing allows insurance companies to lease out contracts with dentists without informing the dentists and will introduce transparency to the practice.

SUBSTITUTE LANGUAGE:

Language added to include electronic means as a form of written communication. Language was removed to reflect insurance companies not having to agree to terms concerning patient steering.

RESPONSE FROM ADMINISTRATION/AGENCY:

None Expressed

NATURE AND SOURCES OF SUPPORT:

American Council of Life Insurers: ACLI testified requesting language changes which are reflected in the proposed substitute. They testified that with these changes, they are in support of the bill.

Allison Baylis, Connecticut Dentist: testified that HB 6589 will improve transparency among dentists, insurance companies, and patients.

Jeffrey Berkley, Connecticut Dentist: testified that network leasing complicates communication with patients about procedure pricing and HB 6589 will increase transparency.

Nicole Brasil Becker, Connecticut Dentist stated that network leasing prevents dentists from giving patients accurate cost estimates, which can affect whether or not patients can have necessary procedures. HB 6589 will increase transparency.

Mimi DeLessio-Matta, Connecticut Dentist: testified that HB 6589 will provide necessary transparency which will benefit dental patients.

Denise Benedetto, Connecticut Resident: stated that network leasing complicates patient payment for dental procedures and causes patients to lose faith in dental offices.

Brian Evans, Connecticut Dentist: testified that HB 6589 will provide protections for dentists and increase transparency.

David Fried, Connecticut Dentist stated that patients would often arrive at his practice with obscure insurance plans and claim that his office was on the insurance company's list of covered dentists. These situations were caused by network leasing and would cause financial complications. He also recommended an amendment to prevent insurance companies from grandfathering in previously networked dentists without new contracts being signed.

Jonathan Goldberg, Connecticut Dentist: testified that network leasing impacts the benefits available to patients. Nearly 20 states already have laws similar to HB 6589.

Jonathan Knapp, Co-Chair of Legislative Council, Connecticut State Dental Association: testified that network leasing forces dentists to obey the terms of one contract to numerous entities without a chance to negotiate or refuse the terms. HB 6589 will introduce transparency that will benefit consumers.

Tam Le, President, Connecticut State Dental Association: testified that the lack of transparency present in network leasing causes confusion and difficulties for dentists and their patients.

N. Summer Lerch, Connecticut Dentist: testified that network leasing flies in the face of democracy. Dentists are expected to offer services at rates they never agreed to because another company leased out their services without notification.

John J. Mooney, Connecticut Dentist: feels that network leasing is fundamentally un-American.

William Nash, Connecticut Dentist: testified that due to network leasing, he is expected to accept patients whose insurance reimbursement rates are so low that he would lose money by accepting them as a patient. HB 6589 will force insurance companies to communicate with dentists and thereby improve transparency.

Al Natelli, Connecticut Dentist: testified that network leasing allows insurance companies to "lease out" dentists without their knowledge. HB 6589 will solve this problem.

Richard Riddle, Co-Chair of Legislative Council, Connecticut State Dental Association: testified that network leasing negatively affects dental patients. Legislation like HB 6589 has passed in 20 states. This bill will allow for much-needed transparency.

Mark T. Ryan, Connecticut Dentist: testified his support for HB 6589.

Jennifer You, Connecticut Dentist: stated that network leasing is unfair to practice owners and puts patients at risk. HB 6589 will increase transparency and allow dentists to treat patients to the best of their ability.

NATURE AND SOURCES OF OPPOSITION:

Connecticut Association of Health Plans: testified that network leasing provides value for employers, providers, and consumers. They urge legislators to oppose HB 6589 because network leasing benefits consumers by keeping prices low.

Reported by: Mallory Ferrick

Date: April 1, 2021