

November 10, 2010

The Honorable Ann Cummings
Co-Chair, Health, Long-Term Care &
Health
Retirement Issues Committee
National Conference of Insurance
Legislators
385 Jordan Road
Troy, New York 12180

The Honorable Chuck Kleckley
Co-Chair, Health, Long-Term Care &
Health
Retirement Issues Committee
National Conference of Insurance
Legislators
385 Jordan Road
Troy, New York 12180

Dear Co-Chairs Cummings and Kleckley:

On behalf of the American Dental Association (ADA) and our 157,000 member dentists, we extend our appreciation for the time and energy invested in discussing the *Model Act Banning Fee Schedules for Uncovered Dental Services*. As we have noted in the past, the model provides an important step in creating a more equitable arrangement for dental benefit plan participants.

ADA's current policy, adopted with overwhelming support of the membership, holds that when a dental plan elects to exclude certain services from its benefit plan, the fees for those services should remain a private matter between the dentist and the patient only. ADA's Resolution 79RC states that:

- The association opposes any third party contract provisions that establish fee limits for non-covered services,
- "Covered services" is defined as any service for which reimbursement is actually provided on a given claim,
- "Non-covered service" is defined as any service for which the third party provides no reimbursement.

Considering the robust support in the states to enact laws to prohibit fee capping on non-covered services (a.k.a. NCS bills) over the last year, it seems there is significant concurrence with the spirit of ADA policy. Thirty-one states have filed bills limiting dental plans' ability to set fees on services they do not cover, thirty of those in just the first few months of 2010. Sixteen have been enacted into law. Reviewing 3rd Reading and Concurrence votes on states' NCS bills in 2010 reveals that there were over ten times as many votes in favor of NCS bills as compared to those opposing the measures.

Because the ADA's full support focuses on measures reflecting current ADA policy, we have concerns with the NCOIL model's definition of "covered services" as amended in July 2010.

November 10, 2010

Page 2

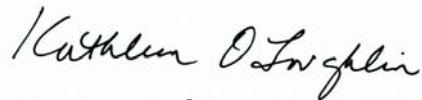
However, with so many states and sponsors addressing this issue, we realize each state's legislative effort will be unique.

Once again, we appreciate NCOIL's continued consideration of the model act.

Sincerely,



Dr. Raymond Gist, D.D.S.
President



Kathleen T. O'Loughlin, D.M.D., M.P.H.
Executive Director

RG:KOL:po

cc: Members, NCOIL Health, Long-Term Care, Health Retirement Issues Committee
Mr. Jordan Estey, director, Legislative Affairs & Education, National Conference of Insurance Legislators
Mr. Mike Graham, interim senior vice president, Division of Government & Public Affairs, American Dental Association
Mr. Jon B. Holtzee, director, State Government Affairs, American Dental Association
Dr. David M. Preble, director, Council on Dental Benefit Programs, American Dental Association