

July 7, 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, I would like to extend our appreciation for the proposed *Model Act Banning Fee Schedules for Uncovered Dental Services*. The model provides an important step in creating a more equitable arrangement for dental benefit plan participants.

Within the last six months twelve states have enacted legislation that limits dental plans' ability to cap fees on non-covered services. Thirteen states, adding the Rhode Island law of 2009, now have such laws. It is worth noting that many of the final vote tallies were either unanimous or nearly unanimous in support of limiting plans setting fees on services for which they do not reimburse.

ADA policy opposes any third party contract provisions that establish fee limits for non-covered dental services. This policy is not a mandate on state dental associations' advocacy approaches, but rather guidance for states on desired legislative outcomes. The thirty state dental associations that filed bills so far this year crafted unique provisions utilizing their own resources to determine the most equitable and effective bills for their states. As the definition of "covered services" has varied so widely among these states, the ADA would submit its concern with the proposed "covered services" amendment allowing insurers to limit what a dentist may charge a patient if that patient has exhausted their annual benefit allowance.

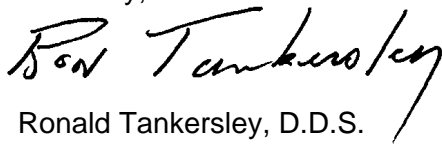
When a patient exceeds the predetermined annual benefit designed by their dental plan, the plan no longer reimburses any party for any of the dental services. The financial transaction for dental services becomes part of the doctor-patient relationship. Additionally, the dental plan is able to calculate its exposure to risk by limiting both the services covered and level of financial commitment for the year through annual benefit maximums. Should not the dentists, as a private enterprise, be afforded at least the same ability to plan without limits placed by a party no longer financially involved?

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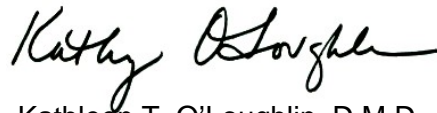
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While the ADA submits its concerns regarding the proposed amendment setting limits on fees for services over the annual benefit limit, our larger concern is for the adoption of the model act. We realize each state's legislative effort will be unique, and having a model act endorsed by NCOIL will lend valuable repute to the effort. We appreciate NCOIL's consideration of the model act and look forward to its adoption in the form NCOIL ultimately deems appropriate.

Sincerely,



Ronald Tankersley, D.D.S.
President



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

RLT:KTO:po

cc: Mr. Jordan Estey, director, Legislative Affairs & Education, National Conference of Insurance Legislators
Mr. William M. Prentice, 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
Health, Long-Term Care, Health Retirement Issues Committee