Testimony of Dr. Amber Cziok

President, Minnesota Dental Association

Commerce Finance and Policy Committee Hearing

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Good morning Mr. Chair and members of the committee. My name is Dr. Amber Cziok and I am the President of the Minnesota Dental Association and a practicing dentist in Litchfield.

*(Provide your background briefly – How long have you been in practice etc).*

On behalf of our organization, I thank you for providing me with an opportunity to testify on House File 2673.

This legislation addresses three critical aspects of the dentist / dental plan relationship.

First and foremost, HF 2673 amends existing MN statutes related to the disclosure of fees by a health plan to a provider. Currently, health plans must provide a full fee schedule in addition to other contract provisions BEFORE requiring a provider to sign a contract. However, it is important to note that currently, dental plans are noticeably exempt from such a disclosure. This presents an interesting dynamic in that dental providers today are asked to enter into contracts with little or no information on expected reimbursement for services to be rendered under such a contract. No other business transaction would be conceived without the full disclosure of terms, conditions, and fees associated with such a transaction. HF 2673 eliminates this exemption and applies the current contract disclosure statute equally to health plans inclusive of dental plans.

A second important provision addresses reimbursement methods such as virtual credit cards that often impose fees in order to collect payment for the service the dentist has provided the patient. Fees associated with these cards range from 2 to 5 percent and essentially require a provider to pay in order to get paid for a service. Several dentists have reported that some payers afford no other method of receiving reimbursement. And although this practice is not yet widespread in Minnesota, national colleagues are reporting an increase in this very practice.

The provision does not prohibit the use of virtual credit cards or any specific means of reimbursement. It merely provides for full transparency in payment method and more importantly affords the provider an option of reimbursement which does not incur fees. It ensures that at least one method be provided that doesn’t require a fee for the dentist to access the reimbursement.

The third important provision in House File 2673 addresses Network Leasing, a practice where a dental plan leases its provider network to another entity, which is often an unrelated dental plan. This frequently occurs without any notice to the contracted dentist. This practice results in confusion for both patients and dentists. For the dentist, they may unknowingly be required to comply with contract terms and payments that may differ from the original contract. Patients may be confronted with a dental practice that has no knowledge of what may be covered by the patient’s plan and leads to unnecessary and potentially disruptive delivery of care.

The bill’s language simply ensures the disclosure of a provider network lease arrangement to contracting dentists including any variations in the contract obligation and fees. It further, and most importantly, provides the dentist or dental practice an opportunity to opt-out of such a leasing arrangement without penalty.

Mr. Chair and members of the committee, I urge you to support this bill and help bring transparency and fairness to dental plan contracting.

I’d also like to take this opportunity to comment on HF 2916. This legislation is an attempt to allow dental clinics, in instances when reimbursement is not available, to deliver a service and subsequently collect a fee from the patient. There are instances where a plan will not reimburse a provider AND simultaneously prohibit a provider from collecting any fee from a patient. The intent of this legislation is to remedy what we believe to be unfair intrusion in the patient provider relationship. However, in speaking further with several members it has become clear that this is a much more complex matter, and the proposed language may require revisions to better address the issue at hand. We will continue to work with the author in the hopes of refining the language prior to its passage.

Thank you for hearing these important pieces of legislation and I am happy to answer any questions from the committee.