

Hawaii State Legislature
State Senate
Committee on Health

State Senator Josh Green, M.D., Chair
State Senator Rosalyn H. Baker, Vice Chair
Committee on Health

Monday, February 3, 2014, 1:30 p.m. Room 229
Senate Bill 2121 Relating to Insurance

Honorable Chair Josh Green, M.D., Vice Chair Rosalyn H. Baker and
members of the Senate Committee on Health,

My name is Russel Yamashita and I am the legislative representative for the Hawaii Dental Association (HDA) and its 960 member dentists. I appreciate the opportunity to testify in support of Senate Bill 2121 Relating to Insurance. This legislation gives nonparticipating dental health providers the ability to receive direct payments for their services from insurance companies. This legislation gives patients the right to direct their insurance reimbursements to the dentist of their choice.

With the advent of the Affordable Care Act, the universal and cookie cutter health insurance plans basically leave the insurance companies unable to distinguish themselves from one another in order to foster "competition" in the health insurance marketplace. That being the case, the health insurance companies no longer can claim that their particular program is superior to another, except for pricing, since everyone is supposed to be offering essentially the same product.

Not providing for assignment of benefits for their customers creates a more expensive procedure which requires the patient to cash a check and then cut a check to the dentist. This payment process is time consuming for the insurance company, the patient and the dentists, and adds to the cost of healthcare for all concerned. This current procedure harkens back to the days when you had to use a long distance operator to place a call to the mainland. Current technology and improved telecommunications networks have made calling simpler and more efficient for all parties involved.

Additionally, the current prohibition to assignment of benefits discourages and limits patients' right to choose their own dentist. It also creates problems for patients in isolated, rural communities when the only participating dentist may be in a town or city far from their home and requires a long commute for them.

It appears that what is a normal practice in other jurisdictions has been barred from use in Hawaii in an effort to force dentists to sign on as participants with insurance company programs. The current prohibition also promotes discrimination by allowing insurance companies to pay lower reimbursements to non-participating dentists and creates further economic barriers to available dental services by strong-arming dentists in small, distant communities to sign on as participants with their insurance programs.

And finally, this current prohibition against assignment of benefits prohibits and inhibits freedom of choice for consumers, and allows insurance companies to create barriers to dental care which can lead to a decline in oral health status in Hawaii.

The HDA and its members strongly support the passage of SB 2121.

HDS

Hawaii Dental Service

The Honorable Josh Green, Chair
Hawaii State Senate
Senate Committee on Health

Re: SB 2121-Relating to Insurance

Dear Chair Green and Members of the Committee:

Hawaii Dental Service (HDS), a Hawaii non-profit dental service corporation, is opposed to S.B. 2121 relating to assignment of benefits.

95% of Hawaii's licensed practicing dentists participate with HDS. Participating dentists accept our negotiated fee as payment in full; non-participating dentists charge whatever they want.

In exchange for accepting reduced fees for their HDS patients, we pay participating dentists directly. This is an integral aspect of our contractual relationship. Participating dentists also agree to comply with cost containment, credentialing, quality assurance and patient protection measures. All of these save the consumer money. This bill would require HDS to pay the non-participating dentist directly, granting him/her the benefits of not having to collect from patients, with none of the commitments to quality care and reasonable fees for HDS members.

Sometimes assignment of benefits is characterized as an issue of access to care. This is a smokescreen. HDS dental plans allow patients to see any dentist of their choice and to receive any treatment considered appropriate by the dentist and the patient.

Mandating HDS to send checks to non-participating dentists is a bad idea. It will:

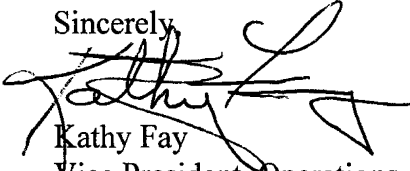
- Make Hawaii consumers and employers pay more for dentistry and dental coverage
- Encourage dentists to drop out of our network in anticipation of getting paid by HDS plus charging the patient whatever the dentist wishes to charge
- Frustrate the cost containment, quality control and fraud detection measures HDS has implemented to benefit consumers.
- Force HDS to pay dentists we have dropped from our network for fraudulent billing practices or quality of care problems

The Honorable Josh Green, Chair
Senate Committee on Health
Re: SB 2121–Relating to Insurance

It is inappropriate for the legislature to mandate how and to whom an insurer should direct payment. It interferes with our contractual relationship with our employer groups and our participating providers.

We respectfully request that the Committee hold SB 2121. Thank you for the opportunity to testify today.

Sincerely,



Kathy Fay
Vice President, Operations

February 1, 2014

Senator Josh Green, M.D., Chair
Senator Rosalyn Baker, Vice Chair
Committee on Health

Re: SB2121

Dear Senators:

I write to urge you to support SB2121 because it will streamline the way patients can have their dental needs met and paid for with insurance coverages. Many states on the mainland have made the changes noted in this bill. It is not necessary to make nonparticipating dentists face challenges to have charges paid for in a timely manner. Patients can be inconvenienced by having to pay in entirety upfront for services when their actual portion due may be considerably less than that.

When patients and dentists are faced with these concerns, it can make it more difficult for them to arrange for needed care. Sometimes, appointments cannot be arranged because the patient cannot make payments. Sometimes, appointments cannot be made because dentists cannot continue to have difficulties in trying to collect past due payments from uncooperative insurance companies.

Please support the passage of SB2121. Our patients and citizens of Hawaii will benefit from this.

Sincerely,

Curt S. Shimizu, DDS
General Dentist for 30 years in Honolulu
Immediate Past President, Hawaii Dental Association

Curt S. Shimizu, DDS
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From: mailinglist@capitol.hawaii.gov
To: [HTHTestimony](#)
Cc: skydmd@gmail.com
Subject: *Submitted testimony for SB2121 on Feb 3, 2014 13:30PM*
Date: Sunday, February 02, 2014 1:22:36 PM

SB2121

Submitted on: 2/2/2014

Testimony for HTH on Feb 3, 2014 13:30PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
shilla	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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From: mailinglist@capitol.hawaii.gov
To: [HTHTestimony](#)
Cc: kirsih@gmail.com
Subject: *Submitted testimony for SB2121 on Feb 3, 2014 13:30PM*
Date: Sunday, February 02, 2014 1:29:54 PM

SB2121

Submitted on: 2/2/2014

Testimony for HTH on Feb 3, 2014 13:30PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Kirsi H	Individual	Support	No

Comments:

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Hawai'i State Senate Committee on Health

Monday, February 2, 2014, 1:30 p.m. Room 229
Testimony supporting Senate Bill 2121 Relating to Insurance

Honorable Chair Josh Green, M.D., Vice Chair Rosalyn H. Baker and esteemed members of the Senate Committee on Health,

My name is Darrell Teruya and am a practicing dentist with 30 years of experience in Hawai'i. I appreciate the opportunity to testify in support of Senate Bill 2121 Relating to Insurance. This legislation would help nonparticipating dentists the ability to receive direct payments for their services from insurance companies.

Often I will have to participate as a provider in order to allow the patient to receive their full dental benefit. If not, the insurance companies punish me and my patient by tendering a lesser payment directly to the patient following completion of treatment. The balance will have to come directly out of the patient's own pocket. In addition the payment is rendered to the individual who now has the added responsibility of acting as his own banker.

In this time when some patients have a limited access to an "in network" dentist it would benefit them to be able to choose a dentist who can provide for them without the rigamarole that a lot of third party payors put us through.

Mahalo for the opportunity to testify in support of SB2121.

Darrell Teruya, DDS
2008 President Hawai'i Dental Association

From: mailinglist@capitol.hawaii.gov
To: [HTHTestimony](#)
Cc: braces@hawaii.rr.com
Subject: *Submitted testimony for SB2121 on Feb 3, 2014 13:30PM*
Date: Sunday, February 02, 2014 12:17:05 PM

SB2121

Submitted on: 2/2/2014

Testimony for HTH on Feb 3, 2014 13:30PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Tammy Chang-Motooka	Individual	Support	No

Comments:

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State Senator Josh Green, M.D., Chair

State Senator Rosalyn H. Baker, Vice Chair

Committee on Health

Monday, Feb. 2, 2014, 1:30 p.m. Room 229

Senate Bill 2121 Relating to Insurance

Honorable Chair Josh Green, M.D., Vice Chair Roslyn H. Baker and the members of the Senate Committee on Health,

My name is Dr. Lynn Fujimoto and I am the President-Elect of the Hawaii Dental Association. Over the past thirty two years I have been in private practice of pediatric dentistry and a member of both the Hawaii Dental Association as well as the American Dental Association.

I support this bill because it would give nonparticipating dental health providers the ability to receive direct payments for their services from insurance companies. Currently, the dentist has become the debt collector rather than the dentist if the reimbursement check is mailed to the patient instead of the dentist. This not only jeopardizes the dentist-patient relationship but creates more barriers to care.

Patients have been forced to seek those dentists who participate with their insurance and are not able to seek dental care from those they have trusted and built a relationship with. The assignment of benefits allows for freedom of choice for consumers and limits insurance companies from creating unnecessary barriers to care.

Please help us provide dental care to the people of Hawaii and support this bill!!

Always,

Dr. Lynn Fujimoto

From: mailinglist@capitol.hawaii.gov
To: [HTHTestimony](#)
Cc: michael.lutwin.dds@gmail.com
Subject: Submitted testimony for SB2121 on Feb 3, 2014 13:30PM
Date: Sunday, February 02, 2014 12:38:43 PM

SB2121

Submitted on: 2/2/2014

Testimony for HTH on Feb 3, 2014 13:30PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Dr. Michael Lutwin, DDS	Individual	Support	No

Comments: I, Michael Lutwin, DDS, a practicing dentist on Kauai, would like to voice my support for SB2121. I will be unable to travel to Oahu for the hearing, but would like to reiterate the position of the Hawaii Dental Association on this matter. I believe their position is well thought out, based on practical experience in serving the community, and represents the interests of the public well: 1) This legislation requires all insurance companies to honor a patient's wish to send payments directly to their dentist, even if the dentist is a non-participating provider. 2) Without this legislation, the dentist is forced to act as a debt collector rather than as the dentist, which can easily jeopardize the dentist-patient relationship. 3) This legislation alleviates the need to force a patient using a nonparticipating dental health provider, to pay upfront for services, and then await reimbursement from the insurance company. 4) Lack of assignment of benefits is a barrier to service for all patients due to the added costs and time to service patients, thus making it more difficult to service patients of different insurers. 5) Without this legislation, access to care is denied due to participation limitations for patients who must travel longer distances or out of the patient's community to find a participating dentist. This situation worsens if one is trying to find a specialist. 6) Assignment of benefits permits freedom of choice for consumers, and limits insurance companies from creating unnecessary barriers to care. Thank you for your attention and service, Michael Lutwin, DDS Kalaheo, Kauai

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