

SB 114

From: [Russel Yamashita](#)
To: [HTHTestimony](#)
Subject: HDA Testimony on SB 114
Date: Sunday, February 01, 2009 4:17:17 PM
Attachments: [Test.Coor.Benefits.1.27.09\[1\].doc](#)

Hawaii State Legislature
State Senate
Committee on Health
Committee on Commerce and Consumer Protection

Senator David Y. Ige, Chair
Senator Josh Green, M.D., Vice Chair
Committee on Health

Senator Rosalyn H. Baker, Chair
Senator David Y. Ige, Vice Chair
Committee on Commerce and Consumer Protection

Monday, February 2, 2009, 2:45 p.m. Room 016

Senate Bill 114 Relating to Dental Care

Honorable Chair David Y. Ige, Vice Chair Josh Green and members of the Senate Committee on Health; and Honorable Chair Rosalyn H. Baker, Vice Chair David Y. Ige and the members of the Senate Committee on Commerce and Consumer Protection

My name is Dr. Gary Umeda and I am the President of the Hawaii Dental Association and I appreciate the opportunity to testify in support of SB 114 Relating to Dental Care. This bill addresses a problem that has arisen over the last decade in the common situation where two spouses dental insurance coverage overlap. In the past, the family members enjoyed the ability to utilize both insurance coverages to maximize the dental coverage benefits to allow for full coverage of the billing rather than just 70 or 80 percent of the billing. In the last ten years, the insurance industry has administratively determined that if another insurer covered the 70 or 80 percent of the billing, then the second policy would not pay any amount toward the billing. In the past, they would pay at least the remaining balance of the billing.

It has been pointed out to the HDA that the insurance companies in some cases have written in to the most recent contracts this previously administrative determination. Our association believes that in those cases where it is not part and parcel of the dental coverage and only an administrative policy, that the insurance companies are unfairly, and possibly illegally, denying the insured families coverage which they, or their employers, have paid for. In effect, the insurance companies provide only single coverage for a double premium payment, deny due benefits to both the employer and employee. This is unfair and a consumer rights issue.

In the case where the recent contracts have provisions written to limit or eliminate the benefits of the second insurance coverage, we feel that the limitation of benefits should be fully disclosed and an appropriate premium reduction or discount be attributed to this provision in the contract.

In California, this measure was passed in 2007 in order to protect the public and provide greater transparency in the dental insurance coverage the public pays for.

The Hawaii Dental Association and its members feel that the public is due a fair shake and feels the public is at a distinct disadvantage, like David vs. Goliath, but that sense of fairness and justice be applied so the patient and employer are able to receive the full benefit of their insurance coverage.

HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

LATE

February 2, 2009

The Honorable David Ige, Chair
The Honorable Rosalyn Baker, Chair
Senate Committees on Health and Commerce and Consumer Protection

Re: SB 114 – Relating to Dental Care

Dear Chair Ige, Chair Baker and Members of the Committees:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 114 which would require health plans that offer dental benefits to notify members of how their dental benefits are coordinated when a member has primary and secondary dental coverage. We believe that SB 114 is unnecessary at this time.

HMSA already provides notification on the coordination of benefits to our members who have dental coverage through HMSA. When an individual initially joins HMSA as a member, they receive a document that outlines all the coordination rules which we follow to ensure that members are receiving appropriate coverage. Any changes to this language are mailed directly to the member as an update. Also, HMSA, like the majority of plans in the state, follow the National Association of Insurance Commissioners (NAIC) guidelines relative to establishing the order of benefits between two or more plans as well as fundamental coordination rules.

Additionally, HMSA is already complying with the language included in SB 114 regarding payment of benefits. When a coordination of dental benefits issue comes into play HMSA's dental plan ensures that the total payment for a single claim from all dental plans does not exceed the total charged by the dentist for the services provided and does not exceed the total maximum of the member's plan. This is meant to ensure that providers are not receiving duplicate payments between plans for services rendered.

We believe that the majority of plans in the state are already following the coordination of dental benefits outlined in this measure and therefore would respectfully request the Committee hold SB 114. Thank you for the opportunity to testify today.

Sincerely,

A handwritten signature in black ink that reads 'Jennifer Diesman'.

Jennifer Diesman
Assistant Vice President
Government Relations