The Twenty-Sixth Legislature Regular Session of 2011



THE SENATE

Committee on Health

Senator Josh Green, M.D., Chair

Senator Clarence K. Nishihara, Vice Chair

State Capitol, Conference Room 229 Wednesday, February 16, 2011; 3:30 p.m.

## STATEMENT OF THE ILWU LOCAL 142 ON S.B. 1438 RELATING TO DENTAL SERVICES

The ILWU Local 142 opposes S.B. 1438, which prohibits dental service organizations, mutual benefit societies, and health maintenance organizations from requiring a dentist who provides services to its subscribers to accept a fee set by the plan for any services except covered services.

We understand this issue is being raised in response to a contractual requirement by Hawaii Dental Service that its participating dentists must agree to set fees for all services, including those not covered by an HDS plan. Participating dentists may balk at this, but we believe it is fair for several reasons.

First, participating dentists have the benefit of being paid directly by the dental plan. This assures the dentists are paid promptly and minimizes the amount they need to collect from patients.

Second, predictable fees for covered services offers patients an incentive to use participating dentists. Patients have the benefit of knowing that their out-of-pocket costs will be capped, and participating dentists will increase their patient load.

Third, when fees for non-covered services are also capped, patients who need those services will be more likely to request those services, thus providing more business to participating dentists.

The current practice appears to be a win-win situation for both participating dentists and patients. We can see no reason to legislate any changes.

The ILWU respectfully requests that S.B. 1438 be held. Thank you for considering our testimony.