

**Senate Bill 346, An Act Concerning Public Options
for Health Care in Connecticut**
Insurance and Real Estate Committee
March 5, 2020

BeneCare Dental Plans designs and provides cost-effective, group-insured and self-insured dental insurance. BeneCare's open panel Dental Professional networks are managed, controlled and operated by the dentists who provide dental care to our members. We operate dental benefit programs on a fully-insured or self-insured basis for group sponsors in Connecticut, Delaware, Maryland, New Jersey, New York and Pennsylvania. Since 2008, BeneCare has administered the Connecticut Dental Health Partnership, the dental plan for HUSKY Health, in Farmington, CT.

Senate Bill 346 requires the Commissioner of Social Services to seek to amend the federal waiver for the state-wide dental plan that provides for the administration of the dental services portion of the department's medical assistance to expand coverage to include additional individuals in Connecticut.

BeneCare appreciates the committee's consideration of a dental public option. I want to thank the committee for introducing the bill and committee chairmen Sen. Matt Lesser and Rep. Sean Scanlon for their leadership on addressing the challenges concerning availability of affordable, quality coverage for dental and medical care in Connecticut. BeneCare supports a dental public option that helps consumers and small businesses without imposing an excessive burden on taxpayers or significant administrative costs on state government.

While dental benefit programs are underwritten as insurance products, they function more like assistance plans that help members pay for oral healthcare services. As such, dental benefit plan designs include cost-sharing incentives that help to prioritize preventive maintenance and good "home care" habits over indemnifying members against losses incurred for major restorative work.

Unlike medical insurance, this approach includes inherent "consumerism" components such as deductibles and annual benefit maximums that cap the financial exposure for the underwriting entity, or – in self-funded programs – the plan sponsor. Additionally, not all members seek services annually nor do all members have costly dental needs in a given benefit year. Thus, dental care costs are predictable and manageable.

This creates opportunities for publicly funded dental benefit programs to maximize value-based purchasing strategies that:

- Minimize administrative costs through a reduction in the use of intermediaries between insurers and consumers and fully insured plan profits.
- Reinvest administrative savings in benefits and market competitive provider reimbursements towards high quality and outcomes.
- Leverage industry expertise in network management, professional relations, member services, utilization management and other operational areas.
- Reinvest in the community by contracting locally to operate the program with enhanced member and provider experience while driving job creation.
- Potentially leverage existing state-owned infrastructure created through other high performance publicly funded programs.

Small group fully insured dental plan premiums include large administrative margins and significant risk margins. A self-funded dental public option plan could easily create very competitive consumer and employer group choices in these dental benefit markets while retaining the best features of professionally managed programs focused on improving the oral health of its enrolled population.

Please contact Lee Serota, President, at (215) 440-1018, or lserota@benecare.com, with any questions or for additional information.