Legislative Testimony
Insurance and Real Estate Committee
HB 6589 An Act Concerning Insurance Network Leasing Contract Standards
March 18, 2021

Dear Senator Lesser, Representative Wood, and Members of the Insurance and Real Estate Committee,

My name is Jennifer You, and I have been practicing dentistry in Connecticut for the past 15+ years. I actually became a practice owner, and thus a small business owner, at the end of 2013. Being a small business owner in and of itself is a challenging proposition and the learning curve is steep. During the first couple of years of owning my own practice, I gained knowledge about dental insurance companies and the various strategies they are able to implement that make it challenging to provide great dental care for my patients.

One of the strategies dental insurance companies can legally employ is called network leasing. Network leasing is the act of leasing signed contracts and contracted fees to other insurance companies or entities. In other words, if my office contractually enters an agreement with a dental insurance company A, I have agreed to treat patients with dental insurance A at a discounted rate. However, dental insurance company A can turn around and lease out my contract to dental insurance company X, Y, Z, etc, and we must treat these patients at the discounted rate agreed upon with insurance company A. A dentist who signs a contract with one PPO may inadvertently agree to participate with hundreds of PPO plans from across the nation. In effect, this allows individual insurance companies to dramatically increase our pool of in-network patients. And currently, this can happen without our knowledge or consent.

The practice of network leasing is not only unfair to practice owners, but also puts patients at risk. When my office is not aware of a patient's particular dental insurance reimbursement schedule, we are hindered in that we will have difficulty giving our patients accurate estimates of what their out-of-pocket portion for their dental care will be. When patients encounter financial uncertainty, they typically are reluctant to move forward with their prescribed dental care. In my experience, sometimes urgent and emergent care has been delayed when patients are faced with similar situations. And, in situations where patients move forward with treatment because they feel like they have no other choice, they are potentially faced with financial obligations they were not aware of prior to treatment. This puts my office in a precarious situation in which the patient could potentially perceive it as a breach in the doctor-patient relationship and that trust is broken.

If we could provide our patients with accurate information, we would have the confidence to tell patients what their financial obligations are, make arrangements, and be able to provide them with the care they need and deserve. The practice of network leasing outside our network without our knowledge or consent, it is an unfair business

practice. But, ultimately, the ones that are affected the most are the patients. As a healthcare provider, I know that increasing transparency with dental insurance companies by giving us the option to opt in or opt out of network leasing will allow us to treat our patients to the best of our ability.

I am writing in support of proposed HB 6589 An Act Concerning Insurance Network Leasing Contract Standards. This bill would ensure that the standards governing insurance network leasing contracts provide: (1) Sufficient transparency before an insurance network may be leased; and (2) an opportunity for in-network health care providers to approve or reject a proposed insurance network leasing contract.

In an effort to increase further transparency for this small business owner, so that I may continue serving my community, I urge you to support HB 6589.

Respectfully Submitted,

Jennifer You, DMD
62 Greystone Way
Guilford, CT 06437
860-995-7207