



July 19, 2023

The Honorable Gavin Newsom
Governor, State of California
State Capitol
Sacramento, CA 95814

Re: AB 952 (Wood) – Dental Plan Transparency Disclosures – SIGNATURE REQUEST

Dear Governor Newsom:

The California Dental Association, representing 27,000 member dentists throughout the state, is proud to sponsor AB 952 (Wood), which would require dental insurance plans to disclose whether an enrollee’s plan is subject to state or federal law. This bill is essential to creating transparency around dental plan type, helping to alleviate frustration for both patients and providers.

California has made great strides in increasing access to oral health care, with an estimated 86% of individuals having some form of dental coverage.¹ Of those with coverage, 50% receive those benefits through their employer.² Some employers offer “self-insured” plans, which are regulated at the federal level in accordance with the Employment Retirement Income Security Act of 1974, also known as ERISA. ERISA plans are exempt from state level rules and regulations intended to protect patients and ensure they are receiving value from their dental insurance.

Over 40% of Californians have coverage from dental plans exempt from California laws and regulations. It can be difficult to determine if a dental plan is regulated by the state or federal law. Often, a dental office does not know if a patient’s plan is self-funded or fully funded until after the billing process has been completed, when a plan has denied coverage or cited a billing exemption for services already rendered. This lack of transparency can be confusing and frustrating for both the patient and provider and impedes on the patient-provider relationship.

AB 952 helps address these issues by creating more transparency around plan type, which will help avoid confusion and frustration for both the patient and provider. Being able to readily access information regarding what type of plan a patient has is critical to a dental office communicating plan coverage to a patient and providing information about which regulatory entity should be contacted if a conflict results with the plan. Requiring the disclosure

¹ National Association of Dental Plans. California: Dental Benefits Fact Sheet 2022.

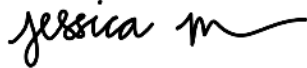
² National Association of Dental Plans. California: Dental Benefits Fact Sheet 2021.

of plan type for both patients and providers is a simple, yet effective way to increase transparency between dental plans, patients, and provider. CDA worked closely with the California Association of Dental Plans to ensure the bill language would work as intended operationally and in turn, removed their oppose unless amended position on the bill. Additionally, this bill received unanimous bi-partisan support in both the Assembly and Senate. Moreover, fiscal analyses of the bill from both houses estimated that the costs would be minor and absorbable to DMHC, with no cost to CDI.

Thank you for your consideration of AB 952. AB 952 will help protect patient-provider relationships, which in turn, fosters increased access to oral health care in California.

CDA respectfully requests your signature on this legislation. If you have any questions or concerns about our position, please contact Jessica Moran at Jessica.Moran@cda.org.

Sincerely,

A handwritten signature in black ink that reads "Jessica Moran" with a stylized flourish at the end.

Jessica Moran, MPH
Legislative Advocate

Cc: Angela Pontes, Deputy Legislative Secretary
Christin Hemann, Department of Managed Health Care
Josephine Figueroa, California Department of Insurance
Assemblymember Jim Wood, DDS