TO: The Honorable Thomas M. Middleton, Chairman
    Members, Senate Finance Committee
    The Honorable E.J. Pipkin

FROM: Joseph A. Schwartz, III
      Pamela Metz Kasemeyer
      J. Steven Wise

DATE: February 24, 2010

RE: SUPPORT WITH AMENDMENTS – Senate Bill 637 – Health Insurance –
    Dental Provider Contracts – Provider Contracts

The Maryland State Medical Society (MedChi), which represents over 7,300 Maryland physicians and their patients, supports with amendments Senate Bill 637.

Senate Bill 637 addresses a situation where a health insurance company specifies in a contract with a dentist that the dentist must accept any amended or revised fee schedules as a condition of entering into the original contract. In Maryland, both dentists and, physicians and other health providers are often at the mercy of large health insurance carriers. A handful of health insurance carriers control the Maryland health insurance market and the flow of patients often depends upon a provider’s participation in these networks.

This disproportionate bargaining power can be particularly unfair in any situation where a dentist (or any other provider) agrees to a certain fee schedule but is required to accept revised fee schedules imposed by the health insurer.

Senate Bill 637 would end this practice and make such provisions illegal. MedChi supports the efforts of Maryland dentists to outlaw such provisions and asks that the bill be amended so as to apply to all health care providers in the state.

For more information call:
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