



North Dakota Senate

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Senator Jose Castaneda

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COMMITTEES:

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SB 2375 Testimony House Industry, Business and Labor March 11, 2025

Chair Warrey and Members of the House Industry, Business and Labor Committee,

For the record, I am Jose Castaneda, Senator from District 40, North Minot.

SB 2375 will have a lasting impact on the access that our constituents will have to dentists in North Dakota. Too often dental providers do not have the ability nor the opportunity to negotiate with insurance companies to work out a mutual agreement on contract terms or compensation for services rendered. When a dental provider is approached by an insurance company to see if they will become an in-network provider, it is often a take it or leave it scenario. With a limited ability to negotiate, dental providers may have to decline the insurance company. The ones that are being affected are our constituents. Since most patients usually only have one dental insurance plan, they are limited to only dental providers that honor their plan. The goal would be that every dental provider would honor as many insurance plans as possible, ultimately benefiting the consumer, our constituents.

This bill would authorize, two or more dental providers practicing in the service area of a dental insurer to jointly negotiate with the dental insurer and engage in related joint activity regarding non-fee-related matters. The Office of Administrative Hearings would arbitrate the negotiations.

As for fees and fee related matters: They can only be brought up for negotiation if it is found by the Office of Administrative Hearings that a dental insurer has substantial market power in a service area and any of the terms or conditions of the contract with the dental insurer pose an actual or potential threat to the quality and availability of patient care among covered individuals.

While we were able to make some positive substantial changes to the bill in the Senate Committee, there are still some required changes we are working on to the satisfaction of all parties here today. I would respectfully request you and your committee give us some time to ensure we have the bill in the proper format to carry out our intended policy. We just recently have been working with the Attorney General's Office on this bill and would appreciate the opportunity to conclude our work with them to their satisfaction on this bill. We are currently working on amendments after we received input from the AG's office, board of Dental Examiners, and the Insurance Industry. It is our goal to satisfy all of the concerns of the AG's office.

Bottom line, the policy we are working towards is to have a table that both dental providers and insurance carriers can actively negotiate to make progress on contracts that are offered in a take it or leave it manner. Our goal is to avoid using North Dakota's Century Code as the vehicle to mandate or prohibit contractual terms when a mediated negotiation can fix the disagreements with minimal to no government intervention.

Thank you. I am happy to stand for any questions that you may have.