



Testimony of the Maine Dental Association
before the Health Coverage, Insurance and Financial Services Committee

In SUPPORT of

**LD 1834 An Act to Allow Dental Care Providers to Opt In to Receive Claim Reimbursement
Payments Made by Virtual Credit Cards**

Public Hearing: Tuesday, May 6, 2025

Senator Bailey, Representative Mathieson and Distinguished Members of the Health Coverage, Insurance and Financial Services Committee,

I am Therese Cahill, and I serve as the Executive Director of the Maine Dental Association. The MDA represents all dentists in Maine and is a statewide association dedicated to promoting oral health, advancing excellence in dentistry, and building a future that empowers Maine's communities with sustainable access to oral healthcare. Thank you to Senator Baldacci for sponsoring this bill and to all of you for the opportunity to testify today.

On behalf of the Maine Dental Association, I am respectfully providing testimony *in support of LD 1834 An Act to Allow Dental Care Providers to Opt In to Receive Claim Reimbursement Payments Made by Virtual Credit Cards.*

It is in Maine's residents' best interest for dental providers to accept dental insurances. By engaging in these agreements, dental professionals help provide access to thousands of Mainers who may otherwise not be able to afford care. While accepting insurances is not mandatory for dental providers and often means lower reimbursements than their established fees, dental professionals appreciate and understand the importance of this benefit for their patients. Unfortunately, there are certain practices in which insurance providers are allowed to engage that negatively impact the small businesses of these dental providers. Even more unfortunate is because of these types of insurance practices, dental professionals across the state have been making tough decisions as to whether to continue to accept any or all insurances. Additionally, when prospective dental providers are researching potential states to determine where they will choose to practice, they will often compare what states do to help or harm establishing a practice.

Virtual credit cards have become a popular way for many insurance companies to pay dental providers for their services to insured members. Rather than paying dental claims via checks or EFT, some insurance companies only allow reimbursement to occur via virtual credit cards, which come with exorbitant fees. While this convenience may benefit insurers, this often means dental providers insurance reimbursements, which again are almost always lower than their established fees, are again reduced by substantial credit card fees, up to 5% of the claims

submitted. While not all insurance companies engage in this practice, our members have identified 11 insurers who do, and we anticipate there may be others. These fees often come as a surprise to providers who are not always made aware of this loss of income. Opting out of these virtual credit cards, if that is an option, is a cumbersome process which requires the provider or staff to go through multiple portals and/or be on the telephone for up to 90 minutes on hold in order request the opt out. Even then, there is no guarantee the insurer will honor the request, sometimes still paying claims via the virtual credit card even when the dental provider has explicitly and consistently requested to opt out.

Thirty-two (32) states currently have laws restricting this practice. This legislation provides for three requirements of the insurance company when using these virtual credit cards. It would require the dental provider to be informed if this payment method includes fees, provide other non-fee alternatives, AND require dental providers to “opt-in” to these cards as opposed to opting out.

We urge the Committee to support dental care access and incentivize more dental providers to look at Maine as a viable option to practice by passing LD 1834.

Thank you for your time and attention.