

Submitter:

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On Behalf Of:

Committee:

Senate Committee On Health Care

Measure, Appointment or Topic:

SB951

Chair, Members of Committee, I am Mike Shirtcliff, a dentist representing a group of independent Medicaid dentists called Equity Dental, LLC. All of us used to be affiliated

with Advantage Dental; I, being the founder and CEO.

I want to talk about how dentistry is like the "canary" in the coal mine. A bit of history we organized Advantage Dental into a dental cooperative to help take care of Oregonians on the Oregon Health Plan. Most of us were all 45 -55 when we started and

after 20 years wanted to sell and retire. The problem was how to sell a company that had

grown to 350 owners, 700 employees, 50 plus company dental offices taking care of 600,000 OHP recipients in all 16 CCO's, grossing over \$120 million per year. After a search

the company was sold to a national dental company called DentaQuest owned by Delta

Dental of Massachusetts which takes care of over 30 million Medicaid Dental recipients:

DentaQuest recently sold to SunLife out of Toronto, Canada for \$2.46 billion which included Advantage Dental.

The reason Equity Dental formed is their enrollments were diminished or taken away and their patients transferred to company owned clinics. I am not here to diminish SunLife/DentaQuest\Advantage Dental. In my opinion they are doing what they need to do

to survive and thrive as a business. In the face of 15% profit and overhead limitations, 3.4%

annual growth in the face of covid, inflation, rising costs, staff shortages; moving OHP

recipients into company clinics allows the 85% for care to be managed better allowing

them to survive economically and maintain the 15-25% profit margin ROI over and above

the 15% allowed by the Medicaid rules.

They can do this by putting in more private pay, using expanded function staff, emphasizing the metrics so the bonuses can be met. This means that along with the limited OHP benefit set, OHP recipients cannot get into the dentist as readily, and when do

cannot get the treatment expected. If the OHP is to stress prevention first after urgent and

emergent care, it does not stress restorative care first, especially in a population whose dental infection is out of control and do not, because of inequities, have the behaviors needed to utilize the traditional dental preventive paradigm of going to the dentist, eat right, brush, floss and use fluoride.

This is why there is a request for the dash-3 amendments. Many independent dentists because they are being forced out of the Advantage Dental network are switching

to Oregon Dental Service, the only Oregon located company that does Medicaid dentistry.

The out of state companies try to not let the patients switch. ODS lives within the 15%

allowed so they can send more money to the dentists and they share the bonus money

when metrics are met and the out of state ones do not.

What has happened is there are essentially only four dental care organizations left, Advantage Dental owned by a Canadian company Sunlife, Capitol Dental owned by an out

of state billionaire, Oregon Dental Service\MODA Health affiliated with the Oregon Dental

Association, and Willamette Dental owned by an Oregon dentist, which at the moment

enrollment is closed to OHP . The only Oregon company open is ODS, which is headquartered in Oregon, which pays out 85% of cap money to their independent providers

and lives on the 15% profit and overhead.

On top of all of this, the dental cap rate has been reduced by almost 30% since 2021. When I first started doing this 25 years ago the average cap rate was \$20 pmpm

today it is around \$22 pmpm. Part of the reason for this is the rate the OHA gives to the

work being done. There is actually enough work being done if a realistic rate was assigned

to the work. So here we are today wondering how Oregon can use the money for care and not to

profit out of state companies. The real

key is how do we keep Oregon money in Oregon to take care of Oregonians.