

Date: February 1, 2024

To: Senate Committee on Public Health and Welfare

From: Pete Ziegler, DDS
Topeka District Dental Society President
General Dentist; Topeka, KS

RE: Testimony on SB 103 - Kansas Dental Practice Act

Good morning and thank you for your time and allowing me to say a few words.

My name is Pete Ziegler. I am a general dentist in Topeka, KS with 6 years of experience as a practice owner. I am in opposition to Senate Bill 103 and I would like to explain a few key points as to why I oppose the bill. If passed, this bill could have negative effects on your constituents in a variety of ways. It could expose patients to over-treatment and car salesman-like tactics, it could lead to a lack of faith in dentists across the state, and it WILL negatively impact small business in Kansas.

For background purposes, this bill is being proposed by DSO organizations. DSO stands for Dental Support Organization. Essentially, these are corporate practices. This means that much of the business side is handled or reviewed by a management team, not necessarily in the same state. This can include: Hiring, firing, supplies ordering, labs contracted with, and most importantly, finances. In this model of business, the dentists are oftentimes uninvolved with much of the business and are usually associate dentists, which would be non-owning dentists. This is different from most dental businesses in that usually the owner of the practice is the dentist practicing there (usually 100% of the time). If Senate Bill 103 is passed we will see a dramatic increase in the DSO model spreading to Kansas.

My primary concern is for patient welfare. It is commonly said that you could go to 10 different dentists and get 10 different treatment plans. Certainly, dentists have a wide range of treatment philosophies due to many factors. This is not too dissimilar to medical doctors. Because of this, we see many patients that come to us seeking a second opinion. If you ask almost any dentist in Topeka (as those are the ones I speak to the most) what they usually hear from a patient who had previously seen a corporate dental office they will tell you that the patient has a multi-thousand dollar treatment plan that they are concerned about. I then perform the exam and most of the time I diagnose less than \$1000 worth of restorative needs. This is a VERY COMMON occurrence! Literally north of 90% of patients that I have seen who are in for a second opinion have that story. I do not know exactly why that is. I do not know how their business model is structured. What I do know is that this is an established pattern that has been observed by almost every dentist outside of those organizations. In my opinion (and certainly, it is just my opinion), many of these treatment plans are gross over-treatment (unnecessary) potentially costing patients thousands of dollars in treatment they may not actually need. My fear is that these organizations create an environment that incentivizes the dentists to push or sell treatment. Some may call them quotas. Some may call them production bonuses. Some may just be pushed to produce more by the business team because the finances aren't looking as good. Dentistry is NOT a commodity to be sold to a consumer. It is a health service to be

administered to a patient to restore the health of their mouth and body. I believe these organizations are oftentimes placing money above the needs of the patient.

If passed, Senate Bill 103 could harm dentist-patient relations. If more DSOs are allowed to surge, I fully expect to see more patients with that same story I just told. Already, I hear five times a day from a patient that "I hate dentists" or some version of that. Already, many patients feel like they are getting "scammed". If more patients have experiences like what I described, fewer and fewer will trust dentists altogether. These patients are your constituents who could be less likely to pursue NEEDED treatment because they sold unnecessary treatment. Without trust, it makes taking care of patients extremely difficult for dentists.

Lastly, I firmly believe that if Senate Bill 103 is passed, many small businesses will be harmed. I bought my practice six years ago from a retiring dentist. At the time, he had three employees, not counting himself. I now have six employees. That is the definition of a small business. Sure we don't move the needle on employment rates, but added together we know small businesses are the backbone of America. If corporate dentistry is allowed to run rampant in Kansas many small businesses and the livelihood of their employees will suffer. We do not have the backing and funds of a national or regional corporation to spend on advertising or the latest and greatest technology. We can't afford to offer shady business practices like "New Patients Get a Free Exam and X-rays!" (just one example). Without being able to compete in the marketing department our new patient experiences (which are the biggest predictor of dental business success) will go down. With less patients for the local kids, we may be required to downsize due to rising costs of salaries and lower patient income. Not only will small dental practices suffer but so too will other local businesses. Many of the corporate offices contract with certain labs to make crowns, dentures, etc. Those labs are usually not located in Kansas. I send 99% of my cases to two labs right here in Topeka, KS. Those businesses could see less business if more and more corporate practices send their cases out of state. The same goes for supply companies, accounting companies, IT companies, and repair companies. Since the practicing dentists in these organizations do not make the calls, oftentimes it goes to the cheapest bidder or those who they are contracted with. Even at staff lunches or holiday parties I am ALWAYS picking a local, non-chain restaurant to support local people. It doesn't take an economist to know that local communities want their money to stay in the community. Small businesses do just that, whereas a DSO would take the profit usually to a different city or even state. Being opposed to SB103 is NOT anti-business, it is pro-small business.

In conclusion, my concern is that the business model of a DSO has many potential negative outcomes. I fear the model incentivizes over-treatment, costing your constituents thousands of dollars in unnecessary treatment. Due to the profit first mentality, this model could compromise patient trust in their dental providers across the state. Lastly, the passing of this bill will undoubtedly cause harm to multiple small businesses, not limited to dental practices.

Thank you for your time and your willingness to hear both sides of the discussion.

If you have any questions following this hearing please do not hesitate to contact me! I can also provide contacts with many other dentists who would agree with all of my concerns.

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