

Dr. Matthew Standridge, DDS

February 20, 2019

To: The House Committee on Health and Human Services

From: Matthew Standridge, DDS, FAGD

RE: Support of for HB 2307 – **WRITTEN ONLY**

Good day to Chairman Landwehr and the House Committee members,

My name is Matthew Standridge and I am general dentist practicing in Yates Center, KS. I am heading into my 9th year of practice as a licensed dentist, with the last 7 of those being a practice owner. It has been an eye-opening experience to say the least.

I want to lay a foundation of understanding so we can all take a big-picture view to this and how it all ties in with the topic at hand today.

My first concern is the cost of dental education today. I graduated in 2010 from University of Missouri- Kansas City School of Dentistry at over \$300,000 of student loans, locked in a 6.8% interest. That doesn't include any previous student loans from undergrad, that I was fortunate enough to circumvent with a mixture of help from my parents and working all through school. When I was first applying to dental school, I took many trips up there to tour the school, talk with students, etc. Every time I asked about the cost of education, they told me the average dental student would graduate about \$120K to \$150K, and interest rates were about 2-3%. After crunching the numbers, while that was a pretty penny it was definitely doable with the right budgeting. That of course was before the changes with the Department of Education led to a doubling of both tuition and interest rate WHILE I was in dental school. And it's not getting any better for new graduates either.

My second concern is the cost of running a dental practice. As a business owner, you are likely to be the last one to eat at the table. Meaning, everyone else gets paid before you do. Your employees get paid. The phone bill gets paid. The electric company gets paid. The dental laboratory gets paid. But there are plenty of times, at least for me over these last 7 years, that I don't get paid. Now, when you start your own business, that comes with the territory. It just does. But when you provide a medical service, there is only so much cost-cutting you can do before you start to sacrifice on quality which is something I refuse to do.

We talk a lot about "access to care". I personally live and practice in a town of about 1300 people with a median household income of about \$30,000 so I know all about the issues. I live them day in and day out. But as far as running a dental practice, it costs me about the same as if I were working in Wichita, Topeka, Lawrence, Manhattan, Overland Park, or Kansas City.

Sure, I have cheaper rent. But the cost of dental materials is the same. My laboratory doesn't charge me less just because I'm in a rural area. When I buy a new piece of equipment or technology, I pay the same as if I practiced in New York City.

All of that leads me to this. The only entity in this triangle of doctor, patient, insurance tango is the insurance company. While inflation rates affect every other person or business, they seem uniquely immune. What other business is able to increase their price to consumer, and lower the quality of their product year in and year out for decades? And if their costs are truly going up like they claim, then why is it every year we see reports of the egregious payouts received by their executives?

For example, in 2016, the CEO of Delta Dental of California (just the California chapter mind you) was paid \$14.3 million dollars. That was \$5.6 million dollars more than the CEO of Apple. Not too bad of a paycheck for a non-profit.

And how do these insurance companies continue to keep accumulating so much? It's a very simple formula: Charge more, pay less. Collect more in premiums, pay less in benefits. And let's not equate dental insurance with medical insurance. Dental "insurance" is not truly an insurance, it's a benefit. It's a poor benefit at that. It's a benefit where someone, whether an individual, employer, or a mixture of the two, pay \$600-\$900 dollars a year for maybe \$1500 of benefit.

All of this isn't to lament on dental insurance. It's to show that we need transparency for the consumer. And that's what this bill is about, and the reason I support it. It's so that clear agreements can be made between doctor and patient, without unnecessary confusion over what is allowed and what isn't because of confusing insurance industry wordsmithing. It is to free up resources so that doctors can focus on patient care, and not about being bill collectors. And most importantly, it is to help empower people with knowledge of the coverage that they've paid for, so they can make the correct decisions for themselves and their health.