

Honorable Committee Members and Bill Sponsors,

Recently, member companies have flagged some concern surrounding SB23-179 Dental Plans Medical Loss Ratio.

While the Chamber has not taken a formal position on the bill, it is our understanding that businesses have been working in good faith with the Colorado Dental Association and the bill sponsors since they first heard about the potential legislation in December.

Throughout this process Delta Dental of Colorado and others have made several concessions and has been moving forward with effective legislation despite increasing costs, burdens and reporting requirements for our company with no benefit. They met with stakeholders several times and had agreements in place to put forth an amendment to the bill that would mirror federal legislation which allows for the deduction of taxes and community benefit spend from the calculation of the DLR. At the stakeholder meeting last week this was agreed upon and companies moved forward with this in mind.

They received word this week that this language would be scratched - there would be no deduction for community spend. However, for-profit companies would still be allowed to deduct taxes.

This puts Delta Dental of Colorado, a nonprofit mission-driven company at a significant disadvantage as they do not spend on taxes and are required and regulated to spend whatever profits they make on community benefit.

Delta Dental of Colorado Foundation is perhaps the largest corporate foundation in the state of Colorado and the only foundation that is dedicated to funding oral health in the state of Colorado. Their grantmaking is significant and impactful and they have invested across every county in the state of Colorado to advance public and nonprofit priorities for advancing oral and overall health. This is a massive public good.

Some of their investments include:

- Investing \$7M to advance the development and diversification of the oral health workforce in the state of Colorado.
- Investing over \$4M in prevention programs designed to reach families with young children under the age of 6.
- Investing over \$3M in place-based initiatives affecting some of Colorado's most historically impoverished community in north aurora/northeast Denver as well as the San Luis Valley.
- In addition to this \$3M the Foundation has contributed over \$2M to development of new oral health clinics including Clinica Tapayec, Kids First Healthcare and Project Worthmore.
- Contributing over \$250k to the Governor's COVID relief fund and serving on the Leadership Committee for the distribution of the dollars collected.
- Funding the development of an Oral Health Coalition for the state of Colorado and building/launching a Colorado Oral Health Data Dashboard that democratizes health data and is made publicly available for all to access.

We are asking this committee for careful consideration of this legislation.

Mirroring federal legislation which allows for the deduction of taxes and community benefit spend from the calculation of the DLR creates an even playing field. We would hope the legislature would either consider mirroring federal requirements, or simply not excluding either community benefits or taxes.

We have serious concern that without these components this bill would create a less competitive market and hinder Delta Dental and other companies' ability to fund vital oral health initiatives through their foundations.

We appreciate your consideration. These comments have also been formally submitted via the General Assembly website.

Best,



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