

The American Dental Association is strongly opposed to H.R. 9256. We would like to make it quite clear at the outset, however, that our opposition in no way means we are opposed to the establishment of group practice or to the extension of this mode of practice. We have long recognized it as one of a number of excellent forms of practice and indeed believe that in some circumstances it may well be the most desirable alternative.

We are, nonetheless, opposed to H.R. 9256 because we consider it to be professionally undesirable as well as unnecessary. We understand and sympathize with the sincere motives of those who support this measure but careful consideration leads us to the belief that it would not in fact achieve its stated purpose and might well prove a deterrent to the high quality of dental and medical practice in the United States.

There are two distinct categories of group practice facilities treated in H.R. 9256. One is a facility owned by a medical or dental practice team organized by the professional practitioners themselves to provide care on a fee for service basis in the same way the physician or dentist in individual private practice offers his services to the public. The second category of group practice facility is, typically, established by a group of nonprofessionals for the purpose of providing care to subscribers or to members of the establishing group. The lay group, organized as a consumer cooperative or nonprofit prepayment plan, hires physicians or dentists or both on a salary basis. The health professions associations commonly refer to this second category of group practice facility as a closed panel practice or clinic.

H.R. 9256 is designed to encourage establishment of facilities for large, group medical and dental practices. Beyond that, it specifically gives priority to such practices "in smaller communities or those sponsored by cooperative or other nonprofit organizations." The association's objections here are twofold. First of all, we do not believe the Federal Government should, as a matter of public policy, prefer one mode of professional practice over other traditional and efficient alternatives. In this bill the preference is for group practice over small partnerships and individual practices; our objection, however, is to the obvious discrimination and would remain even were the preferences to be reversed. Secondly, it is our conviction that in establishing priority for group practices "sponsored by cooperative or other nonprofit organizations," H.R. 9256 obviously is intended to spur the establishment of nonprofessionally owned and controlled closed panel practices. It is our conviction that the proliferation of such facilities would tend to lower the quality of health care in the Nation.

While these professional objections are enough to persuade us that H.R. 9256 is not an appropriate proposal, there are additional objections of a more pragmatic nature.

As far as we are able to tell, there is no evidence of lack of loan resources for construction of dental and medical practice facilities, be it group practice or some other form. This conclusion is supported by the public testimony gathered during hearings on this subject last year by another distinguished committee of the House. Loans from private lending institutions are available to take care of most of the practice facility needs of the dental profession. Where private sources are not available, the dentist or physician, singly or in groups, can, like any other small business owner, apply to the Small Business Administration for assistance.