



Association of Independent
Colleges & Universities of Rhode Island

April 9, 2024

The Honorable Joseph J. Solomon, Jr.
Chairman, House Corporations Committee
Rhode Island State House
Providence, RI 02903

Dear Chairman Solomon:

On behalf of AICU *Rhode Island*, I am writing in opposition to the proposed legislation H 7082, which would impose a medical loss ratio on dental benefit plans.

AICU *Rhode Island* and our member institutions dental premiums have remained stable, ensuring that employees and their dependents enrolled in our program have enjoyed excellent coverage. If this bill is passed in its current form, it will result in a significant increase in premiums for our association and member institutions, as well as higher out-of-pocket costs for our employees as well as the employees of our colleges and universities, which threatens to disrupt the access to high quality and affordable care that all Rhode Islanders currently experience when it comes to their dental care.

Dental insurance is different from medical insurance, both in product design and price. Imposing a loss ratio meant for medical insurance onto our dental program without a full understanding of the industry would be irresponsible governance by the legislature. This is evident in Massachusetts, where a 2022 ballot referendum set an arbitrary and excessive dental loss ratio, in which actuarial consultant, Milliman, estimates will result in a 38% increase in patient premiums. While the Massachusetts Department of Insurance has yet to release these problematic regulations, at least five dental carriers have already announced plans to abandon the individual and small group market.

Other states looking at this issue are opting for reporting bills to better understand the impacts on all stakeholders. This approach mirrors model legislation released by the National Coalition of Insurance Legislators and is supported by the American Dental Association and the National Association of Dental Plans. Rhode Islanders would be better served if the state took the same approach.

For these reasons, AICU *Rhode Island* strongly opposes the proposed bill.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Egan", with a stylized flourish at the end.

Daniel P. Egan
President