



March 19, 2024

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

Re: Opposition to House Bill 7082

Dear Chairman Solomon:

On behalf of Family Service of Rhode Island (FSRI), I am writing in opposition to the proposed legislation H7082, which would impose a medical loss ratio on dental benefit plans.

Our dental premiums have remained stable, and FSRI 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 company, higher out-of-pocket costs for our employees, and it threatens to disrupt the balance of access and affordability 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, 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 that is supported by the American Dental Association and the National Association of Dental Plans. Rhode Islanders would be better served if the state took that same approach.

For these reasons, FSRI strongly opposes the proposed bill.

Thank you for your consideration of our opposition on this matter.

Sincerely,

A handwritten signature in black ink that reads 'Margaret Holland McDuff'. The signature is written in a cursive style.

Margaret Holland McDuff
CEO