



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 – H 7082

Dear Chairman Solomon:

On behalf of Duffy & Shanley, I am writing in opposition to the proposed legislation S 2724, which would impose a medical loss ratio of eighty-five percent for dental benefit plans.

Our dental premiums have remained stable, and our employees have excellent coverage. If this bill is passed in its current form, it will result in a significant increase in premiums and 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 dental insurance without a full understanding of the industry would be irresponsible governance by the legislature. The unintended consequences of mandating an excessive loss ratio for dental insurance are evident in Massachusetts, where a similar ballot referendum has led to at least five dental carriers announcing plans to abandon the individual and small business market. In addition, it has been 18 months since the measure has passed in Massachusetts and the regulators still cannot come to an agreement on how to implement the new standard.

In addition, several states have moved to reporting bills to determine the appropriate loss ratio for dental coverage. This is the course of action recently recommended by the National Coalition of Insurance Legislators (NCOIL) and jointly 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 and collaborated with carriers to preempt the negative effects that an enforced medical loss ratio would have.

For these reasons, Duffy & Shanley, strongly opposes the proposed bill. I hope you will consider the potential negative impact on the business community and our ability to provide employees with the greatest health benefits as part of their employment.

Sincerely,



Jonathan Duffy  
CEO