



April 11, 2024

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

RE: H.7082, An Act Relating to Insurance – Nonprofit Dental Service Corporations – The Rhode Island Fair Share For Dental Care Act (Oppose)
H.7944, An Act Relating to Insurance – Dental Insurance Loss Ratio Reporting and Study Act (Support)

Chairman Solomon and Members of the Committee:

The undersigned members of The Rhode Island Business Coalition oppose the passage of H.7082 An Act Relating to Insurance – Nonprofit Dental Service Corporations – The Rhode Island Fair Share For Dental Care Act and support the passage of H.7944, An Act Relating to Insurance – Dental Insurance Loss Ratio Reporting and Study Act.

H.7082 requires dental insurance carriers to annually submit a substantial amount of data to the health insurance commissioner - including the current and projected medical loss ratio. If the medical loss ratio is less than 85%, the carrier would be required to issue a refund to covered individuals. The Coalition is concerned this bill will have harmful consequences. Massachusetts passed a ballot referendum establishing a loss ratio which, if the industry's actuarial consultant is correct, could result in a premium increase of 38%. It is also our understanding that a number of dental carriers have made public their intention to leave the Massachusetts marketplace.

H.7944, creates a process upon which the Office of Health Insurance Commissioner shall commence a study of the dental health industry in Rhode Island and then establish a dental loss ratio that is based on facts and market conditions. This legislation is similar to model legislation created by the National Council of Insurance Legislators ("NCOIL"). H.7944 requires insurance carriers to disclose its incurred claims and earned premiums, in order to assist the health insurance commissioner to create a report and to make recommendations regarding a dental insurance loss ratio. It is this type of analysis that will help our state navigate the challenges we are facing in the health care industry and avoid unnecessary dental insurance premium increases.

Thank you for your consideration of our thoughts on these bills.

Sincerely,

Associated Builders and Contractors, Rhode Island

National Federation of Independent Business

Rhode Island Business Group on Health

Rhode Island Manufacturers Association

Rhode Island Mortgage Bankers Association

Rhode Island Partnership for Home Care

Rhode Island Small Business Economic Summit Regulations Committee

Rhode Island Small Business Economic Summit Tax and Budget Committee

Rhode Island Staffing Association

Rhode Island Society of Certified Public Accountants

Sustainable Benefits Strategies, LLC