



April 11, 2024

Honorable Joseph. J. Solomon
Chair, House Corporations Committee
Rhode Island State House
Providence, Rhode Island 02903

Re: - H 7082 - RELATING TO INSURANCE -- NONPROFIT DENTAL SERVICE CORPORATIONS -- THE RHODE ISLAND FAIR SHARE FOR DENTAL CARE ACT

Dear Chairman Solomon,

I am writing on behalf of the Board of Directors of the Rhode Island Business Group on Health (RIBGH) and its 90 member companies, representing 80 thousand Rhode Island employees, to express our opposition to H 7082. We oppose H 7082 because of the following reasons:

- The Massachusetts dental insurance reform law, ballot Question Two, has already resulted in dental insurers withdrawing from the market.
- The consulting firm Milliman and independent researchers at Tufts University both agree that the Massachusetts law will raise dental insurance premiums.
- A policy analyst from Boston University School of Public health notes that there is very little data on this subject that can be used to develop evidence-based policy. One report quoted by the analyst says that a 2015 study of dental insurers in California showed them hovering around 75% which is substantially lower than the loss ratio proposed in H 7082.
- Dental insurers face substantial price pressure from employers who pay for a large percentage of insurance for their employees *and* from consumers in the Rhode Island market. Price pressure pushes the organization to be efficient which means that legislation like H 7082 will raise dental insurance premiums.

We cannot understand how H 7082 makes it to this stage in the legislative process given that there is no data supporting the legislation which is inconsistent with Title 27 – Insurance, Chapter 27-69 – Mandated Benefits:

§ 27-69-7 Mandated benefit statement of intent. – Notwithstanding any general law enacted after January 1, 2014, any legislation that would create a new state health benefit mandate, or expand upon an existing health benefit, shall contain a statement of intent that clearly provides the purpose and objectives of the health benefit mandate, including measurable goals expected to be achieved by the new or expanded benefit mandate. These goals should address both commercial insurance affordability and population health outcomes.

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I hope you and the members of the House Corporations Committee will keep the following in mind. First, in the state of Rhode Island, the cost of commercial medical insurance has increased from 23% of median household income in 2012 to 28% of median household income in 2022. We do not want to experience the same trend in commercial dental insurance.

Second, H 7944 calls for the Office of the Health Insurance Commissioner to evaluate incurred dental claims and earned premiums to issue a study report regarding dental loss ratios. RIBGH supports H 7944 because it will develop a data based recommendation which has been absent to date.

Sincerely,

A handwritten signature in black ink, appearing to read "Debra H. Charbonneau". The signature is fluid and cursive, with a long horizontal stroke at the end.

Executive Director