



House Bill 7082

April 7, 2024

Representative Joseph Soloman  
House Corporations Committee  
Rhode Island State House  
Providence, RI 02903

Re: Opposition to House Bill - 7082

Dear Representative Joseph Soloman:

On behalf of WB Community Health, I am writing in opposition to the proposed legislation H 7082, which would impose a medical loss ratio on dental benefit plans.

WB Community Health is a non-profit purchasing collaborative that works on behalf of our schools and municipalities to ensure we provide the most cost effective and transparent health and dental programs to our 5,000+ covered employees and close to 15,000 covered lives. All members of WB Community Health are divisions of local government and as such funded by taxpayer dollars. It is our duty to ensure that we pay close attention to cost drivers that would negatively impact our members, their employees/dependents and most importantly the Rhode Island communities we represent.

If this bill is passed in its current form, it will result in a significant increase in premiums for our organization, higher out-of-pocket costs for our member communities and their 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 (NCOIL) 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.





While we understand the intent of the law, the manner in which it is drafted and the usage of a medical loss ratio that does not align or reflect the dental industry may have significant unintended consequences on the communities represented by WB Community Health.

Based on the myriad of financial and budgetary challenges already facing our local communities, and the concerns pertaining to the bill as noted, WB Community Health strongly opposes the proposed bill, as well as any other bill that would unnecessarily increase costs for our local communities.

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

Sincerely,

A handwritten signature in cursive script that reads 'Sarah E. Mangiarelli'.

Sarah E. Mangiarelli, CPA  
Executive Director

