

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 Blish & Cavanagh, I am writing in respectful opposition to proposed H 7082, which would impose a particularly harsh Medical Loss Ratio on dental benefit plans.

I have watched with interest as Massachusetts' rushed, ill-considered attempt at a Medical Loss Ratio minimum for dental benefits has become an abomination, projected to increase the cost of dental insurance by almost 40%, and otherwise laced with adverse consequences. It will reduce service levels by insurance carriers; destroy the charitable programs they support for the "safety net" population; and impair access to dental care by making dental coverage virtually impractical to provide for many insurers, particularly in the small group market.

Every year Rhode Island employers and sponsors like our firm have to evaluate their entire health benefit packages. Medical insurance is always the first priority, and keeping up with skyrocketing increases is always a challenge. If dental insurance is allowed to skyrocket this way as well, the pressure to simply drop dental coverage will be enormous State-wide. And, when it comes to health insurance, "coverage" of care effectively means "access" to care.

In Massachusetts, as here, the vociferous proponents of exorbitant Dental Loss Ratios have disappointingly mounted a campaign of disinformation designed chiefly to enhance dentists' incomes at the expense of virtually every other constituency. Respectfully, they are "out over their skis" in this regard. Blindly applying Medical industry loss ratios to the Dental benefits marketplace without careful study would be foolhardy, as the economics of dental insurance are completely different than they are for medical insurance.

With all the genuine crises the General Assembly has to balance this session, the energy being spent here to enrich one Rhode Island profession's incomes is disordered at best.

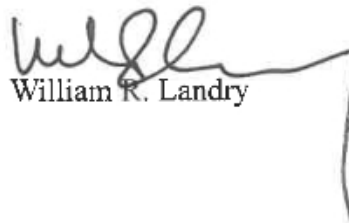
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Particularly so in view of the fact that Rhode Island dentists, according to the American Dental Association, are at or very near the top of the scale nationally in terms of income when adjusted for the cost of living.

At the very least the Dental Loss Ratio concept should be studied carefully for a period of time by subject matter experts through reporting legislation that permits a rational, objective, empirical basis for establishing what a Dental Loss Ratio percentage should look like for **this** market area. That is how the Dental Loss Ratio concept has been worked through by the majority of States that have addressed the issue, following the pattern set by the federal government in the Affordable Care Act years ago with respect to Medical Loss Ratios. That is also the approach recently recommended in the Model Dental Loss Ratio legislation issued by the National Coalition of Insurance Legislators, and endorsed by the American Dental Association. We understand that a Study And Reporting Bill toward a Dental Loss Ratio is also already pending here in Rhode Island. We support that alternative.

Thank you for your consideration of these comments.

Sincerely,


William R. Landry