



March 31, 2025

The Honorable Susan R. Donovan  
House Health and Human Services Committee

**RE: HB 5862 - Benefit Determination and Utilization Review Act - Oppose**

Dear Chair Donovan and Members of the Committee,

On behalf of the National Association of Dental Plans (“NADP”)<sup>1</sup> and the American Council of Life Insurers (“ACLI”)<sup>2</sup>, we are writing in opposition to HB 5862, which would create a presumption that healthcare services authorized by a provider to a patient are medically necessary. Insurers would have a duty to provide justification for a denial of any such service. We believe this bill would compromise care quality, increase costs, and open the door to abuse of dental insurance products.

**Overutilization and Increased Costs**

Insurers offering dental products carefully design plans and benefits to balance value and affordability for consumers. HB 5862 would put these plans at risk of overutilization. By presuming that all provider-authorized services are medically necessary, the bill could lead to increased use of costly or unnecessary procedures, driving up overall expenses. Providers may be incentivized to recommend more extensive or unwarranted services, knowing they are less likely to be denied if insurers face a higher burden to justify denials.

To offset the rising costs of care and overutilization, insurers would be forced to raise premiums, making dental coverage less affordable. Since dental insurance is a voluntary product, even modest premium increases could drive consumers to drop their coverage, reducing access to essential oral healthcare.

**Undermining Evidence-Based Review and Patient Safety**

Dental plans currently rely on evidence-based review processes to determine medical necessity and promote appropriate, high-quality care. The review process also requires insurers to justify any reason for denial, including medical necessity.

HB 5862 would weaken insurers' ability to safeguard against unnecessary or inappropriate treatments by presuming all provider-authorized services are necessary. This bill disregards the importance of independent clinical review, which helps confirm the appropriateness and safety of care. Without this oversight, patients

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<sup>1</sup> NADP is the largest non-profit trade association focused exclusively on the dental benefits industry. NADP's members provide dental HMO, dental PPO, dental indemnity and discount dental products to more than 200 million Americans with dental benefits. Our members include the entire spectrum of dental carriers: companies that provide both medical and dental coverage, companies that provide only dental coverage, major national carriers, regional, and single state companies, as well as companies organized as non-profit plans.

<sup>2</sup> The American Council of Life Insurers is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. Ninety million American families rely on the life insurance industry for financial protection and retirement security. ACLI's member companies are dedicated to protecting consumers' financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision, and other supplemental benefits. ACLI's 275 member companies represent 93 percent of industry assets in the United States.

could be subjected to unnecessary or even harmful procedures, ultimately compromising their safety and quality of care.

**Administrative Burden and Delays in Care**

HB 5862 would impose a significant administrative burden on insurers. The bill could slow down claims processing by requiring detailed justifications for denials, potentially delaying care for patients who need timely treatment. The added complexity may also lead to more appeals and lawsuits, further straining administrative resources and increasing operating costs. These additional costs would inevitably be passed on to consumers through higher premiums, making dental coverage less accessible and affordable.

**Dental Consumer Price Sensitivity and Health Outcomes**

Consumers of voluntary coverage like dental insurance are particularly price sensitive. Even though dental premiums are only a fraction of medical premiums, increases in cost could prompt individuals to drop coverage, reducing access to regular preventive care.

Without affordable dental insurance, individuals may forgo routine visits, leading to worsened oral health outcomes and potentially higher healthcare costs down the line. Maintaining affordability and accessibility is essential to protecting oral health and reducing overall healthcare expenses.

For these reasons, we oppose HB 5862. While the bill aims to protect patients from inappropriate denials, it would drive up costs, weaken essential clinical oversight, and reduce access to affordable dental care. We urge you to reject this legislation to protect consumers, ensure appropriate care, and preserve the affordability of dental insurance.

We appreciate the opportunity to share our concerns. We are available to answer questions or provide additional information. Thank you again for your attention to this important matter.

Sincerely,



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