



House Bill – H 6155

April 18, 2025

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

Re: Opposition to House Bill – H 6155

Dear Chairman Solomon:

Delta Dental of Rhode Island ("DDRI") respectfully opposes House Bill-6155.

The Bill poses a serious threat to Rhode Island's proven model of network-based managed care, a nationally recognized framework for balancing cost control, quality care, and consumer protection. The proposed amendments to the "Unfair Claims Settlement Practices Act" singularly target dental benefits, while leaving managed care protections for medical, hospital and vision coverage untouched—an attack that would never be considered in any other area of health care.

If enacted, this Bill would dismantle decades of carefully crafted legislation designed to create value-based dental networks, protect patients, and detect fraud, waste, and abuse. It would prevent dental insurers from adhering to existing network-based client contracts, including, but not limited to, our current multi-year arrangements with the State of Rhode Island and Neighborhood Health Plan of Rhode Island, jeopardizing those benefit plans.

The most egregiously harmful feature of the Bill is its proposed Section 34(ii), which would prohibit dental insurance plans from offering higher reimbursements to dentists who participate in networks and who, unlike non-participating dentists, agree to value-based managed care standards inclusive of critically important claims review processes. These contractual standards are industry best practices which serve as essential safeguards that help maximize patients' benefit dollars, prevent surprise balance billing by dental offices, and ensure consistent, high-quality care. Stripping them away would undermine consumer protections, drive up costs, and erode the quality and oversight of dental care in our State.

Delta Dental is not opposed to patients being allowed to direct that their benefits be paid to a dentist of their choice. That is already a feature of existing law. What we are opposed to is the destruction of the managed care provider network system that would follow from prohibiting any financial incentive to dentists to join networks, and to correspondingly commit to "best practices" contractual cost and quality control protections for patients and their employer groups.

We are not opposed to the Bill's proposed prohibition in Section 36(i) of any requirement that dentists accept payment only by "virtual credit card." We impose no such requirement on dentists but acknowledge it may impact Rhode Islanders receiving dental coverage through other dental carriers.

An Exponential Increase in Out-of-Pocket Expenses

The consequences of the proposed Section 34(ii) regarding out-of-network reimbursement would be immediate and far-reaching, **undermining critical cost and quality controls and shifting that burden onto workers, retirees, employers, organized labor, municipalities, and to the State of Rhode Island**—not only as a major purchaser of dental benefits, but also as a steward of public oral health.

A core feature of dental networks is protecting patients from balance billing by requiring in-network dentists to accept contracted rates as full payment. This Bill would dismantle that protection. Allowing non-network providers to receive the same payment as participating dentists without having to adhere to any corresponding contractual protections for patients would expose patients to unlimited balance billing and substantial increases in their out-of-pocket costs.

At a time when health care expenses continue to rise, this proposal would remove essential cost-containment measures and drive up premiums and out-of-pocket costs by encouraging dentists to leave insurance networks. Employee dental benefit programs are designed to prioritize in-network services, providing the greatest value to both dental carrier clients and their enrolled employees. Without financial incentives for dentists to participate in a dental carrier's network, the number of non-participating providers would quickly grow well beyond the minimal (currently just 5%) out-of-network claims activity we see today. As discounts tied to network participation disappear, employer and patient costs would rise to unprecedented levels, forcing businesses to reconsider whether offering dental benefits remains viable. The Bill's attempted dismantling of the managed care provider network model would be added as another reason for businesses to resist coming to Rhode Island and for existing businesses to consider leaving the State.

This would be truly radical legislation. To our knowledge, **not one State has ever enacted a law requiring managed care health plans, dental or medical, to reimburse non-participating providers at the same rates as network providers for non-emergency services, as H-6155 proposes**. A similar attempt by dentists in Washington State earlier this year failed to advance and was not taken seriously, dying in committee.

In Massachusetts, by law, the allowable discrepancy between in-network and out-of-network rates for non-emergency services can be up to 20%. Under already existing Rhode Island law, the discrepancy, in comparison, is a highly favorable condition for our state's non-participating dentists. Again, reducing it to zero would be unprecedented—anywhere.

The Bill also stands in direct opposition to the priorities of our clients, whose focus remains on driving in-network participation to deliver the maximum value for benefit dollars and to preserve the integrity and oversight of their health plans.

Eliminating Patient Protections against Fraud, Waste and Abuse

The Bill's proposed Section 34(ii) would purport to make it an "unfair claims practice" for a carrier to even review whether a service provided by a provider was necessary, or to otherwise be able to undertake claims review. **This unprecedented proposed change poses serious risks to patient care and safety** by removing traditional safeguards, such as utilization review and quality assurance measures, that prevent fraud, waste and abuse. These patient and payor protections have long applied, not only to commercially

insured dental patients, but also to commercially insured medical patients. They are also federally mandated under Medicaid. And for good reason.

Yet under this Bill, a dental provider would only need to show that a service was performed to receive full payment, regardless of whether it was necessary or met accepted standards of care. This would dismantle decades of regulatory and contractual practices that ensure appropriate, high-quality and cost-effective treatment, exposing patients to unnecessary and potentially harmful procedures.

The provision of the Bill purporting to prohibit claims review would directly **violate existing multi-year contracts with our clients, including, by way of example, the State of Rhode Island and Neighborhood Health Plan of Rhode Island (NHPRI)**, both of which require a robust claims review process. As a downstream entity administering dental benefits for NHPRI's pediatric and MMP plans, DDRI employees must annually attest to training and adherence to policies that ensure the prevention, detection, correction and reporting of fraud, waste, and abuse (FWA). Similarly, the State of Rhode Island contract specifically requires a robust utilization management program and compliance with FWA standards. Eliminating these critical safeguards would put us in breach of our contractual obligations and undermine long-established accountability measures that protect patients, taxpayers and the integrity of the healthcare system.

Delta Dental estimates that the **cost to the State of Rhode Island alone would be an additional \$1.2 million** over the life of its dental contract due to this shift, without accounting for the even greater financial burden on employees and their families, who would face unpredictable and unchecked balance billing charges by providers.

Further Legal Flaws and Contradictions

While H-6155 unfairly targets only dental benefits for the dismantling of contracted managed care plans and networks, it remains silent on similar arrangements for medical, hospital, or vision coverage.

The bill is also fundamentally incompatible with existing Rhode Island laws that govern managed care contracts, provider networks and payment systems, including:

- **R.I. Gen. Laws § 42-14.15-3** (OHIC's authority over provider contracting, payments, network standards, value-based care contracting and utilization review),
- **§ 27-20.1-18** (Assignment of Benefits),
- **§ 27-18.8** ("Health Care Accessibility and Quality Assurance Act" and related network certification and provider contracting regulations, 230-RICR-20-30-9),
§ 27-18.9 ("Benefit Determination and Utilization Review Act" and its related regulations, 230-RICR-20-30-14 on network plans and standards).

In addition, H-6155 is improperly placed within the Unfair Claims Practices Act (Title 27, Section 9.1), which is under the jurisdiction of the Department of Business Regulation (DBR). However, health plans, managed care organizations and provider networks—the true target of H-6155—are regulated by the Office of the Health Insurance Commissioner (OHIC), not DBR. Enacting H-6155 would create serious legal inconsistencies and regulatory confusion, undermining the current healthcare oversight system.

Further, **the Bill would clearly violate federal law.** The Rhode Island Unfair Claims Practices Act that this Bill would amend defines the term “carrier” broadly to cover third-party administrators,

including DDRI, when it provides “administrative services only” to self-insured groups. Under the Employee Retirement Income Security Act of 1974 (ERISA), 29 U.S.C. §1144, state regulation like that proposed in H-6155 is preempted, especially when it directly impacts claims costs. Additionally, the Bill attempts to regulate insurance policies that are not even “issued or delivered” in Rhode Island, and entities that are beyond the State’s jurisdiction, both of which are plainly illegal.

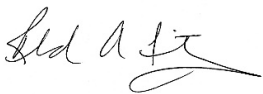
In conclusion, H-6155 would significantly undermine access to dental care in Rhode Island by driving up costs for patients, employers, and the healthcare system at large. The American Dental Association and its Health Policy Institute consistently report that cost is the biggest barrier to care. Higher out-of-pocket costs inevitably lead patients to delay necessary care until problems become more serious and more expensive to treat. At the same time, employers facing escalating medical coverage expenses would have little choice but to eliminate dental benefits or shift the full cost onto employees, further eroding access. No constituency would be spared from the negative consequences of this legislation, not even the proponents, who seek to remove pricing constraints while still benefiting from third-party payments. Rhode Island’s current system, built on broad dental coverage and a robust managed care network, has resulted in some of the best oral health outcomes in the nation and is a model of balance and effectiveness. There is no sound reason to jeopardize it with the passage of H-6155.

For all the reasons cited above, it is imperative to maintain systems that promote affordability and accountability. House Bill-6155 would have the opposite effect, raising costs, reducing protections and limiting access to care for all Rhode Islanders.

We urge you to reject this measure and protect businesses and families from unnecessary financial burdens.

Thank you for your consideration.

Sincerely,



Richard A. Fritz
Senior Vice President and Chief Financial Officer
Delta Dental of Rhode Island