

May 5, 2026

The Honorable Melissa Murray
Chair, Senate Health and Human Services Committee
Rhode Island State House
Providence, RI 02903

Re: Opposition to S 3088

Dear Chair Murray:

Delta Dental of Rhode Island (“DDRI”) respectfully opposes S 3088 (the “Bill”). S 3088 would require health insurers to reimburse healthcare providers no less than sixty-five percent (65%) of unpaid patient financial obligations—including copayments, coinsurance, and deductibles—after “reasonable collection efforts.” While framed as a provider-protection measure, the Bill would fundamentally alter long-established insurance market principles, inflate healthcare costs, and undermine affordability for Rhode Island patients and employers.

1. S 3088 will materially increase premiums and undermine the affordability of health and dental coverage.

Health and dental insurance products are priced based upon critical actuarial assumptions, including the copayments, coinsurance, and deductibles expected to be paid by members. These assumptions are embedded in premiums approved by regulators and, in the case of self-insured employers, reflected in plan funding decisions. If enacted, the Bill would take effect immediately and impose new, unfunded obligations on insurers and self-insured employers that were never contemplated in existing pricing. Thereafter, mandating insurer reimbursement of unpaid cost-sharing amounts would:

- Increase overall claims costs;
- Translate directly into higher premiums and plan costs for employers, employees, unions and retirees; and
- Undermine the affordability of sponsored health and dental coverage for small businesses.

Dental benefits, unlike most medical coverage, are often offered as voluntary or employer-paid ancillary benefits. Even modest cost increases risk making this coverage unaffordable, threatening continued offering and employee access.

2. S 3088 improperly shifts patient financial responsibility to insurers.

Copayments, coinsurance, and deductibles are patient financial obligations by design. They are carefully calibrated at the direction of employers to:

- Promote responsible utilization of services;
- Preserve plan affordability; and
- Maintain sustainable premium levels for employers and individuals.

S 3088 would convert unpaid patient obligations into mandatory insurer payments, regardless of whether the plan has already paid the full covered benefit for the service. This undermines employer plan design for their

employees and retirees and would effectively require insurers to subsidize patient nonpayment. The Bill would place Rhode Island as a national outlier, fundamentally altering the structure of insurance and cost-sharing.

3. S 3088 undermines collection accountability and distorts incentives.

By guaranteeing providers payment of 65% of unpaid cost-sharing, S 3088 would:

- Weaken incentives for meaningful patient collection efforts by providers, despite nominal statutory language;
- Encourage providers to shift collection risk away from patient relationships and onto insurers; and
- Increase total costs without any corresponding improvement in care quality or access.

The Bill does not define “reasonable collection efforts” with meaningful specificity, creating enforcement ambiguity and inevitable disputes.

4. Rhode Island law already provides strong provider payment protections.

Rhode Island is already among the most provider-protective states in the nation, including:

- Robust, longstanding assignment-of-benefits statutes requiring insurers to honor patient payment directions;
- Prompt-payment and unfair-claims practices standards; and
- Extensive regulatory oversight by the Office of the Health Insurance Commissioner.

S 3088 is not targeted at a demonstrated gap in existing law and instead introduces a new reimbursement mandate that does not align with insurance benefit design and premium pricing.

The Bill would raise costs, distort incentives, and ultimately increase the cost of healthcare for Rhode Islanders. For these reasons, DDRI respectfully urges the Committee to reject S 3088.

Sincerely,



Sean Newth
Delta Dental of Rhode Island
Chief Financial Officer and Treasurer