

April 1, 2026

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

Re: Opposition to S 3089

Dear Chair Murray:

Delta Dental of Rhode Island (“DDRI”) respectfully opposes S 3089 (the “Bill”).

For more than 65 years, our organization has proudly worked with the State, Rhode Island dentists, and public health groups to promote access to high-quality, evidence-based healthcare while ensuring affordability for patients and purchasers. While we appreciate the goal of contractual predictability reflected in S 3089, the Bill would have significant unintended consequences for health and dental benefits administration by increasing administrative costs, delaying necessary clinical updates, and ultimately increasing premiums for Rhode Island employers and families.

At a time when Rhode Islanders are overwhelmed by escalating healthcare costs and insurance premiums, legislation that mandates inefficiency and removes critical cost-containment tools is a step in the wrong direction. Specifically, S 3089 would rewrite existing provider contracts across the state by prohibiting any “unilateral modification” of a contract relating to “material terms.” Unfortunately, the Bill defines “material terms” so broadly that it includes not only reimbursement methodologies, but also utilization management requirements, billing and documentation rules, credentialing standards, and clinical or administrative guidance incorporated by reference, such as provider manuals. We believe this legislation is problematic for several reasons:

1. Administrative Gridlock and Operational Inefficiency

In the dental benefits context, the ability to update provider guidance and administrative requirements is essential. Dental insurers must routinely adjust their policies to reflect:

- Advances in clinical best practices and preventive care standards;
- Updates to CDT coding and billing conventions;
- Evolving fraud, waste, and abuse prevention measures;
- Network integrity and credentialing requirements; and
- Changes in consumer-driven benefit designs and employer plan structures.

The Bill’s requirement to obtain mutual written agreement for any modification to a “material term” is functionally impossible in a modern dental network. Delta Dental manages a large network

of dentists and dental specialists across Rhode Island. Requiring a signed, bilateral amendment for every routine update to a provider manual or billing protocol would create an immense administrative burden. This de facto "veto power" granted to individual providers over system-wide administrative updates would result in a fragmented system in which providers operate under different rules and procedures, creating confusion and inefficiency for billing and claims processing.

2. Impediment to Clinical Innovation and Quality Care

Health professions are constantly evolving with new technologies, materials, and clinical guidelines. Carriers must have the flexibility to update clinical policy bulletins and medical necessity criteria in real time to reflect the latest evidence-based practices. By forcing these updates to wait until a contract renewal or requiring individual negotiations, S 3089 prevents carriers from being responsive, and could lock providers and patients into outdated standards of care.

3. Impact on Fraud Prevention and Utilization Management

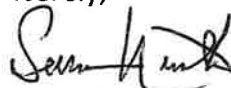
Under the broad definitions in the Bill, modifications to "utilization review requirements" and "billing or documentation requirements" would be prohibited during a contract term. This would severely hamper a carrier's ability to respond to emerging fraudulent billing patterns or waste and abuse trends. If a carrier identifies a scheme that threatens the integrity of the benefit plan, it must be able to update review protocols promptly to protect patients and employers.

4. Economic Consequences for Rhode Island Employers and Families

The cumulative effect of administrative hurdles and inability to contain costs will be higher premiums. This is especially troubling at a time when Rhode Islanders face rising healthcare costs. To our knowledge, no other state has adopted a statute like S 3089. The Bill replaces flexible business arrangements with rigid legal constraints that do not account for the unique features of benefit plans or the operational realities of plan administration. By making Rhode Island an outlier among neighboring states, the Bill risks disadvantaging local businesses that provide health and dental benefits to their employees.

For these reasons, we respectfully urge the Committee to reject S 3089. DDRI remains committed to working with the General Assembly and the healthcare community to improve transparency without sacrificing the efficiency, affordability, and quality of our State's health and dental benefits.

Sincerely,



Sean P. Newth

Chief Financial Officer & Treasurer