



April 1, 2019

Dear Chairman Miller:  
Senate Committee on Health and Human Services  
Rhode Island General Assembly  
82 Smith Street  
Providence, RI 02903

Re: Senate Bill 444 Health Care Assessability and Quality Assurance Act

On behalf of the American Council of Life Insurers (ACLI<sup>1</sup>), America's Health Insurance Plans (AHIP<sup>2</sup>), and the National Association of Dental Plans (NADP<sup>3</sup>) thank you for the opportunity to provide comments on [Senate Bill 444](#). We oppose this bill because, while it would not increase costs for insurers, it would increase costs for consumers by allowing dentists to charge higher fees for services.

Rhode Island's existing NCS law was adopted in 2009 and prohibits a dental plan from requiring a dentist to accept a negotiated fee set by the plan unless the plan compensates the dentist for that specific service. The definition of "covered services" under current law is services that are reimbursable under the contract, subject to contractual limitations like deductibles, waiting periods, or frequency limitations. The law currently in effect in Rhode Island is consistent with the model law promulgated by the National Conference of Insurance Legislators (NCOIL). To date, 38 states have adopted NCS laws, with the overwhelming majority being consistent with the NCOIL Model.

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<sup>1</sup> The American Council of Life Insurers (ACLI) is a Washington, D.C.-based trade association with approximately 290 member companies operating in the United States and abroad. ACLI advocates in state, federal, and international forums for public policy that supports the industry marketplace and the 75 million American families that rely on life insurers' products for financial and retirement security. ACLI members offer life insurance, annuities, retirement plans, long-term care and disability income insurance, and reinsurance, representing 95 percent of industry assets, 93 percent of life insurance premiums, and 98 percent of annuity considerations in the United States. Learn more at [www.acli.com](http://www.acli.com).

<sup>2</sup> America's Health Insurance Plans (AHIP) is the national association whose members provide coverage for health care and related services. Through these offerings, we improve and protect the health and financial security of consumers, families, businesses, communities and the nation. We are committed to market-based solutions and public-private partnerships that improve affordability, value, access and well-being for consumers.

<sup>3</sup> The National Association of Dental Plans (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 195 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.

SB 444 would depart from the NCOIL model by amending the definition of covered services to include only those services that are actually reimbursed, as opposed to those that are reimbursable. This would allow dentists to charge patients fees that are higher than the discounted rate for services provided after the patient reaches a contractual limitation, such as a frequency limitation. Under this definition, if a patient reaches a frequency limitation in the middle of the year, a dentist could charge a higher rate for preventive dental visits or cleanings, potentially increasing out-of-pocket costs significantly for consumers.

The changes proposed by this bill would hurt consumers by greatly narrowing the range of contractual discounts for dental services available to them – discounts to which dentists agree in order to participate in dental networks. Joining dental networks allows dentists to grow their practices, have a steady flow of insured patients, and receive prompt payment of claims. By denying insured patients the benefit of discounts negotiated for services, the bill negates one of the primary benefits of insurance for covered persons, and serves to increase costs for dental benefits consumers.

We oppose the definition proposed by the bill and strongly recommend that Rhode Island maintain its existing NCS law for the following reasons:

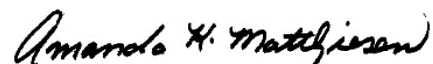
- Current law is consistent with the NCOIL Model, which was developed over two years of discussions and consensus among providers, carriers, consumers, legislators, and regulators;
- Current law allows your constituents to receive the benefits of contracted rates voluntarily agreed to by dentists; and
- Current law allows your constituents to avoid the “sticker shock” that results from higher fees for dental services, which places an onerous financial burden on families, and can delay necessary care, leading to deteriorating oral health.

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

Sincerely,



Chuck Piacentini  
Vice President, Insurance Regulation &  
Associate General Counsel  
American Council of Life Insurers



Amanda Matthiesen  
Executive Director, Product Policy  
America's Health Insurance Plans



Eme Augustini  
Director of Government Relations  
National Association of Dental Plans