

Testimony for HB 1481

Madam Chair Lee and Members Senate Human Services Committee,

I am Representative Jim Kasper and I represent District 46 in Fargo.

Thank you for having me this morning and I am happy to introduce HB 1481 which deals with dental loss ratios for dental plans from insurance carriers. This language and policy has been worked on for over four years going back to 2021 (Representatives George Keiser and Mike Lefor on HB 1154) under the collaborative work between the North Dakota Dental Association and the North Dakota Insurance Department.

This bill, HB 1481, is about protecting and ensuring value for our constituents, the consumers in North Dakota, when purchasing and using dental insurance in our state. As an insurance broker, I am well aware of and have dealt with the issues in dental insurance for decades. One of my biggest problems is showing and guaranteeing the value of dental insurance plans to my clients. HB 1481 will solve this problem for not only us as brokers, but more importantly for the consumers and employers of our state.

HB 1481 is a great protection for North Dakota Consumers.

For the amendments on the bill, I would like to thank Chrystal Bartuska in the Insurance Department and Beth Dittus in Legislative Council. Through their help, we were able to get the perfect bill language that is satisfactory and proper for the Insurance Department before your committee for your deliberation. All of the changes/amendments to the bill were drafted at the end of January by legislative council under the direction of Ms. Bartuska to ensure this bill was:

1. placed in the proper area of code,
2. removed language that was redundant/duplicative and wasn't necessary, and
3. included a definition of "loss ratio" as requested by the ND Insurance Department

Our Industry Business and Labor Committee was overwhelmingly in support of the bill, but our discussion surrounded a few areas of deliberation. Our main areas discussed in the committee included:

1. What is the appropriate level for the "loss ratio" to be set at? (75%, 80% or 83%)
2. Making sure we give the Insurance Department and Dental Carriers time to adapt and implement these changes in North Dakota.
3. How do we protect small carriers in North Dakota?

Through the hard work of the ND Insurance Department, Legislative Council and the North Dakota Dental Association, I am very confident we have the bill in the appropriate/proper language and form to accomplish our legislative intent while ensuring the correct and consistent language in ND Insurance Code. In our committee, there was no appetite to change this language or work on other models or off of other state laws. We felt and voted that this language, HB 1481, before you is the right language for North Dakota. While we got the North Dakota data on "loss ratios" in our state too late for us to have meaningful deliberations as to what level (75%, 80%, or 83%) the bill should be set at; we are thankful that you have that data before you now to help you in your discussions and decision as to where you would like the threshold to be in our state to protect North Dakota consumers.

Thank you for your time today and I hope you would give HB 1481 a Do Pass Recommendation and support the actions by us, your colleagues in the House Chamber that voted overwhelmingly in support of this legislation. There has been a lot of hard work put in by the ND Insurance Department North Dakota Dental Association and Legislative Council on this bill.