

ONE HUNDRED SIXTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115

Majority (202) 225-2927
Minority (202) 225-3641

August 13, 2020

Deanna M. Mulligan
Chief Executive Officer
Guardian Life Insurance Company of America
10 Hudson Yards
New York, NY 10001

Dear Ms. Mulligan:

Pursuant to Rules X and XI of the U.S. House of Representatives, the Committee is investigating the response to the coronavirus disease of 2019 (COVID-19) pandemic, including actions taken by the health and dental insurance industries. Many of the nation's largest health insurance companies recently reported massive profits despite widespread economic turmoil, largely due to enrollees' reduced use of health care services during the COVID-19 pandemic.¹ Reports indicate that dental offices also have experienced sharp declines in patient visits and elective dental surgeries, as Americans across the country defer non-essential medical care amidst fears of contracting COVID-19.² These developments raise important questions about the extent to which the dental insurance industry may be profiting off the pandemic and whether insurers are offering consumers or providers financial assistance during these challenging times. We, therefore, write to request information regarding the steps you are taking to provide consumers and providers financial assistance during the pandemic, such as through premium reductions, rebates, or other measures.

¹ *Major U.S. Health Insurers Report Big Profits, Benefiting from the Pandemic*, New York Times (Aug. 5, 2020); *U.S. Health Insurers Profits Boom Amid Pandemic*, Forbes (Aug. 6, 2020); *UnitedHealth Group Profit Doubles to \$6.6 Billion with COVID-19 Slowdown*, StarTribune (July 15, 2020).

² *How's the Economy Doing? Watch the Dentists*, New York Times (June 10, 2020); American Dental Association, *Ninth Wave of HPI Poll Shows Dental Care Rebound Tapering Off* (July 23, 2020) (www.ada.org/en/publications/ada-news/2020-archive/july/ninth-wave-of-hpi-poll-shows-dental-care-rebound-tapering-off).

The health insurance industry appears to be having a banner year, with some insurers doubling their quarterly profits as compared to last year.³ It appears these increased profits are largely the result of insurers spending less on consumers' medical benefits during the COVID-19 pandemic.⁴ Indeed, dental practices throughout the country were asked to postpone patient appointments or forced to close their offices temporarily to help slow the spread of the coronavirus.⁵ Given that many insurers are reportedly spending significantly less on their customers' routine or preventive health care benefits, which may include dental benefits, as compared to the prior year, the COVID-19 pandemic may have financially benefitted certain insurance companies as millions of Americans forgo care.⁶

In a time of national crisis and when many families are struggling financially, the insurance industry must do its part to assist individuals who are deferring medical procedures, avoiding dentists' offices, or otherwise not using the insurance for which they are paying.

In order to assist the Committee's oversight efforts, we are requesting information and responses to the following questions as soon as possible, but no later than August 27, 2020:

1. Please provide the following information:
 - a. Your company's net income and/or earnings from your stand-alone dental plans for years 2018, 2019, and Quarter 1 and Quarter 2 of 2020.
 - b. The total amount of member premiums collected and claims paid out on your stand-alone dental plans for years 2018, 2019, and Quarter 1 and Quarter 2 of 2020. In your response, please provide the total amount of claims paid out for each year and a breakdown of claims paid out for each month for that year.
2. Is your company providing financial assistance to enrollees during the COVID-19 pandemic, including through premium credits, grace periods, or rebates? If so, please describe these efforts.

³ *Major U.S. Health Insurers Report Big Profits, Benefiting from the Pandemic*, New York Times (Aug. 5, 2020); *U.S. Health Insurers Profits Boom Amid Pandemic*, Forbes (Aug. 6, 2020); *UnitedHealth Group Profit Doubles to \$6.6 Billion with COVID-19 Slowdown*, StarTribune (July 15, 2020).

⁴ *Id.*

⁵ *How's the Economy Doing? Watch the Dentists*, New York Times (June 10, 2020); *Why Dentists Are Feeling Some Pain*, Modern Healthcare (May 23, 2020).

⁶ *Major U.S. Health Insurers Report Big Profits, Benefiting from the Pandemic*, New York Times (Aug. 5, 2020); *U.S. Health Insurers Profits Boom Amid Pandemic*, Forbes (Aug. 6, 2020); *UnitedHealth Group Profit Doubles to \$6.6 Billion with COVID-19 Slowdown*, StarTribune (July 15, 2020); *Why Dentists Are Feeling Some Pain*, Modern Healthcare (May 23, 2020).

Ms. Deanna M. Mulligan

August 13, 2020

Page 3

- a. Please provide the overall dollar amount of such assistance to consumers, broken down on a weekly basis for Quarter 1 and Quarter 2 of 2020.
3. Is your company providing financial assistance to employers during the COVID-19 pandemic, including through premium credits, grace payments, or insurance premium holidays? If so, please describe these efforts.
 - a. Please provide the overall dollar amount of such assistance to employers, broken down on a weekly basis for Quarter 1 and Quarter 2 of 2020.
4. Is your company providing financial assistance to providers during the COVID-19 pandemic, including through increasing provider reimbursement, reimbursing for Personal Protective Equipment (PPE), or low or zero cost loans? If so, please describe these efforts.
 - a. Please provide the overall dollar amount of such assistance to providers, broken down on a weekly basis for Quarter 1 and Quarter 2 of 2020.
5. Is your company providing coverage for consumers' PPE charges?

Thank you for your prompt attention to this matter. If you have any questions about these requests, please contact Mohammad Aslami, Peter Rechter, and Saha Khaterzai of the Majority staff at (202) 225-2927.

Sincerely,



Frank Pallone, Jr.
Chairman



Anna G. Eshoo
Chairwoman
Subcommittee on Health



Diana DeGette
Chair
Subcommittee on Oversight
and Investigations