

Executive Office
6737 West Washington Street
Suite 2360
West Allis, Wisconsin 53214
414.276.4520
414.276.8431 FAX



Legislative Office
5325 Wall Street,
Suite 2000
Madison, WI 53718
608.250.3442
608.282.7716 FAX

Aug. 19, 2025

Office of the Commissioner of Insurance
101 E. Wilson St.
Madison, WI 53703

RE: Proposed Acquisition of Control of Delta Dental of Wisconsin, Inc. and Wyssta Insurance Company, Inc.

To Whom It May Concern:

I write on behalf of the 3,100-plus members of the Wisconsin Dental Association (WDA), a Wisconsin-based professional association and affiliate of the American Dental Association committed to promoting professional excellence and quality oral health care for the public.

On Tuesday, July 1, Delta Dental of Wisconsin (DDWI) informed the WDA and dentists in its provider network that it had purchased Cherry Tree Dental, a dental service organization with offices in several Midwest states, primarily Wisconsin. In mid-July, DDWI filed papers with the Office of the Commissioner of Insurance outlining a proposed corporate restructuring that appears to be related to the transaction: <https://oci.wi.gov/Pages/Companies/AcqDDWI.aspx>.

The purchase of Wisconsin dental practices by a dental insurance carrier is unprecedented and raises concerns about potential conflicts of interest. The WDA and its member dentists are concerned that patients' treatment options may be driven more by what is cost-effective for the insurer than by what is clinically best for their oral health. The ADA elaborated on these concerns in a recent media statement, which is attached to this letter.

We understand that the proposed restructuring at issue in this hearing may be an attempt by DDWI to divest itself of ownership of the dental practice to try and alleviate the conflict of interest (interestingly, DDWI's proposed restructuring may be an admission by DDWI that it shares our belief that its ownership of a dental practice is a conflict of interest). Given the overlapping board structure among the various entities in the DDWI corporate structure, we have doubts that such restructuring does anything to combat the conflict of interest. Moreover, we would ask OCI to look into whether the purchase of a dental practice is a misuse of the premiums paid to DDWI by its consumers. Specifically, in this case, DDWI purchased a dental practice, using assets that would otherwise be available for the benefit of its insureds, and is now requesting that such asset be transferred off its balance sheet through the proposed corporate restructuring. If DDWI had excess reserves that were not needed to pay future claims, it is our belief that such reserves should have been used for the benefit of its insureds (either through reimbursement of premiums or reduction of future premiums). Such reserves should not be used to purchase an asset and immediately transfer such asset out of DDWI such that it is no longer available for the benefit of its insureds.



The purpose of my letter is fourfold:

- 1) To ensure that OCI – which is charged with protecting consumers and promoting a sound, competitive insurance market – is fully aware of the complexity, scope and potential conflicts of interest involved in DDWI's proposal.
- 2) To understand and begin to weigh the potential negative impact that DDWI's new standing as both health care provider and insurance payer could have on the delivery of oral health care in Wisconsin.
- 3) To share our members' immediate, top-level concerns with this troubling development involving a Wisconsin-based insurance company.
- 4) To ask OCI to look into whether the purchase of a dental practice is a proper use of DDWI's consumer premiums.

As this proposal moves through OCI review, we urge your office to take all necessary and proactive measures to identify and eliminate any potential conflicts of interest. Oral health plays an important role in Wisconsinites' overall health; it is essential that this business arrangement does not result in unfair disadvantages for patients or providers.

Thank you for your attention to this important matter. I can be reached at 414-755-4100 or mpaget@wda.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Paget", with a stylized flourish at the end.

Mark Paget
Executive Director



Statement on Dental Insurance Company's Acquisition of Dental Practices

FOR IMMEDIATE RELEASE

CHICAGO, July 2, 2025 — The American Dental Association (ADA) is aware of the acquisition of a chain of dental practices known as Cherry Tree Dental by Delta Dental of Wisconsin, an insurance company. The ADA, along with the Wisconsin Dental Association, believes this development raises deep concerns and important questions about the impact to dental professionals and patients, particularly if these types of acquisitions increase nationwide.

The ADA is actively reaching out to Delta Dental of Wisconsin to gain a clearer understanding of the nature and scope of this transaction. In parallel, we are assessing any potential legal and regulatory implications that may arise from this acquisition.

When an insurance company becomes both health care provider and insurance payer, questions arise regarding potential conflict of interest. From a business standpoint, dental insurance companies seek to minimize cost and maximize profit. As a result, patients may find their treatment options limited to what is most cost-effective for the insurer, not necessarily what is most effective for their oral health. The ADA believes that the health interests of patients are best protected when dental practices and other private facilities for the delivery of dental care are owned and controlled by a dentist licensed in the jurisdiction where the practice is located.

As always, the ADA remains committed to advocating for a fair environment in which all dentists, whether employed or practice owner, can thrive. The ADA's priority is to ensure that dentists can continue to practice with autonomy and integrity, and that the patients they serve receive the highest standard of care.

We will provide updates on this matter as more information becomes available.

Current ADA Policies

The following ADA policies were adopted by the ADA House of Delegates and are current as of press date.

Ownership of Dental Practices (*Trans.*2000:462)

Resolved, that the Association supports the conviction long held by society that the health interests of patients are best protected when dental practices and other private facilities for the delivery of dental care are owned and controlled by a dentist licensed in the jurisdiction where the practice is located.

Regulating Non-Dentist Owners of Dental Practices (*Trans.*2011:491; 2019:255)

Resolved, that in order to protect the oral health and safety of patients, and to ensure their continuity of care, the ADA, urge and assist constituent societies to advocate for the regulation of entities that provide dental services but are owned or controlled by non-dentists, non-dentist corporations, or dentists not licensed in that state, and be it further

Resolved, that licensing and state authorities be urged to establish regulations which hold entities providing dental services that are owned by non-dentists, non-dentist corporations, or dentists not licensed in that state to the same ethical and legal standards as those that are owned by state licensed dentists, and be it further

Resolved, that any entity providing dental services should be required to register with their state dental licensing board and obtain a business license from the appropriate state agency as required by law.

About the American Dental Association

The not-for-profit ADA is the nation's largest dental association, representing 159,000 dentist members. The premier source of oral health information, the ADA has advocated for the public's health and promoted the art and science of dentistry since 1859. The ADA's state-of-the-art research facilities develop and test dental products and materials that have advanced the practice of dentistry and made the patient experience more positive. The ADA Seal of Acceptance has long been a valuable and respected guide to consumer dental care products. The [Journal of the American Dental Association \(JADA\)](#), published monthly, is the ADA's flagship publication and the best-read scientific journal in dentistry. For more information about the ADA, visit [ADA.org](#). For more information on oral health, including prevention, care and treatment of dental disease, visit the ADA's consumer website [MouthHealthy.org](#).

CONTACT: mediarelations@ada.org