

October 6, 2025

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

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

Dear Commissioner,

My name is Dr. Roger Stanek, and I write today out of deep concern for the future of dentistry and dental insurance in Wisconsin. I am a retired dentist with 42 years of experience, of which 40 were in private practice serving Wisconsin families. Early in my career, I proudly served our country for 2 years as a Dentist and Captain in the United States Army. I also served on an advisory board made up of 10 local dentists from the Winnebago and Outagamie County Dental Society, working directly with Delta Dental executives. Our goal in the 1980s, as private practitioners, was to help create a cooperative dental insurance system that worked for all: local companies, their employees (who were our patients), and us as dentists, in partnership with Delta Dental. Those communications were productive, and the policies developed at that time reflected a balance that benefitted all involved—most importantly, the patients we served.

At that time, Delta Dental's spirit of cooperation was evident, and its policies supported both patients and the dentists who treated them. Unfortunately, that cooperative spirit—and with it, fair patient coverage and fair reimbursement for providers—has since been lost. In retirement, I have continued to give back by volunteering at the Tri-County Dental Clinic in Appleton, a free clinic that serves underserved patients.

Because of this long professional and personal history, I have taken great interest in Delta Dental's proposed restructuring. The consequences for Wisconsin's patients, providers, and insurers are significant, and it is from this perspective that I urge a careful and critical review. To inform my position, I have reviewed the governing statute, studied public statements (including those of the Wisconsin Dental Association and American Dental Association), and listened closely to testimony presented at the public hearing. That review, combined with my decades of professional experience, has convinced me that **the proposed restructuring violates multiple provisions of Wisconsin Statute s. 611.72(3)(am) and must be disapproved.**

This decision is not and cannot be viewed solely as a business matter. It has the capacity to influence the future of dentistry in Wisconsin for generations. Even if current leadership has no ill intent, the structure they propose opens the door for future misuse, diminished oversight, and harm to policyholders. The statute was written precisely to prevent these risks, and it must be applied firmly here.

Finally, it is important to note that the recommendation memo for this restructuring was submitted before public comments and concerns were available for review. As such, the memo reflects an incomplete evaluation that did not account for the breadth of conflicts and risks now apparent.

1. Competition and Monopoly Concerns s. 611.72(3)(am)2)

The statute prohibits transactions that create a monopoly or substantially lessen competition.

Violation:

- Delta Dental already controls 81% of Wisconsin's private dental insurance market, as shown in the market analysis provided by Dr. Marsh. Allowing 1962 Holdings to oversee both DDWI (via GreenCo) and Cherry Tree Dental (via Wyssta) would extend Delta Dental's dominance across both financing and care delivery.
- The ADA and WDA warn that when insurers act as both payer and provider, patient treatment options are driven by what is cheapest for the insurer, not what is clinically best. This reduces patient choice and is the very definition of monopoly behavior.
- The proposal employs shell companies and overlapping boards that could mask control, creating the appearance of separation while enabling coordinated decision-making across entities. With no dentists in Delta Dental's leadership, there is a clear concern that 1962 Holdings could coordinate decisions across entities using insider information unavailable to competitors.
- This represents a form of concealed vertical integration, constructed in a way that shields Delta Dental from scrutiny by the OCI and other regulatory agencies. It stifles competition not through innovation, but through concealment and market manipulation.

2. Financial Stability and Policyholder Protection s. 611.72(3)(am)3)

The acquiring party's financial condition must not jeopardize stability or prejudice policyholders.

Violation:

- As noted in testimony, the closure of Homestead Dental (Mequon) within three months of acquisition demonstrates the instability of Delta's expansion into direct practice ownership. This harmed both community access and policyholder confidence. *How many more Cherry Tree Dental practices have been or will be closed as a result of this management change?*

- The WDA raised serious concerns that DDWI used policyholder premiums to purchase Cherry Tree Dental, then sought to transfer those assets off its balance sheet through restructuring.
- If DDWI truly had excess reserves, those funds should have been returned to policyholders (via premium reductions or reimbursements), not funneled into speculative acquisitions. This diversion clearly harms Wisconsin policyholders.
- Testimony further revealed that the proposed structure would allow board members to draw multiple salaries through the creation of additional entities. This not only compounds the misuse of reserves but also creates ongoing opportunities for abuse of policyholder funds.

3. Fairness of Plans and Structural Changes s. 611.72(3)(am)4)

The statute requires that restructuring be fair and in the public interest.

Violation:

- With dentists removed from the Delta Dental board, patient and provider voices are excluded from decision-making. As Dr. Eckdahl noted, this change excludes patient advocates, replacing them with executives concerned primarily with financial returns.
- The Homestead Dental closure demonstrates that these structural changes are neither fair nor reasonable to policyholders, but instead risk undermining access and choice.
- Board members will draw multiple salaries from the creation of shell companies, which directly reduces the resources available for policyholder benefits and better coverage. This creates a misalignment between executive incentives and patient interests.

4. Competence and Integrity of Controlling Persons s. 611.72(3)(am)5)

The statute requires that those who control the insurer demonstrate competence and integrity.

Violation:

- Competence requires structuring governance to protect policyholders; integrity requires transparency and accountability. By eliminating dentists from the board, concentrating voting power in GreenCo Holdings, and diverting premiums into acquisitions, Delta Dental demonstrates neither.
- This structure allows Delta to appear dentist-led while in reality excluding patient and provider perspectives. That kind of governance fails the statutory requirement of integrity.

- The proposed structure places board members in overlapping roles that allow them to draw multiple salaries from the entities they oversee. This design strongly suggests a framework that prioritizes personal financial gain over policyholder protection, undermining both integrity and public trust.
- As the ADA emphasizes, non-dentist-owned entities must be held to the same ethical standards as dentist-owned practices. Here, the structure appears designed to shield Delta from exactly that accountability.

Conclusion

The current governance model, which includes dentists on Delta Dental's board, provides more meaningful oversight and protection for the public than the restructuring would. By contrast, the proposal:

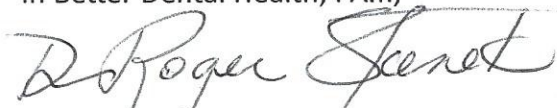
1. Expands monopoly power, giving 1962 Holdings control over both financing and care delivery;
2. Jeopardizes financial stability, as evidenced by the failed acquisition and closure of Homestead Dental;
3. Removes critical professional oversight, excluding the perspectives of dentists who understand patient needs; and
4. Creates opportunities for abuse and self-enrichment, through layered corporate entities, overlapping board positions, and multiple salaries siphoned from policyholder funds.

This is not a net benefit to Wisconsin. It is a negative and dangerous precedent that would harm policyholders, reduce competition, and undermine public trust.

As someone who has spent 42 years caring for Wisconsin families—first in private practice, then through service to our country, and now by volunteering at a free clinic—I know how essential it is that dental insurance systems remain fair, transparent, and accountable to patients. The statute was written to protect those very principles, and it must be enforced here.

For these reasons, and as reinforced by the Wisconsin Dental Association, the American Dental Association, and numerous providers who have submitted testimony and statements, **this proposal fails to satisfy four out of five statutory requirements under Wisconsin Statute s. 611.72(3)(am) and must be disapproved.**

In Better Dental Health, I Am,



Roger Stanek, DDS