



Senate Fiscal Office
11.18.2020

New Article: Relating to Accident and Sickness Insurance Policies

Overview

- Prohibits large group insurers from setting higher premium rates solely on the basis of gender.
- Codifies the Affordable Care Act provisions that prohibit gender rating in the small group and individual market into state law.
- Since this article does not amend any language relating to Medicaid or other public insurers, there is no fiscal impact.

Gender Rating

- Gender rating is the practice of charging different premiums based solely on gender.
- The practice is currently permitted under state law within the large-group insurance market.
 - As of March 2020, there were approximately 97,119 Rhode Islanders insured in the large group market.
- According to NCSL, women have been charged as much as 50.0 percent more than men for premiums.

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Gender Rating

- Gender rating has been criticized as being discriminatory and restricts women's access to healthcare since the higher premiums may make health insurance coverage unaffordable.
- Some argue that gender rating is actuarially accurate since women normally have higher health care costs and that changes may result in other factors being weighed more heavily in premium setting.
- **Connecticut, Massachusetts, New Hampshire, Maine, Colorado, Minnesota, Montana, New Jersey, North Dakota, Oregon, and Washington** prohibit gender rating.

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