

February 24, 2025

Hon. Joseph Solomon and Members of the Committee
Committee on Corporations
Rhode Island House of Representatives

RE: HB 5107 – Patient Brokering - SUPPORT

Dear Chair Solomon and Members of the Committee:

The National Insurance Crime Bureau (NICB) is a national, century-old, not-for-profit organization supported by approximately 1,200 property and casualty insurance companies, including many who write business in Rhode Island. Working hand-in-hand with our member companies and law enforcement, we help to detect, prevent, and deter insurance crimes, including organized criminal schemes that employ patient brokering tactics.

Under a patient brokering arrangement, a health provider or other person receives a kickback or other benefits in exchange for patient referrals. Patient brokers – also referred to as “runners” or “cappers” – are the cornerstone of organized medical fraud rings and medical mills. They often recruit co-conspirators to participate in staged accidents or con otherwise unsuspecting accident victims to seek unnecessary services from a co-conspirator network of healthcare providers and other illicit actors. In extreme cases, patient brokers induce victims, who are often low income, to undergo unnecessary and invasive medical procedures simply to obtain larger insurance payouts. Not only does illicit patient brokering put unsuspecting victims at serious risk of harm, but it also causes insurance costs to increase for all consumers.

House Bill 5107 would prohibit patient brokering by defining certain tactics as unfair sales practices, subject to criminal penalties and fines. It would also empower the state attorney general to initiate proceedings to enforce the prohibitions. These reforms, among others, would strengthen the anti-fraud ecosystem in Rhode Island. **Accordingly, NICB respectfully requests your support of HB 5107.**

Thank you for considering our views. As always, please consider NICB a resource and partner in the fight against insurance crime. If you have any questions or need additional information, please contact me at hhandler@nicb.org or 312-771-3974.

Sincerely,



Howard Handler, Senior Director
Strategy, Policy and Government Affairs