



DATE: May 20, 2025

TO: Chair Abney and Members, House Finance Committee

FROM: Carol Costa, Executive Director
Senior Agenda Coalition of RI

Re: Support for H5996

The Senior Agenda Coalition of RI (SACRI) is pleased to support H5996, AN ACT RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND INDIVIDUAL MARKET AFFORDABILITY ACT OF 2025 sponsored by Representatives Speakman, Tanzi, Cotter, Alzate, Kislak, Boylan, Donovan and Ajello. The legislation was recommended by a Health Source RI report, "Coverage at Risk: State Actions to Keep Rhode Islander Covered." The program is intended to help reduce out-of-pocket costs for low- and moderate-income consumers enrolled in health insurance coverage through Health Source RI, the Rhode Island health benefits exchange,

This bill is important because unless Congress Acts, the enhanced premium tax credits enacted in the American Rescue Plan will end and persons getting their health insurance through Health Source RI, the RI healthcare marketplace for persons who cannot get health insurance elsewhere, will have greatly increased premiums. This will have a profound impact on older adults not yet eligible for Medicare. For example, a retired couple in their early 60's not yet eligible for Medicare who have a combined income of \$85,000 currently pays \$602/month for health insurance. If the enhanced premium tax credits end, they would see their premiums more than triple to \$1,992/month. This would mean their health insurance costs would take up 28% of their annual income!

The program would be funded through contributions from all commercial insurance including large employer plans by adding a "health insurance individual market affordability account" to the existing Healthcare Services Funding Plan and would be an approximate 1% assessment.

The bill is a priority of the Protect Our Healthcare Coalition of which SACRI is a member. I urge you to recommend passage of H5996 and thank you for your consideration.

