



To: House Finance Committee
From: Karen Malcolm, Protect Our Healthcare Coalition (ProtectRIHealth@gmail.com)
Date: May 20, 2025
Re: **SUPPORT H5996** – Individual Market Affordability Act -- 2025

The Protect Our HealthCare Coalition is a group of leading Rhode Island non-profits and consumer groups with a shared mission to protect, improve, and expand equitable access to quality, person-centered, affordable health care for all. The Coalition strongly **supports House Bill 5996**, which would maintain affordability in Rhode Island's Individual Marketplace, HealthSourceRI. We thank Representative Speakman and the co-sponsors for bringing this important bill forward.

The Affordable Care Act has helped many Rhode Islanders get health coverage by expanding Medicaid and establishing subsidized commercial coverage through HealthSourceRI (HSRI). In 2024, Rhode Island's uninsured rate was just 2.2%, one of the lowest in the nation. As HSRI reports, "due to the historically high levels of financial assistance made available as a result of the American Rescue Plan Act (ARPA), coverage through HealthSource RI (HSRI) became more affordable than ever," resulting in historically high rates of insurance coverage.¹

But, due to the attacks on healthcare at the federal level that are allowing for the expiration of federal enhanced premium tax credits at the end of 2025, among other new restrictions on ACA Marketplaces, **an affordability crisis is looming**. In their January 2025 report with recommendations to the General Assembly – "[Coverage at Risk](#)"² -- HSRI notes that the risks of inaction would be significant, impacting:

- **Affordability and accessibility** of individual enrollees in the HSRI Marketplace who will see an average 85% increase in health insurance premiums. The report notes that, *'Those with incomes around \$60,000 (or \$124,800 for a family of 4) will experience the largest dollar increase when they lose eligibility for APTCs entirely. This effect is particularly pronounced for older Rhode Islanders, who will see both the highest resulting premiums and premium increases if they lose access to APTCs'*;
- **Decline in enrollment gains** with a subsequent increase to the rate of uninsured. In turn, *'uninsured individuals and families may be faced with insurmountable medical costs, or may suffer serious health impacts from avoiding or delaying care.'*;
- **Marketplace stability**, as HSRI notes that *'A reduction in affordability assistance is likely to reverse gains in marketplace enrollment, with the likely outcome that the health status of remaining enrollees will be sicker, on average, than it is with enhanced tax credits'*; and

¹ <https://healthsourceri.com/wp-content/uploads/OE2024-Report-4-8-24-FINAL.pdf>

² <https://healthsourceri.com/wp-content/uploads/Affordability-Workgroup-Report-Final-WEB-2-4-25-DW-signed.pdf>

- **Costs to the healthcare system broadly** because, as noted in the report, *‘uninsurance and underinsurance result in costs to the healthcare system most notably through uncompensated care.’*

In Rhode Island, we’ve done good work to codify ACA consumer protections and taken measures to help stabilize our marketplace – including enacting an individual mandate and re-insurance programs. However, with looming threats to Medicaid, many lower-income Rhode Islanders will continue to transition from Medicaid to the Marketplace and come up against cost barriers that force them to forgo care due to out-of-pocket costs. ***A significant increase in premiums for this population could drive many to go without coverage at all in order to afford food, shelter, and transportation.***

H5996 proposes an initial program design, informed directly by the recommendations from the HSRI facilitated [Marketplace Affordability Workgroup](#). It includes a funding mechanism with NO general revenue impact, built on the state’s current Healthcare Services Funding Contribution, without affecting any of that program’s existing funding streams. Instead, it sets up a parallel funding stream specific to the marketplace affordability program. While the amount of funding is set by statute for the first year, for future years it’s set by HSRI based on the recommendations from the Marketplace Affordability Board, but is capped. The assessment is spread fairly across all plans doing business in the state – including fully-insured plans, self-funded plans, and MCOs.

The Protect Our Healthcare Coalition supports the work to amend the bill to restructure the program to provide direct health insurance premium support rather than through a tax credit in order to remove any impact on the Division of Taxation. **We also support amending the bill to ensure the program is as easy to administer as possible** for HealthSource RI while providing the support that Rhode Islanders need.

Every person deserves access to quality, affordable healthcare. Representative Speakman’s bill (H5996) identifies funds and helps target them where they can have a significant impact on preserving coverage and access to care.

We urge your support. Thank you.

Protect Our Healthcare Coalition partners include: Economic Progress Institute, RIPIN, Mental Health Association RI, RI Health Center Association, Latino Policy Institute, Central Providence Opportunities: A Health Equity Zone (CPO-HEZ), United Way of Rhode Island, Senior Agenda Coalition RI, RI Medical Society, Planned Parenthood of Southern New England, SEIU Rhode Island Council, American Cancer Society Cancer Action Network, Leukemia/Lymphoma Society, RI Coalition for the Homeless, Rhode Island Working Families Party, Mental Health Recovery Coalition, RI Community Food Bank, RI Psychological Association, Substance Use & Mental Health Leadership Council, Rhode Island Coalition for Children and Families, HousingWorks RI, Rhode Island Organizing Project (RIOP), National Association of Social Workers RI Chapter, The Womxn Project, Advocates for Better Care

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