



Testimony Re: House Bill 5996- The Individual Marketplace Affordability Act

House Finance Committee

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Mr. Chairman and members of the Committee, thank you for the opportunity to provide testimony today. Rhode Island KIDS COUNT would like to voice its strong support for House Bill 5996. This bill would create the Rhode Island *Individual Marketplace Affordability Act of 2025* to help reduce out-of-pocket costs for low- and moderate-income consumers enrolled in health insurance coverage through the Rhode Island health benefits exchange, HealthSource RI (HSRI).

Over 40,000 Rhode Islanders have insurance coverage through HSRI, Rhode Island's health insurance marketplace. This exchange serves as a backstop and is available to anyone who cannot get coverage elsewhere, including individuals who do not qualify for or are not eligible for Medicaid or Medicare and who cannot access employer-based coverage. **In 2023, more than 1,600 children had coverage through HSRI, and these children will be at risk of losing their health insurance coverage if their premiums become unaffordable for their families.** House Bill 5996 would create a state affordability program that would be funded through contributions from all commercial insurers, including large employer plans, and would be able to fully replace the expiring federal tax credits with an assessment of approximately 1%.

If these federal tax credits expire with no replacement plan, almost everyone who is covered through HSRI will see their premiums increase by an average of 85% or \$104 per month, meaning people will go without insurance, enroll in a less comprehensive plan, or skip necessary health services. As many as 11,300 Rhode Islanders could lose coverage, and 88% of households that are currently enrolled and eligible for financial assistance through the federal enhanced premium tax credits will see an increase in their premiums when these tax credit expire.

Thank you for the leadership that the General Assembly has shown on making sure all Rhode Islanders have access to health insurance coverage.

Thank you for the opportunity to testify today.