

May 19, 2025

The Honorable Marvin L. Abney, Chairman
Of the House Finance Committee
Rhode Island State House
Providence, RI 02903

RE: AHIP Comments on H.5996, An Act Relating to State Affairs and Government – Rhode Island Individual Market Affordability Act of 2025 – OPPOSE

To Chairman Abney and Members of the House Finance Committee,

On behalf of AHIP, thank you for the opportunity to offer comments on H.5996, which would create the Rhode Island Individual Market Affordability Program to be funded in part by an assessment on health insurance plans' collected premiums.

Every American deserves access to affordable, comprehensive, high-quality coverage and care. But health care prices continue to escalate year after year, making coverage and care less accessible for everyone. Today, nearly one quarter of every dollar Americans pay for commercial health insurance goes to prescription drug costs, while hospital costs account for over 40 cents of that dollar.¹ And these amounts are increasing annually. These costs underscore the need for new solutions to improve health care competition to improve affordability and access for everyone.

Rather than improving affordability, the proposed assessment will effectively increase premiums across the board and drive costs higher for Rhode Island businesses and consumers. We urge the Committee to consider alternative funding mechanisms, such as utilizing state general funds. If Rhode Island cannot find other revenue sources, then sharing the responsibility throughout the health care system, including among hospitals, providers, and pharmaceutical companies, is more appropriate. Health plans should not be the sole funding source for a program that benefits the entire system.

AHIP and our members are committed to market-based solutions that make care better and more affordable and accessible for everyone in Rhode Island. To achieve that goal, state policymakers and health care stakeholders must work together to provide more health care choices and better quality at lower costs. Rhode Island's health insurance plans have always been trusted partners with the state in tackling tough issues related to health care cost increases.

We believe that more robust competition throughout the healthcare system is essential to providing all Americans with more health care choices and better quality at lower costs. By improving competition in 10 key areas of our health care system, we can improve affordability and access for everyone.²

¹ *Where Does Your Health Care Dollar Go?* America's Health Insurance Plans. October 2024. https://ahiporg-production.s3.amazonaws.com/documents/202410-AHIP_HealthCareDollar.pdf.

² *Healthier People Through Healthier Markets: Solutions to Improve Health Care Affordability and Access for Every American.* America's Health Insurance Plans. [202205-AHIP_HPHM-WhitePaper-v03.pdf](https://ahiporg-production.s3.amazonaws.com/documents/202205-AHIP_HPHM-WhitePaper-v03.pdf).

- Support consumer-centric expansion of home-based advanced care through value-based care and payment models – an alternative that can offer patients better, more convenient, and more affordable care outside of the hospital.
- Bring much-needed transparency to private equity firms' monopoly power in air ambulance, emergency, and certain specialty services that often provide services on a fee-for-service basis.
- Advance commonsense site-neutral payment reforms to protect consumers against having to pay more for the same services depending on the site of care.
- Support patients' choice of telehealth, when clinically appropriate, as a less costly and more convenient method of accessing care, by removing government impediments, modernizing network adequacy regulations, and guarding against regulatory structures that reduce the competitive benefits.
- Address the harms caused by the dialysis duopoly by preventing its further expansion, removing barriers to care alternatives that are better for patients, and curbing the use of charitable structures that redirect resources to fortify the duopoly.
- Stop consolidated hospital systems from using their monopoly position to stifle negotiation and innovation through the use of all-or-nothing, anti-tiering, and other take-it-or-leave-it contract terms.
- Accelerate the availability of prescription drug biosimilars to ensure that the pace of access matches the pace of innovation.
- Stop drug manufacturers from engaging in patent abuses that distort the system to maintain monopoly profits at the expense of Rhode Island consumers.
- Reform the system for provider-acquired drugs, which has resulted in ever-escalating prices for such drugs.
- Address the ways in which drug manufacturers have abused charitable structures to protect their monopolies, rather than help patients.

AHIP recommendations. For these reasons, **AHIP urges the Committee not to pass H.5996.** Thank you for your consideration of our comments. We look forward to working collaboratively towards providing affordable health care to all Rhode Islanders.

Sincerely,



Sarah Lynn Geiger, MPA
Regional Director, State Affairs
America's Health Insurance Plans

AHIP is the national association whose members provide health care coverage, services, and solutions to hundreds of millions of Americans every day. We are committed to market-based solutions and public-private partnerships that make health care better and coverage more affordable and accessible for everyone. Visit www.ahip.org to learn how working together, we are Guiding Greater Health.