



May 1, 2025

The Honorable Susan R. Donovan, Chairwoman  
House Health and Human Services Committee  
State House  
Providence, RI 02903

Re: H.6209, An Act Relating to Insurance – Prescription Drug Benefits

Dear Chairwoman Donovan,

The undersigned members of the Rhode Island Business Coalition have concerns relative to the passage of H.6209 which would place restrictions on insurer cost containment initiatives.

For the past several years, the Coalition has expressed concerns on bills such as these due to the potential to increase health insurance costs on Rhode Island businesses. These costs are disproportionately borne by small employers, their employees as well as Rhode Islanders who purchase coverage through the individual market, who are often least able to afford the premium increases. The reason for this is larger employers who self-insure their health benefit plans are not subject to state health insurance mandates.

Affordability is a significant concern for Rhode Island small employers. An analysis of National Association of Insurance Commissioners (NAIC) data by the Rhode Island Business Group on Health, showed the Rhode Island small employer market has seen a 53 percent drop in covered lives from 2012 to 2022. A recent analysis of the Rhode Island health insurance market by Oliver Wyman conducted for the Office of the Health Insurance Commissioner (OHIC) showed significant decreases in membership in both the large and small group fully insured markets since 2020. The large group market experienced the largest overall decrease of 18.4% while small group saw an 11.1% during this period.

The Coalition believes that new proposed health insurance mandates and restrictions on insurer cost containment initiatives should be accompanied by a cost-benefit analysis conducted by OHIC. Bills, such as H.6209, could be studied to provide the legislature with an analysis of their efficacy and potential cost impact.

While we appreciate the desire to assist individuals facing difficult health challenges, several bills have been introduced this session to add new benefit mandates and coverage requirements. We do not know the number of individuals that would be covered under all these new programs, the costs associated with the benefits, and the potential impacts on the availability of services to groups already covered should any of these mandates pass into law. Approaching healthcare and health insurance policy in a piecemeal fashion leads to increased costs for businesses and individual subscribers. For many years, the Rhode Island General Assembly has passed legislation

The Rhode Island Business Coalition represents 50 industries and 6,280 businesses that employ 231,200 people throughout Rhode Island.

adding mandated health insurance benefits that have increased the cost of individual, small and large group health insurance premiums across the state.

As mentioned above, the Rhode Island Business Coalition urges the General Assembly to create a process where mandated benefits can be evaluated to provide meaningful data to assist the General Assembly in its health care policy deliberations.

Sincerely,

Associated Builders and Contractors – Rhode Island Chapter

National Federation of Independent Business

Rhode Island Manufacturers Association

Rhode Island Staffing Association

Small Business Economic Summit Regulations Committee

Small Business Economic Summit Tax and Budget Committee

cc. House Health and Human Services Committee members