



Rhode Island Insurance Federation

Via Email to HouseJudiciary@rilegislature.gov

March 11, 2025

Representative Robert E. Craven
Chair, House Judiciary Committee
Rhode Island State House
Providence, RI 02903

RE: House Bill 5903— Repeals the collateral source rule in medical malpractice actions.

Dear Chair Craven:

The Rhode Island Insurance Federation submits this statement in opposition to House Bill No. 5903, which repeals the collateral source rule in medical malpractice actions. In layperson terms, the collateral source rule reduces the award for damages by the amount recovered from other sources (i.e. worker's compensation, health insurance, etc.) in order to prevent double recoveries for the same loss or injury.

The Federation was recently formed to advocate for the property and casualty insurance industry in Rhode Island. Federation members write approximately 60% of the total property casualty insurance premiums in the state, and importantly over 73 percent of the medical professional liability insurance market.

The current statutory scheme in Rhode Island is fair for the treatment of collateral source payments for medical treatment. When calculating economic damages it is important that all of the facts of the case are presented, including any recovery from other sources. Such statutory frameworks are not unique to insurance, but throughout various governmental programs and contractual transactions this protection against double payment for the same damages is promoted.

It is important to recognize that over the last few decades, states have battled crisis after crisis related to the affordability and availability of medical professional liability insurance products. This bill is a step back on reforms that improved the system for providers across Rhode Island.

For the reasons set forth above, the Federation opposes House Bill 5903, and we urge the Committee not to advance this proposal.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Christopher S. Stark', is written over a light blue horizontal line.

Christopher S. Stark
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