



March 30, 2026

Representative Arthur Corvese  
Chair, House Committee On Labor  
Rhode Island State House  
Providence, RI 02903

Re: House 7773 – AN ACT RELATING TO LABOR AND LABOR RELATIONS -- WORKERS' COMPENSATION -- PROCEDURE

Dear Mr. Chairman:

This statement in opposition to House 7773 is submitted by the American Property Casualty Insurance Association (APCIA).<sup>1</sup> H.7773 would undermine the worker's compensation system by forcing litigation into the courts rather than through existing workers' compensation procedures and allow for double payment of benefits to injured workers. **The bill will add unnecessary costs into the worker's compensation system, increasing expenses for Rhode Island businesses and harming injured workers.**

Under existing law and longstanding case law<sup>2</sup>, when a worker is injured on the job as a result of the acts of a person who is not their employer or employee, they or their insurer can file a negligence claim against the third party in addition to their workers' compensation claim (a "third-party claim"). Examples of third-party claims could include auto accidents, slip and falls, and product liability. When the insurer or injured worker recovers damages through a third-party judgment or settlement that exceeds the amount of the workers' compensation benefits, insurers can suspend benefits (also termed "subrogate"), thus preventing double recovery for the same injury and decreasing insurance premiums.

Subrogation helps insurers manage claim costs, including legal expenses and case management fees. It holds the true at-fault party accountable for their negligence, rather than relying solely on the employer's insurance.

Rhode Island follows a form of subrogation called the "made whole doctrine." While application of this doctrine varies somewhat by state,<sup>3</sup> Rhode Island follows by far the most-common version which gives the worker priority over the third-party recovery, only allowing subrogation of any balances remaining

---

<sup>1</sup> Representing 67% of the U.S. property casualty insurance market, APCIA promotes and protects the viability of private competition for the benefit of consumers and insurers. APCIA members represent all sizes, structures, and regions, which protect families, communities, and businesses in the U.S. and across the globe. Several APCIA members are located in Rhode Island and many more do business here. APCIA members are integral to the state of Rhode Island. They write 76% of the property casualty insurance sold in this state. The P&C insurance industry employs over 3,200 Rhode Islanders, provides annual assistance of \$1.5 billion in claim payments to help customers in the state, and contributes over \$160 million annually to the state in premium taxes.

<sup>2</sup> See e.g. *Lombardi v. Merchants Mut. Ins. Co.*, 429 A.2d 1290 (R.I. 1981), *Ditomasso v. Ocean State Physicians Health Plan, Inc.*, No. 872487, 1988 WL 1016798 (R.I. Super. 1988)

<sup>3</sup> See e.g.

[https://www.whiteandwilliams.com/assets/htmldocuments/Subro%20Charts%20Updated%205\\_10\\_16/Updated%20Files%203.21.22/Made%20Whole%20Doctrine%20-%20Revised%201-31-22.pdf](https://www.whiteandwilliams.com/assets/htmldocuments/Subro%20Charts%20Updated%205_10_16/Updated%20Files%203.21.22/Made%20Whole%20Doctrine%20-%20Revised%201-31-22.pdf)

after the worker has been made whole. This version rightly balances the worker's rights with basic concepts of fairness. **Under this bill, Rhode Island would become the only state in the country to block certain aspects of the third-party recovery from subrogation, explicitly creating an unprecedented windfall.**

H.7773 would also add in an element of comparative fault. Comparative fault is a decision that must be litigated, **adding burdens for the courts, delaying recovery for the worker, and requiring cost of an attorney that decreases the injured worker's recovery.** This is also highly unusual, with only four (4) states considering comparative negligence in these situations.<sup>4</sup>

For all of these reasons, APCIA urges the committee to hold H.7773 for further study.

Very truly yours,



Jonathan Schreiber  
Associate Vice President, State Government Relations  
APCIA  
[Jonathan.schreiber@apci.org](mailto:Jonathan.schreiber@apci.org)  
(202) 828-7121

---

<sup>4</sup> See IL, IN, WA, WV - <https://www.mwl-law.com/wp-content/uploads/2018/02/MADE-WHOLE-DOCTRINE-IN-ALL-50-STATES-CHART.pdf#:~:text=The%20Made%20Whole%20Doctrine%20is,reimbursement%20will%20be%20allowed%20the>