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April 9, 2026

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

RE: AHIP Comments on H.7937, An Act Relating to Health and Safety – Preventing Unwarranted Facility Fees – Support

To Chairwoman Donovan and Members of the House Health and Human Services Committee,

On behalf of AHIP, thank you for the opportunity to comment on H.7937 legislation that would prohibit the addition of facility fees when health care services are not rendered on a hospital campus, and which would require each off-campus location of a hospital to have a unique identification number in order that the charges associated with those facilities are transparent and accountable.

AHIP supports policies and reforms that promote healthier markets for healthier people.

Health plans are committed to working with state policymakers and other stakeholders across the health care system to advance policies needed to build a more competitive marketplace. When competition is appropriately balanced with patient protections, market-driven innovation can reduce health care costs while helping to improve health care outcomes.

Common sense market reforms can encourage higher quality care at lower prices. Strategic government action can spur innovation in heavily regulated health care markets, delivering greater convenience and affordability for patients and better value for taxpayers.

Facility fees are a mechanism to support additional infrastructure requirements at hospital outpatient facilities.

Site-Neutral Payment Outcomes. Implementing policies that advance affordability through site-neutral payments can produce savings while maintaining access.

- *Savings to the system:* Congressional Budget Office estimates have modeled savings for site-neutral payment policies over 10 years¹:
 - Most services at all off-campus and on-campus HOPDs would save \$157 billion.
 - Drug administration services at off-campus HOPDs would save \$5.6 billion. ○ Imaging services at off-campus HOPDs would save \$7.6 billion.
- *Maintaining access:* Studies evaluating the impact of various site-neutral policies estimate that savings would mostly come from large, urban hospitals. Rural hospitals would see the smallest share of impacted payments, from 2.7% to 6.5% depending on the policy.² Policies could include a special accommodation or exclusion for rural and/or safety net providers.

¹ [Reduce Payments for Hospital Outpatient Departments](#), CBO, December 2024.

² [Medicare Site-Neutral Payment Policies: Effects Of Proposals On Hospitals And Beneficiary Groups](#), Lou, K. et al. June 2025.

AHIP Recommendation: For these reasons, AHIP urges the Committee **to pass H.7937**. Prohibiting facility fees for off-campus health care services and requiring separate national provider identifiers when billing for provider-based, off-campus hospital outpatient departments to ensure transparency and appropriate reimbursement of these sites, will rein in high healthcare costs for all Rhode Islanders. AHIP looks forward to additional opportunities to work with policymakers that move forward policies that promote affordability.

Sincerely,



Sarah Lynn Geiger, MPA
Regional Director, State Affairs

cc: Members, House Health and Human Services Committee

ABOUT AHIP

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**.

