

March 4, 2026

Rhode Island State Senate
Senate Committee on Finance

Re: **Support** for Article 11, Sections 12 & 13
Health Spending Accountability and Transparency Program

Dear Chairman DiPalma and Members of the Committee:

RIPIN thanks the committee for this opportunity to offer testimony in **support** of the Health Spending Accountability and Transparency Program in Article 11, Sections 12 and 13 of the Governor's proposed FY 2027 budget. If enacted, this program would help patients and policymakers better understand and address the root causes of high and growing health care costs.

As Rhode Island's health insurance consumer assistance program, RIPIN routinely encounters Rhode Islanders who face challenges accessing care because of cost barriers. High and growing health care costs are a significant challenge both nationally and in Rhode Island:

- Nationally, about one-third of adults say that they have skipped or postponed getting necessary healthcare in the last year because of the cost.¹
- In Rhode Island, more than 7% say that they have been unable to pay for basic necessities like food, heat, or rent in the past year due to medical expenses.²
- For decades, health insurance premiums and cost sharing have been growing faster than incomes, and total health care spending has been growing faster than inflation or GDP.³
- Per-capita spending is growing about twice as fast in the private insurance market than for Medicare or Medicaid enrollees.⁴
- Americans spend about 50% more on healthcare as a percentage of GDP than other developed nations.⁵

There is no one magic bullet solution to these challenges, nor would we necessarily want one if we had it. Quickly reducing (or even stagnating) funding to health care providers risks reduced access, financially unstable providers, and economic challenges in a sector that employs almost 10% of all workers.⁶

The proposed Health Spending Accountability and Transparency Program takes a measured approach, built around the goal of the health care sector growing roughly in line

¹ <https://www.kff.org/health-costs/americans-challenges-with-health-care-costs/>

² https://healthsourceri.com/wp-content/uploads/HIS-2024_Executive-Summary-FINAL-10.4.24.pdf (slide 15)

³ <https://www.kff.org/health-costs/health-policy-101-health-care-costs-and-affordability/?entry=table-of-contents-what-factors-contribute-to-u-s-health-care-spending>

⁴ <https://www.kff.org/health-costs/health-policy-101-health-care-costs-and-affordability/?entry=table-of-contents-what-factors-contribute-to-u-s-health-care-spending>

⁵ <https://www.commonwealthfund.org/publications/fund-reports/2024/sep/mirror-mirror-2024>

⁶ <https://www.bls.gov/spotlight/2023/healthcare-occupations-in-2022/>





with the rest of the economy. It builds on existing voluntary systems that have been in place since 2018, with mature data and governance structures in place. Since the inception of the voluntary reporting system, health care spending has grown at or below target in three out of five years.⁷ By stating long-term growth targets, it has helped to influence expectations in the sector, including negotiations between providers and health insurance companies. It has also helped to highlight the fastest growing components of the system, especially prescription drugs in recent years, so that policymakers can develop appropriately targeted solutions.

We also support that the proposal includes transparency and target-setting for quality and public health measures. Strengthening our health care system cannot solely be about reducing spending. As a State and a nation, we also need to strive for better health outcomes.

We recognize that our healthcare system is complex, fragile, and critical to our state's health and livelihood. The Health Spending Accountability and Transparency Program, particularly its new performance improvement plan component, will need to develop with caution and balance, mindful of the intricacies and of the risks of underinvestment in healthcare.

Thank you for the opportunity to provide this testimony. RIPIN urges the Senate to include this proposal in the final FY 2027 budget. RIPIN is a statewide nonprofit founded in 1991 by a group of parents of children with special healthcare needs. While RIPIN's roots are in serving children and families with special needs, RIPIN now serves all Rhode Islanders who might benefit from education, advocacy, and peer-to-peer support in navigating healthcare and education systems. RIPIN operates Rhode Island's health insurance consumer assistance program, RIREACH, which helped several thousand Rhode Islanders save more than \$10 million in health care costs since 2018.

Sincerely,

/s/

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⁷ https://ohic.ri.gov/sites/g/files/xkgbur736/files/2025-05/OHIC%20Cost%20Trends%20Report_final%2005.12.2025.pdf