

May 5, 2026

Rhode Island State Senate

Senate Committee on Health and Human Services

Re: Support of S-2255, Rhode Island Individual Market Affordability Act of 2026

Dear Chair Murray and Members of the Senate Committee on Health and Human Services:

RIPIN thanks the Committee for the opportunity to submit this testimony in support of S-2255, which would significantly improve access to affordable health insurance for Rhode Islanders who are eligible to buy coverage through the HealthSourceRI Individual Marketplace. RIPIN specifically supports the provisions of S-2255 which build upon the Governor's proposal in Article 11, Section 14 of his proposed FY2027 budget to establish a more efficacious and comprehensive program that would leverage \$70 million in federal funding to help Rhode Islanders purchase health insurance coverage.

Federal cuts mean that health insurance access in Rhode Island is facing the most significant setbacks since the passage of the Affordable Care Act. H.R. 1, or the "One Big Beautiful Bill Act," eliminated Medicaid coverage for many, restricted access to care in the individual marketplace, imposed onerous new work requirements and other administrative hurdles, and imposed funding cuts that jeopardize the sustainability of our delivery system that already faces an increase in uncompensated care going to people who don't have insurance and can't afford care. And on top of those cuts, the federal government also cut access to the individual marketplace by allowing Enhanced Premium Tax Credits to expire at the end of 2025.

Because of these cuts, Rhode Islanders who get financial assistance to buy their plans through HealthSourceRI saw their **premiums jump by more than 100%** between 2025 and 2026. And some Rhode Islanders faced even bigger premium hikes – as estimated last year by HealthSourceRI, a 25-year-old making \$27,388 a year would see their premium increase by 464%, jumping by more than \$100 a month for someone with a monthly income of just over \$2,000. And a 60-year-old retiree making \$62,650 from her 401K would see her premium jump from \$427 to \$1,077, a \$650/month increase and resulting in a premium accounting for 21% of her income.

Faced by these massive premium hikes, many Rhode Islanders who got coverage through HealthSourceRI last year have had to rebalance budgets already strained by rising costs for housing, food, child care, and other necessities in order to keep their coverage. Many more have switched into cheaper plans that have higher deductibles and out-of-pocket costs, likely resulting in higher health care costs down the road that many cannot afford to pay. And an estimated 13,000 HealthSourceRI enrollees are expected to drop their coverage entirely between 2026 and 2027 as the full impact of the premium hikes are felt. And the impact is already being felt – HealthSourceRI's data showed that 10,000 fewer Rhode Islanders were enrolled in coverage at the end of Open Enrollment this year as compared to the end of December 2025.

However, Rhode Island can act to reverse these coverage losses. A cross-stakeholder workgroup convened by HealthSourceRI released a report last year, entitled "[Coverage at Risk: State Actions to Keep Rhode Islanders Covered](#)," recommending the full replacement at the state level of expiring federal assistance. S-2255, modeled on that report, would invest approximately \$60 million annually in restoring the expired federal financial assistance, helping the 13,000 enrollees expected to lose coverage to remain in (or reenroll in) a plan. This approach would also leverage \$70 million in





baseline federal advanced premium tax credits which would otherwise be left on the table by enrollees who drop out of coverage.

This is an approach that several other states have taken. New Mexico, Maryland, California, Colorado, and Washington have all established state-based programs to provide premium assistance to individual marketplace enrollees after the expiration of federal enhanced premium tax credits, and many other states have existing programs to provide state assistance on top of existing federal assistance, including New York, Connecticut, Vermont, Massachusetts, and New Jersey. Rhode Island can join a growing chorus of states working to safeguard individual marketplace enrollment by passing S-2255.

RIPIN strongly encourages the Committee to support this proposal, which builds on the Governor's proposal in important ways:

1. Fully replace expiring federal assistance to maximize health insurance coverage

RIPIN acknowledges that the Governor has to propose a budget that balances many revenue-generating and spending decisions, and appreciates that the proposal in Article 11, Section 14 of his proposed FY2027 budget was put forward. RIPIN also appreciates that the Governor prioritized the lowest-income HealthSourceRI enrollees – many of whom are the most sensitive to price fluctuations, and therefore the most likely to drop their coverage, and who are least likely to be able to afford the cost of healthcare services if they become uninsured. However, **RIPIN strongly encourages that the General Assembly adopt the more comprehensive approach taken by S-2255.**

While the Governor's proposal would replace expiring federal assistance for approximately 20,000 HealthSourceRI enrollees, approximately 21,000 HealthSourceRI enrollees would see no direct benefit from the program. And while the Governor's proposal would keep approximately 6,500 people insured, the expiring federal assistance would result in 6,500 other enrollees still losing their coverage. In combination with other federal cuts, an estimated total of more than 50,000 Rhode Islanders are expected to lose their coverage between 2026 and 2027, more than doubling our uninsured population, resulting in newly-uninsured individuals skipping care or facing financial peril when medical events happen, and threatening the stability of our healthcare delivery system. While the cost of a full replacement of expired federal assistance is higher, the cost of allowing uninsured rates to soar is also significant – both for the people becoming uninsured, and for the State if it must bankroll failing hospitals, primary care practices, community health centers, and other healthcare institutions.

And the approach taken by S-2255 would better leverage limited federal funds. When people drop their coverage after having lost Enhanced Premium Tax Credits, they give up the "original" federal advanced premium tax credits that they were still eligible for. The approximately \$60 million annual investment by the State is estimated by HealthSourceRI to leverage \$70 million in baseline federal advanced premium tax credits which would otherwise be left on the table by enrollees who drop out of coverage. Altogether, that constitutes \$130 million in funding that would help Rhode Islanders buy health insurance coverage – and we know that approximately 80% of health insurance premium dollars are ultimately spent on medical care. That's over \$100 million in investments in our beleaguered healthcare delivery system that the State can facilitate on the front end through this proposal, with significant federal contributions – or it can become responsible for on the back end, if and when safety net providers fail.

2. Ensure meaningful participation by stakeholders



RIPIN appreciates that the Governor's proposal in Article 11, Section 14 includes opportunity for community engagement as the Exchange establishes the affordability percentages, and as other elements of the program are set. RIPIN further appreciates that HealthSourceRI has, to this point, convened an advisory board with a diverse membership of active participants who have represented a broad assortment of perspectives effectively. However, RIPIN wishes to acknowledge that, as currently set in statute, the exchange advisory board's membership is set by the Director of the Exchange, essentially without limitation.

The specific charges that the exchange advisory board would be granted under either version of this program – the Governor's version in Article 11, Section 14, or the approach taken (and preferred by RIPIN) in S-2255 – would go beyond the tasks of that board as it currently operates. For that reason, RIPIN strongly encourages that the enabling statute for the exchange advisory board be revisited to ensure that the broad array of stakeholders currently participating in the exchange advisory board would continue to do so regardless of any potential future changes in administration or leadership of the Exchange. Such stakeholders should include consumer advocates, health policy experts, employers, healthcare professionals, and current (or former) enrollees in HealthSourceRI plans – as is proposed by S-2255.

RIPIN also encourages the Committee to consider the following technical amendment to the bill language, which is intended to better allow for targeted investments that help people afford coverage before they need health care services, rather than necessitating the State's paying for those healthcare services after they're rendered in the form of "bailouts" of struggling providers:

3. *Allow enrollees who cannot receive federal premium tax credits to receive state premium assistance*

RIPIN offers a narrow technical recommendation to improve access to health insurance for individuals who have lost eligibility for federal premium tax credits because of federal cuts, helping to prevent them from becoming uninsured while allowing them to continue purchasing a plan they can afford. In the proposed § 42-157.2-5(a)(1) and § 5(a)(2), the state-based subsidy is limited to 1) people who are eligible for federal premium tax credits, and 2) people who would otherwise be eligible for federal premium tax credits if their income was lower.

RIPIN encourages that the eligible populations for state subsidies be expanded beyond those groups. For example, many lawfully-present immigrants (including refugees, asylees, and those with temporarily protected status) have lost or will lose eligibility for tax credits because of H.R. 1. Other populations losing eligibility for federal tax credits include those who cannot comply with Medicaid work requirements. Many of these individuals could afford a plan at its 2025 cost (with both baseline federal and enhanced federal assistance), or even potentially at a higher but still subsidized cost if they kept some state subsidy (but lost the baseline federal assistance). However, they would potentially drop coverage entirely if they had to pay full price – potentially resulting in the State, or our healthcare institutions, having to bear the cost of their uncompensated care. By allowing this population access to state subsidies (as determined by the Exchange and by available funds), Rhode Island could help keep people covered at a lower cost than if the State had to absorb the full cost of uncompensated care.

RIPIN would encourage that the determination of eligible populations be one of the decisions to be made as part of the annual parameter-defining process to be undertaken by the Exchange under advice of the Exchange Advisory Board, but with a less restrictive statutory baseline.



RIPIN strongly encourages the Senate Committee on Health and Human Services to support this proposal and help keep Rhode Islanders enrolled in marketplace plans they can afford. Thank you for the opportunity to provide these comments. 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 support in navigating healthcare and education systems. RIPIN operates Rhode Island's health insurance consumer assistance program, RIREACH, which has helped several thousand Rhode Islanders save more than \$10 million in health care costs since 2018.

Sincerely,

/s/

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