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April 7, 2026

The Honorable Melissa A. Murray, Chair  
Senate Health and Human Services Committee  
Rhode Island State House  
Providence, RI 02903

**RE: AHIP Comments on S.2567, An Act Relating to Insurance – Universal and Unified  
Healthcare System Act – OPPOSE**

To Chairwoman Murray and Members of the Senate Health and Human Services Committee,

On behalf of AHIP, thank you for the opportunity to offer comments on ways to achieve universal, high-quality coverage.

We agree and believe all Americans should have both high-quality and affordable health insurance coverage choices. We do not believe – and facts do not support – that creating a single, government-controlled health insurance system would produce that outcome. Completely replacing the state's existing health care system with a new, one-size-fits-all government system would cause negative consequences, including higher costs and reduced choice for Rhode Islanders. It also would undermine both the progress made by private health plans and existing public programs in expanding coverage and innovating care delivery and the sustainability of the state's health care system.

We offer the following comments in opposition to S.2567, which does not promote affordable, high-quality health care.

**States that have attempted to enact new statewide government-controlled health insurance systems have found them unaffordable and impossible to implement.** In Vermont, the government had to abandon its efforts to institute a single-payer system after predicting that they would need to institute a new employer payroll tax of 11.5 percent and an individual income tax of up to 9.5 percent to finance the program.<sup>1</sup> Former Governor Peter Shumlin argued that it is difficult to enact single-payer on a state level in part because a vast majority of people are covered through tax-deductible employer-sponsored insurance.<sup>2</sup> It is difficult, he noted, to transition those people to a single-payer system because they are receiving more benefits under the current system, and their taxes would increase substantially under a single-payer system. Shumlin acknowledged that no state can implement a single-payer system under the current federal system.

In 2016, Coloradans defeated Amendment 69, a ballot initiative to create a new, state government-controlled single-payer system. The initiative included new taxes for employers and individuals, which would have nearly doubled state government spending.<sup>3</sup> The Colorado Health Institute predicted that the program would slide into ever-increasing deficits unless taxes were increased because the program's revenues would not be sufficient to keep up with increasing health care costs.<sup>4</sup>

In addition, to implement a system like the one envisioned in S.2567, the state would have to apply for numerous waivers from the federal government relating to Medicaid, CHIP, Medicare, and the commercial market. None of the existing waivers are meant to implement this type of system, and it is

unknown whether the federal government would approve waivers for such an effort or fund such a broad expansion of state government-controlled health care coverage.

**One-size-fits-all government-controlled health insurance systems do nothing to increase access to health care.** Data suggests that countries with single-payer systems generally fail to provide their citizens with timely access to care. In 2022, Canadian specialist physicians reported a median waiting time of 27.4 weeks between referral from a general practitioner and receipt of treatment – up from the wait of 25.6 weeks reported in 2021.<sup>5</sup> Moving to a one-size-fits-all government insurance system in Rhode Island will create similar harm for consumers, and will lead to less competition, less innovation, and less efficient health care with higher taxes and costs for families and employers. It would require Rhode Islanders to pay more to wait longer for lower-value care.

Rhode Island has made tremendous progress to ensure patients get access to timely, quality care. Imposing a single-payer health care system could harm the work it has done to date to promote the interests of patients and consumers. Policymakers and stakeholders should instead focus on building on what is working and filling gaps in the current health care system, including addressing the root causes of rising health care costs, investing in workforce development and increasing access to care. This bill does nothing to address those issues.

**Economic Considerations.** Forcing every Rhode Islander into a single, one-size-fits-all health insurance system controlled by the state government will result in higher taxes and budgetary pressures for Rhode Islanders. Such a system would require significant taxpayer funding, raising concerns about its long-term fiscal sustainability and its potential negative impact on economic stability.

For example, in 2017, the RAND Corporation estimated that financing a single-payer system in Oregon would require increases in personal income taxes by 6 to 8 percent and surge employer payroll taxes for all businesses with more than 20 workers.<sup>6</sup>

Additionally, in California, the Legislative Analyst's Office estimated that enacting a single-payer system in California could cost around \$400 billion annually and require new state tax revenues in the hundreds of billions of dollars.<sup>7</sup> Sponsors of their failed single-payer legislation proposed new excise taxes, payroll taxes, and personal income taxes to pay for their proposed new state government-controlled system, with no data to show that the proposal could even be implemented or that it would save money.

**AHIP Recommendations:** Instead of implementing an unaffordable, new single-payer system, AHIP recommends strengthening existing public-private partnerships to address gaps in coverage and the root causes of high health care costs that impact premium affordability. For example, increased competition in provider, pharmaceutical, and other markets that drive the cost of care will help provide Rhode Islanders more choices, better quality and lower costs.<sup>8</sup>

AHIP opposes S.2567 and stands ready to collaborate on solutions that spur robust competition, ensure market stability, foster innovation, and improve outcomes for all.

Sincerely,



Sarah Lynn Geiger, MPA  
Regional Director, State Affairs

cc: Members, Senate Health and Human Services Committee  
Jeffrey Taylor, AHIP Retained Counsel

## ABOUT AHIP

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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](http://www.ahip.org) to learn how working together, we are **Guiding Greater Health**.