



April 7, 2026

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

Re: S.2567, An Act Relating to Insurance – Universal and Unified Healthcare System Act

Dear Chairwoman Murray,

The undersigned members of the Rhode Island Business Coalition would like to express our opposition to Senate Bill S2567, which proposes to establish a universal and unified healthcare system in Rhode Island.

We appreciate the intent of this legislation to improve access, affordability, and long-term sustainability within our health care system. In particular, we support the bill's emphasis on reforming provider payment methodologies. Moving toward more value-driven payment structures has the potential to address longstanding cost drivers, improve care coordination, and better align incentives across the health care system. The Coalition believes that thoughtful payment reform is an essential component of any meaningful effort to improve health care affordability.

However, we have significant concerns regarding the broader framework outlined in S.2567 and its potential impact on Rhode Island's employer-sponsored insurance market.

As drafted, S.2567 would implement publicly financed health insurance model, consolidating funding streams and eliminating traditional premiums and cost-sharing. While this approach aims to simplify coverage and expand access, it raises substantial questions about financing, cost-shifting, and the long-term economic implications for employers.

Employer-sponsored insurance remains the primary source of coverage for private sector and public sector workers across our state. The system still serves as a critical tool for businesses to attract and retain talent. Disrupting this system without clear, detailed, and sustainable financing mechanisms could result in significant new tax burdens or mandatory contributions on employers, particularly small and mid-sized businesses already facing rising health care and operating costs.

While the bill does outline the federal approvals and financing plans needed to move forward, these critical details are not yet defined. Proceeding without a clear understanding of these elements creates significant uncertainty for the employer community and the broader economy.

The Rhode Island Business Coalition represents 50 industries and 6,280 businesses that employ 231,200 people throughout Rhode Island.

We also note that employer-sponsored coverage currently plays an important role in stabilizing the commercial insurance market. A rapid or poorly defined transition away from this system could lead to unintended consequences, including market disruption, provider reimbursement challenges, and access concerns during the transition period.

The Coalition believes the legislature should focus on the following areas prior to moving forward with this legislation:

- Continue to prioritize and advance provider payment reform as a standalone and immediate strategy to control costs and improve system performance
- Conduct a comprehensive and transparent economic analysis of the proposed financing structure, including the specific impact on employers of all sizes
- Engage the business community as a key stakeholder in evaluating potential reforms to ensure that changes do not undermine Rhode Island's economic competitiveness
- Carefully consider phased or alternative approaches that build on the existing employer-sponsored system

In the face of these concerns, the Rhode Island Business Coalition urges you to take no further action on this legislation. Thank you for your time and consideration.

Sincerely,

Associated Builders and Contractors – Rhode Island Chapter

East Greenwich Chamber of Commerce

National Federation of Independent Business

Northern Rhode Island Chamber of Commerce

Rhode Island Lumber and Building Materials Dealers Association

Rhode Island Staffing Association

cc. Senate Health and Human Services Committee members