

March 24, 2026

The Honorable Melissa Murray, Chair, Senate Committee on Health and Human Services
Via email to: SLegislation@rilegislature.gov

Re: SB 3061, relating to insurance (post-acute care prior authorizations)

Dear Chairwoman Murray and Members of the Committee:

On behalf of Blue Cross & Blue Shield of Rhode Island (Blue Cross), I am writing to share information and express concern about this proposal relating to health plans' payment determinations for post-acute care following hospitalization.

Blue Cross shares the sponsors' and advocates' commitment to ensuring access to high-quality, affordable services after hospital treatment. We look forward to continuing to engage with the Senate on this issue. Based on our experience administering post-acute care coverage, we respectfully share the following.

- These reviews are thoughtfully and methodically applied to ensure members' premium dollars are spent on the right care, at the right setting. Blue Cross conducts prior authorizations for discharges to acute inpatient rehabilitation and to skilled nursing facilities, while not applying it for home healthcare services.
 - For our members in the commercial market (those impacted by the bill), the average cost for a stay in an acute inpatient rehabilitation facility is \$34,000, and skilled nursing facility charges average \$6,700.
- The reviews are conducted in a timely manner. Blue Cross typically completes the review within the day of the request for our commercially covered members. This is well within the 72-hour standard for urgent requests established by the Centers for Medicare and Medicaid Services (CMS) and health plan accrediting entities.
- Blue Cross and other payers, working collaboratively with the Office of the Health Insurance Commissioner and the entities providing hospital and post-acute care, responded thoughtfully to waive prior authorization requirements for post-acute care when needed. This occurred during COVID and when hospitals experienced significant spikes in the number of patients in their facilities. This suggests a mandate is not necessary.

The Committee might also consider this operational mandate would apply only to the commercial market – individuals purchasing coverage directly and in the small to mid-sized companies – but not to the growing number of employers who “self-insure” nor to the older Rhode Islanders on traditional Medicare or Medicare Advantage. Bills that add to the cost of fully insured coverage incentivize employers to move into self-insured arrangements, removing themselves from the state health insurance laws and regulations—and the premium tax—and undermining uniformity of coverage.

Blue Cross shares the goal of improving access to care while recognizing Rhode Island residents and businesses already face a health insurance cost crisis. We look forward to working with the sponsor, the Senate, and advocates on thoughtfully balanced approaches to access and affordability.

Sincerely,

Richard Glucksman

Senior Government Relations Counsel