



May 5, 2026

The Honorable Melissa Murray
Chairperson, Senate Committee on Health and Human Services
Rhode Island State House
82 Smith Street
Providence, RI 02903

RE: Letter of Opposition S3088 – AN ACT RELATING TO INSURANCE – EQUITABLE FUNDING FOR HEALTHCARE PROVIDER BAD DEBT

Dear Chairperson Murray:

I write on behalf of the State of Rhode Island Office of the Health Insurance Commissioner (OHIC) regarding [Senate Bill 3088](#). This bill would require health insurers to reimburse health care providers at no less than 65% of each co-payment, co-insurance and/or deductible amount as specified under the insured person's health benefit plan after "reasonable collection efforts have been made", as defined in the bill. This bill does not address the complex root causes of increasing health care costs. OHIC writes to express our concerns because this legislation would ultimately lead to an increase in consumers' health insurance premiums.

OHIC sympathizes with health care providers who have been tasked with collecting an ever-increasing amount of cost-sharing from patients in recent years and agrees that uncollected cost sharing turns into bad debt. However, it is important to understand the drivers of this phenomenon. Over the last twenty years, as health care costs have driven up insurance premiums, employers have sought to find ways to encourage more economical use of health care services by their employee policyholders and to attenuate premium increases. This has led to an increase in consumer cost sharing, particularly through increasing deductibles. According to the Agency for Healthcare Research and Quality's Medical Expenditure Panel Survey – Insurance Component, the average family deductible in Rhode Island has increased from \$885 in 2003 to \$4,324 in 2024. At the same time, the prices of health care services, especially hospital services, have increased. When the price of health care exceeds a consumer's ability to pay, the result is non-payment and bad debt. We need to address the affordability of health care. Health insurers would also need to price these bad debt payments into premiums, which would ultimately increase premiums

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Thank you for your continued leadership and hard work on all matters related to the health of Rhode Islanders.

Sincerely,

A handwritten signature in blue ink that reads "Cory B. King". The signature is written in a cursive style with a blue ink color.

Cory B. King
Health Insurance Commissioner

CC: Honorable Members of the Senate Committee on Health and Human Services
Honorable Andrew R. Dimitri
Kristen Silvia, Director of Legislation and Deputy Chief of Staff