



April 30, 2024

Honorable Marvin Abney
Chairman, House Finance Committee
Rhode Island State House
Providence, RI 02903

RE: H.7273, An Act Relating to Insurance – Accident and Sickness Insurance Policies
H.7897, An Act Relating to Human Services - Medical Assistance-Prescription Drugs
H.7901, An Act Relating to Health and Safety - Comprehensive Discharge Planning

Chairman Abney and Members of the Committee:

The undersigned members of The Rhode Island Business Coalition have concerns relative to the passage of the above-mentioned three (3) health care mandated benefit bills.

For the past few years, the Coalition has expressed concerns on bills such as these because they increase the number of new health insurance mandated benefits and costs to Rhode Island's health system.

H.7273 requires insurance coverage for all services provided by a pharmacist if the service would have been covered if provided by a physician, advanced practice nurse, or physician assistant. The health plan would be required to provide an adequate number of pharmacists in its network of participating medical providers.

H.7897 prohibits insurers from requiring prior authorization or a step therapy protocol for the prescription of a nonpreferred medication on their drug formulary used to assess or treat an enrollee's bipolar disorder, schizophrenia or schizotypal disorder, major depressive disorder, or post-traumatic stress disorder or an epilepsy or seizure disorder under certain circumstances.

H.7901 requires insurance plans to cover residential or inpatient services, including detoxification and stabilization services, for the treatment of mental health disorders, including substance use disorders. A health plan cannot require preauthorization prior to a patient obtaining such services if notification is 5 provided to the health plan within forty-eight hours (48) of admission. Lastly, H.7901 prohibits insurers from requiring concurrent utilization review during the first twenty-eight (28) days of the residential or inpatient admission.

For the past few years, the Coalition has consistently expressed concerns about bills that increase the cost of Rhode Island's health system. A 2022 study by KFF revealed our state has the 6th highest average

employer-paid health insurance premium costs in the United States¹. New York is highest in cost, followed by Washington DC, Alaska, Vermont, Connecticut and then Rhode Island. Massachusetts ranked 11th.

The cost of health insurance is affected by multiple factors; however, the number of mandated benefits included in health care coverage is certainly at the top of the list. Each year, the General Assembly has added benefits without including an analysis of commercial insurance affordability required under 27-69-7. As of April 10th, there are over sixty House and Senate bills introduced to add new benefits to the health care system.

While we appreciate the desire to assist individuals facing difficult health challenges, we do not know the number of individuals that would be covered under these new programs, the costs associated with the benefits, and the potential impacts on the availability of services to groups already covered should any of these mandates pass into law. Approaching healthcare and health insurance policy in a piecemeal fashion, leads to increased cost to businesses and to individual subscribers. For many years, the Rhode Island General Assembly has passed legislation adding mandated health insurance benefits that have increased the cost of individual, small and large group health insurance premiums across the state.

The Rhode Island Business Coalition urges the General Assembly to create a mandated benefits review committee, comprised of experts from various stakeholder groups. That group could then evaluate all of the submitted proposals and provide meaningful data to assist the General Assembly in its health care policy deliberations.

Sincerely,

East Greenwich Chamber of Commerce
Energy Marketers Association Rhode Island
National Federation of Independent Business
Rhode Island Beverage Association
Rhode Island Business Group on Health
Rhode Island Manufacturers Association
Rhode Island Small Business Economic Summit Regulations Committee
Rhode Island Small Business Economic Summit Tax and Budget Committee
Rhode Island Society of Certified Public Accountants
Rhode Island Staffing Association
Sustainable Benefits Strategies, LLC

¹ Annual Average Single Premium Per Enrolled Employee For Employer-Based Health Insurance, 2022
<https://www.kff.org/other/state-indicator/single-coverage/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Total%20Annual%20Premium%22,%22sort%22:%22desc%22%7D>

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