To: House Committee on Health & Human Services
From: Karen Malcolm, Protect Our Healthcare Coalition
Date: February 15, 2024
Re: **SUPPORT H7091** – Legislation to safeguard the ACA prohibition of annual & lifetime limits

The Protect Our HealthCare Coalition is a group of leading Rhode Island non-profits and consumer groups with a goal to protect, improve, and expand equitable access to quality, person-centered, affordable health care for all. The Coalition strongly **supports House Bill 7091** and thanks Representative Kislak and her co-sponsors for bringing it forward again this year.

Last year, largely due to the leadership of this Committee and Representative Speakman, the General Assembly passed legislation that codified important parts of the Affordable Care Act, including the protection of those with pre-existing conditions, coverage for essential health benefits, and most importantly, protection of the preventive service requirements still under threat in federal court. In previous years, the Assembly has codified other ACA protections, including protecting coverage for young people up to age 26 on their parents' plans and the prohibition against gender rating. **Bill 7091 completes the work to codify the ACA's core health insurance consumer protections**.

Specifically, House Bill 7091 aligns Rhode Island law with the ACA protection that ensures that people will not suddenly lose health coverage if they have a particularly expensive health event. Before the ACA, people struggling with chronic and persistent mental illness, fighting cancer or heart disease, in severe accidents, incredibly sick newborns and children, and many others battling chronic conditions were regularly cut off from coverage for needed care because they reached their annual or lifetime limit.

Why is this protection important? For context, pre-ACA, nationally, about 55% of people with commercial insurance faced limits, most commonly $1 million or $2 million. Hitting that limit forced many into bankruptcy[1] as they strived to maintain life-saving care. Between 2010 and 2016, after the ACA went into effect, data shows[2] that personal bankruptcies declined by nearly 50% nationally. Banning limits has also been shown to save Medicaid money because patients who hit a cap often ended up on Medicaid as a last resort.

In Rhode Island, The U.S. Department of Health and Human Services estimates that as many as 374,000 Rhode Islanders (including 89,000 children) benefit from the prohibition on annual/lifetime limits.

Because this bill codifies existing health insurance practice, there is no cost to the state and no impact on premiums.

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[1] https://www.vox.com/policy-and-politics/2017/2/15/14563182/obamacare-lifetime-limits-ban
[2] https://www.consumerreports.org/personal-bankruptcy/how-the-aca-drove-down-personal-bankruptcy/

Representative Kislak's bill is important for every Rhode Islander, no matter where they get their coverage. It's time to ensure that Rhode Island does not go back to the days when, after paying premiums for years, people could lose coverage simply for needing life-saving care.

Thank you.

Protect Our Healthcare Coalition allies & partners: Economic Progress Institute, Mental Health Association RI, RI NOW, RI Parent Information Network, RI Health Center Association, United Way of Rhode Island, Planned Parenthood of Southern New England, SEIU Rhode Island Council, American Cancer Society Cancer Action Network, American Heart Association, Leukemia/Lymphoma Society, Foster Forward, RI Coalition for the Homeless, Rhode Island Working Families Party, Mental Health Recovery Coalition, Oasis Wellness & Recovery Center, RI Community Food Bank, Substance Use & Mental Health Leadership Council, The Womxn Project, Rhode Island Coalition for Children and Families, HousingWorks RI, Rhode Island Organizing Project (RIOP), Thundermist Health Center, National Association of Social Workers RI Chapter

c/o the Economic Progress Institute, 600 Mt. Pleasant Avenue, Building #9, Providence, RI 02908
via email at: protectrihealth@gmail.com