

June 12, 2024

Honorable Susan R. Donovan
House Committee on Health and Human Services
Room 101, State House
Providence, Rhode Island 02903

RE: H-8332A – JOINT RESOLUTION RESPECTFULLY REQUESTING HEALTHSOURCE RI (HSRI) TO CONVENE A WORKING GROUP TO STUDY THE ISSUE OF AFFORDABILITY OF COVERAGE IN THE RHODE ISLAND HEALTH INSURANCE INDIVIDUAL MARKET AND TO PROVIDE RECOMMENDATIONS ON THE DESIGN OF A STATE-BASED PROGRAM TO PROVIDE AFFORDABILITY ASSISTANCE TO RHODE ISLANDERS ENROLLED IN PLANS THROUGH THE HSRI EXCHANGE

Dear Chairperson Donovan:

I am writing today regarding Joint Resolution H-8332A. This resolution seeks to establish a working group convened by HealthSource RI (HSRI) with the goal of studying the issue of affordability of coverage in the Rhode Island health insurance individual market and making recommendations on the design of a state-based program to provide affordability assistance to Rhode Islanders enrolled through HSRI. I am grateful for your leadership on this topic as improving health coverage affordability for Rhode Islanders is a goal that we share. I raise below a few considerations that I intend to be constructive in pursuit of that goal.

In 2018, HealthSource RI and the Office of the Health Insurance Commissioner (OHIC) established a Market Stability Workgroup (MSW). The MSW met 17 times over the course of 14 months, in two different phases. The MSW was charged with determining state-level solutions to keep Rhode Island's health insurance markets stabilized at a time when there were many compounding threats to the Affordable Care Act. The Work Group set out to develop recommendations that aligned with three guiding principles of sustaining a balanced risk pool; maintaining a market that is attractive to carriers, consumers, and providers; and protecting coverage gains achieved under the Affordable Care Act. The MSW had membership from the public and private sectors, with nearly 20 members or their designees attending and participating. The recommendations that resulted ultimately led to the establishment of a state-based insurance mandate and an approved 1332 State Innovation Waiver, both of which make possible the operation of the RI Reinsurance Program. The Reinsurance Program over the last 4 years has resulted in health insurance premiums that are an average of 6% lower than they would otherwise be without the program.

I share this background to impress upon the Honorable Members of this committee that an endeavor like the one proposed requires significant staffing, time, willing and available membership representative of the interested and invested parties, and a commitment of resources capable of producing a meaningful, consensus-based outcome. With that in mind, the resolution as presently drafted requests a final report from the proposed workgroup by December 31, 2024. I respectfully request flexibility on the due date of a report from this proposed workgroup and propose January 31, 2025, as a target for the submission of a final report.

I recognize and appreciate the urgency of this work as pertains to our state legislative calendar, budget cycle, and the impact that any future policy making may have on participating health insurance carriers plan development and rate review process. Additionally, the uncertainty of federal action to extend or permanently enshrine the enhanced advance premium tax credits that so many Rhode Islanders rely upon further underscores the importance of state action. Based upon prior experience, setting a target submission date in early 2025 will grant HealthSource RI and the key stakeholders enumerated in the resolution necessary time to plan and execute on the proposed process and final recommendations report.

I sincerely appreciate your commitment to ensuring that health coverage remains affordable for Rhode Islanders. Please feel free to reach out to me with any questions.

Sincerely,



Lindsay M. Lang, J.D.
Director, HealthSource RI

cc. Honorable Members of House Committee on Health and Human Services
 Honorable June Speakman
 Nicole McCarty, Chief Legal Counsel
 Lynne Urbani, Director of House Policy
 Steven Sepe, Clerk, House Committee on Health and Human Services