



To: Senate Health & Human Services Committee
From: Karen Malcolm, Protect Our Healthcare Coalition (ProtectRIHealth@gmail.com)
Date: May 23, 2024
Re: **SUPPORT H8332 SubA** – Resolution to Establish the Individual Market Affordability Workgroup

The Protect Our HealthCare Coalition is a group of leading Rhode Island non-profits and consumer groups with a shared mission to protect, improve, and expand equitable access to quality, person-centered, affordable health care for all.

The Coalition strongly **supports Joint Resolution 8332 SubA**, which proactively calls on HealthSourceRI (HSRI) to convene a working group to study affordability in the individual market and make recommendations to the General Assembly on the design of a state-based program to provide affordability assistance to moderate-- and lower-income Rhode Islanders enrolled in plans through the HSRI exchange, including a review of potential funding mechanisms.

This review is critically important because Rhode Islanders who purchase health coverage through HSRI face an urgent issue. Current Federal enhanced premium tax credits, which expanded Federal premium assistance beyond the standard pre-COVID ACA support, are due to sunset at the end of 2025. This means, short of Congressional action, Rhode Islanders covered through the individual marketplace face a potential affordability cliff.

Rhode Island has done good work to protect people's coverage and access to care, including the work of this Committee and others in the General Assembly and the work of OHIC and HSRI to manage cost growth, protect consumers, and streamline access to coverage through the Marketplace. This good work, combined with the current enhanced premium tax credits, is demonstrated by a historic high in individual and family enrollments in HSRI, totaling 34,456.

But, even with low marketplace premiums -- many people report struggling to get the care they need because of high deductibles and copays. In their 2022 Health Information Survey, HSRI documented a [21% increase in out-of-pocket costs between 2020 and 2022](#), noting this as "the highest reported out-of-pocket spending since the survey began in 2012." In the same survey of Rhode Islanders, 14.9% reported that, despite having coverage, they experienced problems paying medical bills.

During the Medicaid unwinding from April 2023 to April 2024, HSRI reports that more than 14,000 individuals transitioned from Medicaid to qualified health plans through the marketplace. This influx of new lower-income members is another factor driving the need to review how to improve affordability and reduce out-of-pocket costs for lower-income people in our marketplace.

As the Kaiser Family Foundation notes, "For people and families with [limited assets](#), even a relatively small unexpected medical expense can be unaffordable." The same Kaiser article highlights that high deductibles and cost-sharing contribute to medical debt. [Research published by the NIH in 2022](#) further documents this issue, stating, "While the ACA was largely successful in reducing the number

of uninsured adults in the U.S., remaining barriers suggest the need to strengthen the ACA and reduce cost barriers to healthcare services for everyone.”

Nine states, including several of Rhode Island's neighboring states—Connecticut, Massachusetts, and Vermont — have already taken action to establish affordability programs in their state marketplaces.

This resolution is a step towards joining them and builds on the good work we’ve done collectively in Rhode Island to stabilize our marketplace. It simply calls for HSRI to bring the right stakeholders together, study the issue, and report back so that the general assembly is prepared with the tools it needs to improve affordability – but more importantly -- to be ready to address the potential coming affordability crisis that could significantly impact insurance coverage rates in our state.

We urge your support. Thank you.

Protect Our Healthcare Coalition allies & partners: Economic Progress Institute, Mental Health Association RI, RIPIN, RI NOW, The Womxn Project, 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, Rhode Island Coalition for Children and Families, HousingWorks RI, Rhode Island Organizing Project (RIOP), Thundermist Health Center, National Association of Social Workers RI Chapter, Advocates for Better Care
