



The Honorable Susan R. Donovan
House Health & Human Services Committee
State of Rhode Island General Assembly

April 1, 2025

Re: House Bill 5172 – Transparency and Accountability in Artificial Intelligence Use by Health Insurers to Manage Coverage and Claims Act

Dear Representative Donovan and Distinguished Committee Members:

On behalf of the American Council of Life Insurers, thank you for the opportunity to provide comments in opposition to House Bill 5172, which would enact the Transparency and Accountability in Artificial Intelligence Use by Health Insurers to Manage Coverage and Claims Act to regulate the use of artificial intelligence by health insurers to ensure transparency, accountability, and compliance with state and federal requirements for claims and coverage management, including anti-discrimination and privacy laws.

The stated purpose of the bill is to regulate the use of artificial intelligence by *health insurers*. However, the bill would apply broadly to “all insurance companies licensed to do business in Rhode Island,” including ACLI member companies that provide life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision, and other supplemental benefits.

The Insurance Division of the Department of Business Regulation provides robust oversight of life insurers, including rigorous statutory and regulatory requirements based on NAIC model laws that prohibit unfair discrimination based on protected classes. Life insurers are subject to § 27-29-4 (7) of the insurance code, which expressly disallows unfair discrimination and applies to any methodology an insurer uses in delivering and servicing a product, including new technologies such as artificial intelligence.

Life insurers are not subject to regulation by the Office of the Health Insurance Commissioner or the Office of Health and Human Services. However, House Bill 5172 would authorize those two Offices to implement and enforce the provisions of the bill with respect to all insurers. This would create a parallel and inconsistent set of standards for insurers that may conflict with statutes already in place and undermine the authority of the Insurance Division.

American Council of Life Insurers | 101 Constitution Ave, NW, Suite 700 | Washington, DC 20001-2133

The American Council of Life Insurers (ACLI) is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI’s member companies are dedicated to protecting consumers’ financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI’s 275 member companies represent 91 percent of industry assets in the United States.

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The Insurance Division is uniquely qualified to maintain the appropriate balance between the imposition of regulatory burdens and consumer protection that creates the conditions for a healthy life insurance market in Rhode Island. The issue of inconsistent regulatory standards would be magnified by the private right of action created by H. 5172. If included within the bill's scope, life insurers would be subject to three separate regulatory regimes- the Insurance Division, the Office of the Health Insurance Commissioner, and private litigation- which could negatively impact competition and innovation and could decrease the affordability and availability of life insurance products in the state.

For these reasons, ACLI respectfully requests that the Committee amend the bill to exclude non-health insurers from its scope. Thank you for your consideration of our comments. Please contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jill Rickard", with a long horizontal flourish extending to the right.

Jill Rickard
Regional Vice President—State Relations
202-624-2046 t
jillrickard@acli.com

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