



Rhode Island Insurance Federation

Via Email to HouseJudiciary@rilegislature.gov

March 11, 2025

Representative Robert E. Craven
Chair, House Judiciary Committee
Rhode Island State House
Providence, RI 02903

RE: House Bill 5912— Provides for fair and reasonable charges for certain medical and health care services in civil actions—Statement in Opposition.

Dear Chair Craven:

The Rhode Island Insurance Federation submits this statement in opposition of House Bill No. 5912, which provides that the billed amount for certain medical and health care services shall be considered fair and reasonable in civil actions.

There is no doubt that medical billing is complex in the United States, from negotiated rates across the insurance spectrum to differentiating the costs from the charge to the reimbursed amount. However, each of these steps were designed to place downward cost pressures on the system. To require insurers, especially automobile, professional malpractice, and workers' compensation insurers to accept the billed amount as fair and reasonable without any discernment is a bad precedent to set in Rhode Island.

As drafted, House Bill 5912 is likely to incentivize inflated billed prices, when recovery of the billed amount becomes guaranteed—up to the policy limits. Allowing for such practices will likely result in both higher premiums for our policyholders and fewer of the necessary procedures from being completed within the policy limits purchased.

Cost and claim shifting to property-casualty insurance, due to the cost containment pressures in health insurance, is not the answer to the myriad of issues plaguing the American health care system, nor is it in the public policy interest of Rhode Island to pass legislation that could increase medical inflation without protections against fraud and abuse of the system.

For the reasons set forth above, the Federation opposes House Bill 5912, and we urge the Committee not to advance this legislation.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Christopher S. Stark". The signature is fluid and cursive, written over a light blue horizontal line.

Christopher S. Stark
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