



Testimony Re: House Bill 6156 – The Market Stability and Consumer Protection Act

Senate Health & Human Services Committee

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Mr. Chairman and members of the Committee, thank you for the opportunity to provide testimony today. Rhode Island KIDS COUNT offers its support for House Bill 6156, which would codify current insurance standards, practice and regulations as well as consumer protections into state law in order to maintain market stability in the event of health policy changes at the federal level.

Rhode Island's Strong Commitment to Children's Coverage

Rhode Island KIDS COUNT would like to thank this committee and members of the General Assembly for their continued leadership on ensuring all Rhode Island children have access to high-quality, affordable health and dental coverage. Rhode Island policy makers have long recognized that children with coverage are healthier, are more likely to receive preventive care, be screened for the achievement of developmental milestones, miss fewer days of school, and get treatment for illnesses and chronic conditions. You have also understood that providing preventive primary care rather than costly emergency care has been cost-effective. As a result of a sustained and strong commitment to children's coverage, 96.6% of Rhode Island children under age 18 were insured in 2015. Rhode Island ranks 15th best in the U.S. on this measure.¹

Children Without Health Insurance, Rhode Island, 2009-2015



Source: U.S. Census Bureau, American Community Survey, 2013 & 2015. Table CP03. Data are for children under 18 years of age and are not comparable to Factbooks prior to 2015.

Rhode Island Children and the Affordable Care Act

For many years, our state and federal leaders invested in keeping kids healthy by increasing their access to health and dental coverage. Building on the success of Rite Care (Rhode Island's Medicaid and CHIP Program), the *Affordable Care Act* (ACA) further helped children gain access to high-quality, affordable, comprehensive health and dental coverage.

As of October 2016, 1,877 children were enrolled in commercial coverage in the individual market of HealthSource RI, a 14% increase from 2015 (1,651). In total, 92,764 Rhode Islanders of all ages obtained coverage (commercial, Medicaid, or Rite Care) through HealthSource RI during the 2016 Open Enrollment period, a 25% increase from 2014 (74,369).



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- **High-Quality, Affordable Health and Dental Coverage is Critical for Rhode Islanders**

Given the uncertainty of health policy changes at the federal level, Rhode Island KIDS COUNT supports efforts to codify numerous provisions and consumer protections of the ACA into state law so that coverage gains and access can be maintained as well as market stability. Rhode Island KIDS COUNT supports the continuation of the following provisions.

- **Guaranteed issue and renewal and preexisting condition exclusion:** Prior to the ACA in many states, children with preexisting conditions experienced gaps in coverage or did not have access to health insurance. Codifying guaranteed issue and renewal as well as a preexisting condition exclusion provision will ensure that all Rhode Island children and families have access to coverage, regardless of their health status.
- **Essential Health Benefits, including maternity and pediatric dental and vision services:** Currently, commercial plans in the individual and small employer markets must offer a set of benefits across 10 categories in both federal and state-run health insurance marketplaces, including HealthSource RI. Codifying these benefit categories in Rhode Island statute will help ensure that children and families continue to access high-quality meaningful coverage that connects them to preventive services and needed care, including maternal and newborn care, mental health and substance use disorder services, rehabilitative and habilitative services, prescriptions, pediatric dental and vision services, as well as ambulatory, hospitalization, laboratory, and emergency services. Without a minimum standard, not everyone will have health coverage that offers financial protection against a high-cost or catastrophic medical event.
- **Dependent coverage until age 26:** The ACA allows young adults to remain on their parents' employer-sponsored health insurance plans until age 26. It also requires states to allow young people who were formerly in foster care to have Medicaid coverage until age 26. Retaining the commercial provision will help tens of thousands of Rhode Island youth age 19 to 25 retain their coverage through their parent's health plan, if they so choose.
- **Elimination of annual and lifetime benefit caps:** Children are at risk if the amount a health insurance plan pays out each year and/or over a person's lifetime for Essential Health Benefits are capped. Limits particularly harm children with chronic conditions and children with very expensive, potentially reoccurring or ongoing conditions, like cancer and congenital conditions. Rhode Island KIDS COUNT supports state efforts to prohibit annual limits/lifetime caps on coverage for Essential Health Benefits, especially for children who experience chronic or serious conditions.
- **Preventive services without patient cost-sharing requirements:** Rhode Island KIDS COUNT supports the Essential Health Benefit provision that stipulates preventive services continue to be provided without patient cost-sharing requirements. This will help continue to incentivize access to needed preventive services, such as well-child visits, immunizations, and developmental screenings, in less costly settings such as

primary care provider/pediatrician offices rather than the emergency department, and will help promote positive health outcomes.

- **Medical loss ratio standards & age rating:** Rhode Island KIDS COUNT supports efforts to continue to enforce currently enacted medical loss ratio standards that help ensure health plans spend the majority of their expenditures on patient care rather than administrative costs. We also support the continued rating restriction of premiums to be based solely on age and not on gender or health status. This will help ensure equitable access to coverage for women and individuals with varying conditions.
- **Office of the Health Insurance Commissioner Directives:** Rhode Island has a long been a leader in consumer protection, insurance affordability, and market stability due to the establishment of the Office of the Health Insurance Commissioner (OHIC). As a result of OHIC's oversight, affordability standards have been implemented and rigorous rate and market reviews are annually conducted. Rhode Island KIDS COUNT supports the continued proactive monitoring of various health insurance markets and plans, including cost-sharing, by OHIC and the establishment of a market stability response plan to any potential enactment of federal policy changes in the near future.

Closing

Rhode Island KIDS COUNT thanks the committee for the opportunity to testify and for your continued proactive leadership on children's health and coverage.