

December 19, 2023

Honorable Xavier Becerra  
Secretary of Health and Human Services  
U.S. Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, D.C. 20201

Honorable Janet L. Yellen  
Secretary of the Treasury  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

SENT VIA EMAIL

Dear Secretaries Becerra and Yellen,

HealthSource RI is pleased to submit this letter expressing Rhode Island's intent to apply for a five-year extension of the state's Section 1332 State Innovation Waiver, for the period beginning January 1, 2025 and ending December 31, 2029. Aside from extending the timeframe of the waiver, we do not plan to propose any major changes to our waiver in the extension application. The waiver will continue to adhere to the guardrails established by Section 1332.

In 2018, the Rhode Island General Assembly passed, and Governor Gina Raimondo signed the Rhode Island Market Stability and Reinsurance Act, to establish a reinsurance program to mitigate rising health insurance premiums in Rhode Island beginning in 2020. On August 26, 2019, the Department of Health and Human Services and Department of Treasury approved Rhode Island's application to waive the single risk pool requirement in the individual market under section 1312(c)(1) of the Patient Protection and Affordable Care Act in order to implement a state-based reinsurance program.

Following federal approval of the state's original 1332 waiver application, HealthSource RI, in consultation with the Rhode Island Office of The Health Insurance Commissioner, implemented a state reinsurance program beginning January 1, 2020. The reinsurance program has been critical to stabilizing our individual health insurance market, resulting in average premium rates that were about 6% lower than they would have been without the waiver. This net premium reduction has helped to stabilize enrollment in the individual market, ensuring that the risk pool remains healthy and predictable.

A waiver extension will support HealthSource RI's continued success in making health insurance more affordable and accessible to Rhode Islanders. Thank you in advance for considering our application, which we intend to submit in early 2024. We look forward to engaging with you in the coming months.

Sincerely,



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