HEALTHSOURCE RI TRUST

Financial Statements and
Supplementary Information

June 30, 2026

(With Independent Auditors' Report Thereon)

HEALTHSOURCE RI TRUST

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INDEPENDENT AUDITORS' REPORT

The Trustee
HealthSource RI Trust
Providence, Rhode Island:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of HealthSource RI Trust (the Trust), a private purpose trust fund of the State of Rhode Island, which comprise the statement of fiduciary net position as of June 30, 2026, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of HealthSource RI Trust, as of June 30, 2026, the changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Trust and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in note 1, the financial statement presents the financial position of HealthSource RI Trust, a private purpose trust fund of the State of Rhode Island, and does not purport to, and does not, present fairly the financial position of the State of Rhode Island as of June 30, 2026 in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matter

Management has omitted the Management's Discussion and Analysis that is required by accounting principles generally accepted in the United States of America to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operation, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 15, 2026, on our consideration of the Trust's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Trust's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Trust's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
September 15, 2026

HEALTHSOURCE RI TRUST
Statement of Fiduciary Net Position
June 30, 2026

Assets - cash	$ 3,620,154
Liabilities:	
Deferred revenue	3,618,958
Refunds payable	1,196
Total liabilities	3,620,154
Fiduciary net position	$ -

See accompanying notes to financial statements.

HEALTHSOURCE RI TRUST
Statement of Changes in Fiduciary Net Position
Year ended June 30, 2026

Member contributions	$ 142,013,075
Payments to insurance providers	(142,013,075)
Net change in fiduciary net position	-
Net position at beginning of year	-
Net position at end of year	$ -

See accompanying notes to financial statements.

HEALTHSOURCE RI TRUST

Notes to Financial Statements

June 30, 2026

(1) Description of Organization

HealthSource RI Trust (the Trust) was created by The Rhode Island Health Benefits Exchange (d/b/a HealthSource RI) (HSRI or Exchange), a department within the State of Rhode Island (the State). Per the Trust Declaration, the Trust was established for the purpose of 1) collecting health and dental insurance premium payments from qualified employers and individuals and paying such premium payments to issuers of Qualified Health Plans and Qualified Dental Plans (the carriers) offered through the Exchange and 2) performing other functions that are reasonably necessary for HSRI, the Trustee, to carry out the purposes of the Exchange under Section 1311 of the Patient Protection and Affordable Care Act, as amended (the Act). The Trust has no employees; therefore, administrative functions are provided by HSRI in conjunction with its role as Trustee.

The Trust is a private purpose trust fund of the State. The Trust's fiscal year is July 1 through June 30, consistent with the State's fiscal year. The year ended June 30, 2014 was the first year of Trust operations. The first additions to the Trust were received on October 1, 2013, which coincides with the start of the open enrollment period for HSRI health plans.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The Trust operates as a private purpose trust fund. The Trust's financial statement are reported using the accrual basis of accounting and the economic resources measurement focus.

(b) Cash and Equivalents

Cash consists of demand deposits held by a financial institution. The Trust has no cash equivalents at June 30, 2026.

(c) Refunds Payable

Refunds payable are amounts collected from individuals for which coverage has not been provided by the carriers, typically due to events such as disenrollment prior to coverage being provided or return of advance payments at the request of the insured. Refunds payable amounted to $1,196 at June 30, 2026.

(3) Cash and Investments

(a) Cash Management Policy and Investment Guidelines

The investment policy of the Trust, as dictated by the Trust Declaration, is to act primarily as a pass-through entity for health insurance premiums to Qualified Health Plan and Qualified Dental Plan issuers. Therefore, it is not anticipated that there will be a long-term accumulation of principal within the Trust Fund. To the extent there are investible assets within the Trust, the Trustee will invest such assets in accordance with the published guidelines, as they may be amended from time to time, that the Rhode Island State Investment Commission, or any successor, uses when investing State funds on a short-term basis. The Trustee shall use such guidelines for the purposes of determining prudent investment of the Trust's funds, with a primary goal of principal preservation and liquidity, but funds in the Trust shall always and only be used for the purposes set forth in the Trust Declaration.

(b) Custodial Credit Risk

The carrying amount of the Trust's deposits at June 30, 2026 was $3,620,154 and the bank balance was $3,645,091. Of the bank balance, $250,000 was covered by Federal Depository Insurance at June 30, 2026. Deposits in excess of $250,000 are fully collateralized in accordance with the Trust's banking agreement.

(4) Deferred Revenue

Deferred revenue is payment received in advance of billing from insured parties to be remitted to the carriers in accordance with appropriate billing and carrier agreements. Deferred revenue amounted to $3,618,958 at June 30, 2026.

(5) Related Party Transactions

Certain administrative services are performed on behalf of the Trust by HSRI. The value of these services is not considered to be material to the Trust and the Trust has not been charged for these services.

(6) Commitments and Contingencies

The Trust has no contractual commitments as of June 30, 2026.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Trustee
HealthSource RI Trust
Providence, Rhode Island:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the statement of financial position and related statement of changes in fiduciary net position of HealthSource RI Trust (the Trust) as of and for the year ended June 30, 2026 and have issued our report thereon dated September 15, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Trust's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, we do not express an opinion on the effectiveness of the Trust's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Trust's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Trust's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Trust's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Trust's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York
September 15, 2026