

**RHODE ISLAND GOVERNMENT REGISTER
PUBLIC NOTICE OF PROPOSED RULEMAKING**

DEPARTMENT OF ADMINISTRATION

Title of Rule: Rules and Regulations Pertaining to HealthSource RI (220-RICR-90-00-1)

Rule Identifier: 220-RICR-90-00-1

Rulemaking Action: Proposed Amendment

Important Dates:

Date of Public Notice: 10/29/2020

End of Public Comment: 11/29/2020

Authority for this Rulemaking:

R.I. Gen. Laws § 44-30-101

R.I. Gen. Laws § 42-157-11

R.I. Gen. Laws § 42-157-14

Summary of Rulemaking Action:

The Health Benefits Exchange ("Exchange") is proposing to amend the Rules and Regulations Pertaining to HealthSource RI, which establish the eligibility requirements for enrollment in a Qualified Health Plan, premium tax credits and cost sharing reductions, operation of a SHOP Exchange, and establishment of a trust to facilitate the collection and payment of premiums to qualified health plan issuers, among other requirements.

The proposed amendment permits an individual to claim a hardship exemption on their State tax return without obtaining an exemption number from the Exchange if, due to the direct impact of COVID-19, the individual lost minimum essential coverage in 2020 and suffered a hardship with respect to the capability to obtain health coverage during subsequent months in 2020. This exemption may be claimed on a tax return for the 2020 tax year only, and only for the months of April through December 2020.

The proposed amendment is in support of the Exchange's COVID-19 mitigation efforts. By permitting individuals to claim the exemption established by 220-RICR-90-00-1(11)(B)(6) directly on their tax return without applying for a general hardship exemption through the Exchange, it will increase flexibility and decrease burdens for eligible individuals affected by the COVID-19 pandemic.

Additional Information and Comments:

All interested parties are invited to request additional information or submit written or oral comments concerning the proposed amendment until November 29, 2020 by contacting the appropriate party at the address listed below:

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501 Wampanoag Trail
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In accordance with R.I. Gen. Laws § 42-35-2.8, an oral hearing will be granted if requested by twenty-five (25) persons, by an agency or by an association having at least twenty-five (25) members. A request for an oral hearing must be made within thirty (30) days of this notice.

Regulatory Analysis Summary and Supporting Documentation: Regulatory Analysis Summary

The changes proposed create a streamlined process for claiming a limited exemption for those who lost health coverage and experienced a hardship with respect obtaining health coverage for subsequent months due to COVID-19. By permitting individuals to claim this exemption on their tax return rather than applying through the Exchange, it saves the Exchange time and resources and minimizes the burden on eligible individuals.

Any costs associated with the proposed changes are likely to be minimal. To the extent a different number of eligible individuals claim this exemption than they would otherwise, revenue raised from the mandate would change. Mandate revenue is designated to be paid to insurance carriers in the form of reinsurance. Accordingly, payouts to insurers may change as a result of this regulatory proposal, but it is speculative to say by how much or in which direction.

Supporting Documentation

Rhode Island COVID-19 Response Data, R.I. Department of Health

<https://ri-department-of-health-covid-19-data-rihealth.hub.arcgis.com/> (last visited September 28, 2020)

Labor Market Information, R.I. Department of Labor and Training

<https://dlt.ri.gov/lmi/> (last visited September 28, 2020)

For full regulatory analysis or supporting documentation see agency contact person above.

