

**2025 -- S 0220 SUBSTITUTE A**

=====  
LC000977/SUB A  
=====

**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2025**

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- THE HEALTHCARE SERVICES  
FUNDING PLAN ACT

Introduced By: Senators DiMario, DiPalma, Sosnowski, Gallo, Lawson, Bissailon,  
Mack, Thompson, Murray, and Acosta

Date Introduced: February 10, 2025

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-7.4-3 of the General Laws in Chapter 42-7.4 entitled "The  
2 Healthcare Services Funding Plan Act" is hereby amended to read as follows:

3 **42-7.4-3. Imposition of healthcare services funding contribution. [As enacted in 2014.]**

4 (a) Each insurer is required to pay the healthcare services funding contribution for each  
5 contribution enrollee of the insurer at the time the contribution is calculated and paid, at the rate set  
6 forth in this section.

7 (1) Beginning ~~January 1, 2016~~ July 1, 2025, the secretary shall set the healthcare services  
8 funding contribution each fiscal year in an amount equal to: (i) The child immunization funding  
9 requirement described in § 23-1-46; plus (ii) The adult immunization funding requirement  
10 described in § 23-1-46; plus (iii) The children's health services funding requirement described in §  
11 42-12-29; plus (iv) The psychiatry resource network funding requirement described in § 23-1-46.2  
12 and all as divided by: ~~(iv)~~(v) The number of contribution enrollees of all insurers.

13 (2) The contribution set forth herein shall be in addition to any other fees or assessments  
14 upon the insurer allowable by law.

15 (b) The contribution shall be paid by the insurer; provided, however, a person providing  
16 health benefits coverage on a self-insurance basis that uses the services of a third-party  
17 administrator shall not be required to make a contribution for a contribution enrollee where the  
18 contribution on that enrollee has been or will be made by the third-party administrator.

1 (c) The secretary shall create a process to facilitate the transition to the healthcare services  
2 funding contribution method that: (i) assures adequate funding beginning July 1, 2016, (ii) reflects  
3 that funding via the healthcare services funding contribution method initially will be for only a  
4 portion of the state's fiscal year, and (iii) avoids duplicate liability for any insurer that made a  
5 payment under the premium assessment method in effect prior to January 1, 2016, for a period for  
6 which it would also be liable for a contribution under the healthcare services funding contribution  
7 method as described in this chapter.

8 SECTION 2. Chapter 23-1 of the General Laws entitled "Department of Health" is hereby  
9 amended by adding thereto the following section:

10 **23-1-46.2. Psychiatry resource network account.**

11 (a) There is created within the general fund a restricted receipt account to be known as the  
12 "PRN account." All money in the account shall be utilized by the department of health to effectuate  
13 coverage for the following services: Existing Rhode Island lines including the PediPRN and  
14 MomsPRN information lines which are available to providers or residents in the state, and which  
15 are funded pursuant to regulation adopted by the director of the department of health. Amounts  
16 collected pursuant to § 42-7.4-3(a)(1)(iv) shall be collected by the department of health and  
17 deposited in the "PRN account." The funds shall be used solely for the purposes of the "PRN  
18 account," and no other.

19 (b) Each year's psychiatry resource network funding requirement in § 42-7.4-3(a)(1)(iv)  
20 shall be the amount projected by the department of health in subsection (a) of this section less any  
21 projected carryover of excess funds from prior assessments, grants, or other funding and approved  
22 by the PRN advisory committee.

23 (c) The department of health shall establish a PRN advisory committee, as determined by  
24 the director of the department of health, that shall include, but not be limited to, representatives  
25 from the department of health; the office of the health insurance commissioner; the executive office  
26 of health and human services; the department of behavioral healthcare, developmental disabilities,  
27 and hospitals; insurers; and other representatives as indicated.

28 (d) The department of health shall submit to the general assembly an annual report on the  
29 program and costs related to the program, on or before February 1 of each year. The department  
30 shall make available to each insurer required to make a contribution pursuant to § 42-7.4-3, upon  
31 its request, detailed information regarding the programs described in subsection (a) of this section  
32 and the costs related to those programs

33 (e) The "PRN account" shall be exempt from the indirect costs recovery provisions of §  
34 35-4-27.

1 SECTION 3. Section 35-4-27 of the General Laws in Chapter 35-4 entitled "State Funds"  
2 is hereby amended to read as follows:

3 **35-4-27. Indirect cost recoveries on restricted receipt accounts. [Effective January 1,**  
4 **2025.]**

5 Indirect cost recoveries of ten percent (10%) of cash receipts shall be transferred from all  
6 restricted receipt accounts, to be recorded as general revenues in the general fund. However, there  
7 shall be no transfer from cash receipts with restrictions received exclusively: (1) From contributions  
8 from nonprofit charitable organizations; (2) From the assessment of indirect cost-recovery rates on  
9 federal grant funds; or (3) Through transfers from state agencies to the department of administration  
10 for the payment of debt service. These indirect cost recoveries shall be applied to all accounts,  
11 unless prohibited by federal law or regulation, court order, or court settlement. The following  
12 restricted receipt accounts shall not be subject to the provisions of this section:

13 Executive Office of Health and Human Services

14 Organ Transplant Fund

15 HIV Care Grant Drug Rebates

16 Health System Transformation Project

17 Rhode Island Statewide Opioid Abatement Account

18 HCBS Support-ARPA

19 HCBS Admin Support-ARPA

20 Department of Human Services

21 Veterans' home — Restricted account

22 Veterans' home — Resident benefits

23 Pharmaceutical Rebates Account

24 Demand Side Management Grants

25 Veteran's Cemetery Memorial Fund

26 Donations — New Veterans' Home Construction

27 Commodity Supplemental Food Program-Claims

28 Department of Health

29 Pandemic medications and equipment account

30 Miscellaneous Donations/Grants from Non-Profits

31 State Loan Repayment Match

32 Healthcare Information Technology

33 [Healthcare services funding accounts for the psychiatry resource network \(PRN\)](#)

34 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals

1 Eleanor Slater non-Medicaid third-party payor account  
2 Hospital Medicare Part D Receipts  
3 RICLAS Group Home Operations  
4 Group Home Facility Improvement Fund  
5 Commission on the Deaf and Hard of Hearing  
6 Emergency and public communication access account  
7 Department of Environmental Management  
8 National heritage revolving fund  
9 Environmental response fund II  
10 Underground storage tanks registration fees  
11 De Coppet Estate Fund  
12 Rhode Island Historical Preservation and Heritage Commission  
13 Historic preservation revolving loan fund  
14 Historic Preservation loan fund — Interest revenue  
15 Department of Public Safety  
16 E-911 Uniform Emergency Telephone System  
17 Forfeited property — Retained  
18 Forfeitures — Federal  
19 Forfeited property — Gambling  
20 Donation — Polygraph and Law Enforcement Training  
21 Rhode Island State Firefighter’s League Training Account  
22 Fire Academy Training Fees Account  
23 Attorney General  
24 Forfeiture of property  
25 Federal forfeitures  
26 Attorney General multi-state account  
27 Forfeited property — Gambling  
28 Department of Administration  
29 OER Reconciliation Funding  
30 Health Insurance Market Integrity Fund  
31 RI Health Benefits Exchange  
32 Information Technology restricted receipt account  
33 Restore and replacement — Insurance coverage  
34 Convention Center Authority rental payments

1 Investment Receipts — TANS  
2 OPEB System Restricted Receipt Account  
3 Car Rental Tax/Surcharge-Warwick Share  
4 Grants Management Administration  
5 RGGI-Executive Climate Change Coordinating Council Projects  
6 Electric Vehicle Charging Stations Operating and Maintenance Account  
7 Department of Housing  
8 Housing Resources and Homelessness Restricted Receipt Account  
9 Housing Production Fund  
10 Low-Income Housing Tax Credit Fund  
11 Department of Revenue  
12 DMV Modernization Project  
13 Jobs Tax Credit Redemption Fund  
14 Legislature  
15 Audit of federal assisted programs  
16 Department of Children, Youth and Families  
17 Children’s Trust Accounts — SSI  
18 Military Staff  
19 RI Military Family Relief Fund  
20 RI National Guard Counterdrug Program  
21 Treasury  
22 Admin. Expenses — State Retirement System  
23 Retirement — Treasury Investment Options  
24 Defined Contribution — Administration - RR  
25 Violent Crimes Compensation — Refunds  
26 Treasury Research Fellowship  
27 Business Regulation  
28 Banking Division Reimbursement Account  
29 Office of the Health Insurance Commissioner Reimbursement Account  
30 Securities Division Reimbursement Account  
31 Commercial Licensing and Racing and Athletics Division Reimbursement Account  
32 Insurance Division Reimbursement Account  
33 Historic Preservation Tax Credit Account  
34 Marijuana Trust Fund

- 1 Social Equity Assistance Fund
- 2 Judiciary
- 3 Arbitration Fund Restricted Receipt Account
- 4 Third-Party Grants
- 5 RI Judiciary Technology Surcharge Account
- 6 Department of Elementary and Secondary Education
- 7 Statewide Student Transportation Services Account
- 8 School for the Deaf Fee-for-Service Account
- 9 School for the Deaf — School Breakfast and Lunch Program
- 10 Davies Career and Technical School Local Education Aid Account
- 11 Davies — National School Breakfast & Lunch Program
- 12 School Construction Services
- 13 Office of the Postsecondary Commissioner
- 14 Higher Education and Industry Center
- 15 IGT STEM Scholarships
- 16 Department of Labor and Training
- 17 Job Development Fund
- 18 Contractor Training Restricted Receipt Account
- 19 Rhode Island Council on the Arts
- 20 Governors' Portrait Donation Fund
- 21 Statewide records management system account
- 22 SECTION 4. This act shall take effect on July 1, 2025.

=====  
LC000977/SUB A  
=====

EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- THE HEALTHCARE SERVICES  
FUNDING PLAN ACT

\*\*\*

1           This act would amend Rhode Island's existing healthcare services funding plan act by  
2 adding an account relating to a new psychiatry resource network to fund Rhode Island's present  
3 PediPRN and MomsPRN, as well as similar programs which may be added by regulation in the  
4 future. It would also add an assessment to those previously authorized by the healthcare services  
5 funding plan act for purposes of funding this new account.

6           This act would take effect on July 1, 2025.

=====  
LC000977/SUB A  
=====