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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

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A N A C T

RELATING TO INSURANCE -- UNIVERSAL AND UNIFIED HEALTHCARE SYSTEM
ACT

Introduced By: Representatives Stewart, Kislak, Potter, Tanzi, Handy, and Boylan

Date Introduced: February 26, 2026

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Legislative Findings.

2 The general assembly hereby finds and declares that:

3 (1) Healthcare is a fundamental human right, not a commodity, necessitating government
4 action to ensure universal access;

5 (2) Many residents of this state remain uninsured or underinsured, leading to systemic
6 inequities such as delayed care, worse health outcomes, and medical debt;

7 (3) A multi-payer system is complex and costly, with significant funds spent on overhead
8 rather than care, whereas single-payer systems allow significant savings and better cost control;

9 (4) Universal coverage stabilizes healthcare spending by preventing costly emergency care,
10 improving workforce productivity, and reducing the burden on businesses such as employer-
11 sponsored insurance; and

12 (5) Guaranteed access to primary and preventive care improves overall health for residents
13 in this state, reduces chronic disease burdens, and lowers mortality rates.

14 SECTION 2. Title 27 of the General Laws entitled "INSURANCE" is hereby amended by
15 adding thereto the following chapter:

16 [CHAPTER 84](#)

17 [UNIVERSAL AND UNIFIED HEALTHCARE SYSTEM ACT](#)

18 **27-84-1. Short title.**

1 This chapter shall be known and may be cited as the “Universal and Unified Healthcare
2 System Act” or “RICare Act”.

3 **27-84-2. Legislative purpose.**

4 The purpose of this chapter is to improve overall health for residents in this state by
5 guaranteeing access to primary and preventive care, and to stabilize healthcare spending by
6 providing universal insurance coverage.

7 **27-84-3. Definitions.**

8 As used in this chapter, the following words and terms shall have the following meanings
9 unless the context shall clearly indicate another or different meaning or intent:

10 (1) "Ambulance" means a vehicle specially equipped for taking sick or injured people to
11 and from the hospital, especially in emergencies pursuant to the terms set forth in chapter 4.1 of
12 title 23.

13 (2) "Autism spectrum disorders" means that term as defined in § 27-20.11-2.

14 (3) "Board" means the RICare board created in § 27-84-10.

15 (4) "Department" means the department of health.

16 (5) "Director" means the director of the department of health or designee.

17 (6) "Exchange" means the Rhode Island health benefits exchange established within the
18 department of administration by § 42-157-1.

19 (7) "Federal act" means the federal Patient Protection and Affordable Care Act, Public Law
20 111-148, as amended by the federal Healthcare and Education Reconciliation Act of 2010, Public
21 Law 111-152, and any regulations promulgated under those acts.

22 (8) "Fund" means the RICare fund created in § 27-84-26.

23 (9) "Gender affirming care" means the process of changing an individual's outward
24 appearance, including physical sex characteristics, to accord with the individual's gender identity.

25 (10) "Health carrier" means any of the following entities that are subject to the insurance
26 laws and regulations of this state or otherwise subject to the jurisdiction of the superintendent of
27 insurance and director of the Rhode Island department of business regulations:

28 (i) A health insurer;

29 (ii) A health maintenance organization;

30 (iii) A healthcare corporation;

31 (iv) A nonprofit dental care corporation; and

32 (v) Any other entity providing a plan of health insurance, health benefits, or health services.

33 (11) "Healthcare professional" means an individual, partnership, corporation, facility, or
34 institution licensed, registered, certified, or otherwise authorized by state law to provide

1 professional health services.

2 (12) "Healthcare system" means the city or town, state, or national system of delivering
3 health services, including administrative costs, capital expenditures, preventive care, and wellness
4 services.

5 (13) "Health service" means any treatment or procedure delivered by a healthcare
6 professional to maintain an individual's physical or mental health or to diagnose or treat an
7 individual's physical or mental health condition, including services ordered by a healthcare
8 professional for chronic care management, preventive care, wellness services, and medically
9 necessary services to assist in activities of daily living.

10 (14) "Hospice" means a health care program that provides a coordinated set of services
11 rendered at home or in outpatient or institutional settings for individuals suffering from a disease
12 or condition with a terminal prognosis.

13 (15) "Hospital" means any of the following:

14 (i) That term as defined in §§ 23-17-2 and 40.1-5-2; and

15 (ii) A hospital located outside of this state;

16 (16) "Integrated delivery system" means a group of healthcare professionals, associated
17 either through employment by a single entity or through a contractual arrangement, that provides
18 health services for a defined population of patients.

19 (17) "Manufacturers of prescribed products" means any of the following:

20 (i) A manufacturer as defined in § 5-19.1-2;

21 (ii) A primary caregiver as defined in § 21-28.6-3(24); and

22 (iii) A marijuana establishment licensee as defined in § 21-28.6-3 to include growers,
23 processors, medical marijuana cultivators, and cannabis testing laboratories;

24 (18) "Rhode Island Medicaid program" or "Medicaid" means that term as defined in § 40-
25 8.2-2.

26 (19) "Medicare" means the "Health Insurance for the Aged Act," 42 U.S.C. § 1395 et seq.,
27 as defined in § 27-18.2-1.

28 (20) "RICare" means the universal healthcare system established pursuant to the provisions
29 of this chapter and designed to provide healthcare coverage through a simplified, public
30 administrative system and single claims payment system.

31 (21) "RIChild" means the "1993 Health Care Act for Children and Pregnant Women"
32 pursuant to chapter 12.3 of title 42.

33 **27-84-4. Director's responsibilities.**

34 (a) The director shall coordinate healthcare system reform efforts among executive branch

1 agencies, departments, and offices and shall coordinate with the board.

2 (b) The director shall ensure that executive branch agencies, departments, and offices
3 responsible for the development, improvement, and implementation of this state's healthcare
4 system reform do so in a manner that is coordinated, timely, equitable, patient-centered, and
5 evidence-based and that seeks to inform and improve the quality of patient care and public health,
6 contain costs, and attract and retain well-paying jobs in this state.

7 (c) The director, when invited, shall provide information and testimony on the efforts under
8 this chapter to the house and senate committees on health and human services.

9 (d) The director shall supervise and oversee, as appropriate, the planning efforts, a
10 continuation of the planning necessary to ensure an adequate, well-trained primary care workforce;
11 necessary retraining for any employees dislocated from healthcare professionals or from health
12 carriers because of the simplification in the administration of healthcare; consolidation of multiple
13 payment sources into a single payment system; and unification of health system planning,
14 regulation, and public health.

15 **27-84-5. Administrative process.**

16 (a) The healthcare reform efforts under this chapter shall include simplified administration
17 processes and delivery reform in order to have a publicly financed and publicly administered
18 program of universal and unified healthcare operational after the occurrence of specific events,
19 including the receipt of a waiver from the federal health benefit exchange requirement from the
20 United States Department of Health and Human Services.

21 (b) In order to begin the planning efforts, the director shall establish a strategic plan that
22 includes timelines and allocations of the responsibilities associated with healthcare system reform,
23 to improve health outcomes, to further this state's existing healthcare system reform efforts, and to
24 further all the requirements of this chapter.

25 **27-84-6. Eligibility.**

26 (a) As provided in this chapter, all residents of this state are eligible for RICare, a universal
27 healthcare program that shall provide healthcare coverage through a single payment system. To the
28 maximum extent allowable under federal law and through waivers from requirements of federal
29 law, RICare includes healthcare coverage provided under Medicaid, under Medicare, under
30 RIChild, by employers that choose to participate, and to town, city and state government
31 employees.

32 (b) If the federal act as defined in § 27-84-3, is modified by congressional, judicial, or
33 federal administrative action that prohibits implementation of a health benefit exchange; eliminates
34 federal funds available to individuals, employees, or employers; or eliminates the waiver under §

1 1332 of the federal act, 42 USC 18052, the director shall continue, and adjust as appropriate, the
2 planning and cost containment activities provided in this chapter related to RICare and to creation
3 of a unified, simplified administration and payment system, including identifying the financing
4 impacts of such a modification on this state and its effects on the activities provided for in this
5 chapter.

6 **27-84-7. Waivers, exemptions, agreements and legislation.**

7 The director shall obtain waivers, exemptions, agreements, legislation, or a combination of
8 these items to ensure that, to the extent possible under federal law, all federal payments provided
9 within this state for health services are paid directly to RICare. RICare shall assume responsibility
10 for the benefits and services previously paid for by the federal programs, including Medicaid,
11 Medicare, RICchild and, after implementation, the exchange. In obtaining the waivers, exemptions,
12 agreements, legislation, or combination of those items, the director shall negotiate with the federal
13 government a federal contribution for healthcare services in this state that reflects medical inflation,
14 the state gross domestic product, the size and age of the population, the number of residents of this
15 state living below the poverty level, the number of Medicare-eligible individuals, and other factors
16 that may be advantageous to this state and shall not decrease in relation to the federal contribution
17 to other states as a result of the waivers, exemptions, agreements, or savings from implementation
18 of RICare.

19 **27-84-8. Development of a work plan.**

20 The board, in collaboration with the director, shall develop a work plan for the board. The
21 board may include in the work plan any necessary processes for implementation of the board's
22 duties, a timeline for implementation of the board's duties, and a plan for ensuring sufficient staff
23 to implement the board's duties. The board shall submit the work plan developed under this section
24 to the house and senate committees on health and human services not later than January 1, 2027.

25 **27-84-9. Framework.**

26 As a framework for reforming healthcare in this state, the director shall utilize and ensure
27 that the healthcare system in this state satisfies all of the following principles:

28 (1) That universal access to and coverage for high-quality, medically necessary health
29 services is ensured for all residents of this state;

30 (2) That systemic barriers including, but not limited to, cost, inadequate information,
31 transportation needs, and geographic distribution of providers, shall not prevent residents of this
32 state from accessing necessary health services;

33 (3) That all residents of this state receive affordable and appropriate health services at the
34 appropriate time in the appropriate setting;

1 (4) That overall costs for health services are contained and that growth in healthcare
2 spending in this state balances the healthcare needs of the population with the ability to pay for
3 necessary health services;

4 (5) That the healthcare system in this state be transparent in design, efficient in operation,
5 and accountable to the residents of this state. The director shall ensure public participation by
6 residents of this state in the design, implementation, evaluation, and accountability mechanisms of
7 the healthcare system;

8 (6) That primary care be preserved and enhanced so that residents of this state have health
9 services available to them, preferably within their own communities. Other aspects of this state's
10 healthcare infrastructure including, but not limited to, the educational and research missions of the
11 state's academic medical institution and other postsecondary educational institutions, the missions
12 of hospitals, public health and population health missions of public and private community health
13 organizations, and the critical access must be supported in such a way that all residents of this state
14 have access to necessary health services and that these health services are sustainable;

15 (7) That care for mental health and physical health is coordinated and integrated, that
16 mental healthcare be covered at parity with physical healthcare, and that to the extent practical,
17 patients can access mental health and physical healthcare in the same settings;

18 (8) That every resident of this state is able to choose their healthcare professionals;

19 (9) That residents of this state are aware of the costs of the health services they receive. For
20 this purpose, the cost of health services should be transparent and easy to understand;

21 (10) That the healthcare system recognizes the primacy of the relationship between a
22 patient and the patient's healthcare professionals, respecting the professional judgment of
23 healthcare professionals and the informed decisions of patients;

24 (11) That this state's healthcare system seeks continuous improvement of healthcare quality
25 and safety and of the health of the residents of this state and reduce morbidity and increase life
26 expectancy. For this reason, the director shall ensure that the system is evaluated regularly for
27 improvements in access, outcomes, and cost containment;

28 (12) That appropriate rules and enforcement mechanisms are in place to ensure that
29 healthcare provider work hours and staffing ratios support the health and safety of both providers
30 and patients;

31 (13) That this state's healthcare system includes mechanisms for containing all system costs
32 and eliminating unnecessary expenditures, including by reducing administrative costs, by reducing
33 costs that do not contribute to improved health outcomes, and by leveraging the unified payment
34 system to negotiate prices. The director shall ensure that efforts to reduce overall healthcare costs

1 identify sources of excess cost growth;

2 (14) That the system shall enable healthcare professionals to provide, on a solvent basis,
3 effective and efficient health services that are in the public interest; and

4 (15) That this state's healthcare system operates as a partnership between patients,
5 consumers, employers, healthcare professionals, hospitals, and the state and federal governments.

6 **27-84-10. Creation of the RICare board.**

7 (a) The RICare board is created as an independent entity within the department with the
8 powers and duties as provided for under this chapter. The department shall provide suitable office
9 space for the board and the employees of the board.

10 (b) The board shall promote the general good of this state by doing all of the following:

11 (1) Improving the health of the residents of this state as measured by rates of disability,
12 disease, and life expectancy;

13 (2) Reducing the per-capita rate of growth in expenditures for health services in this state
14 across all payers while ensuring that access to health services and the quality of health services
15 received by residents of this state are not compromised;

16 (3) Enhancing the patient and healthcare professional experience during the delivery of
17 health services;

18 (4) Recruiting and retaining high-quality healthcare professionals;

19 (5) Achieving administrative simplification in healthcare financing and delivery; and

20 (6) Consolidating as many payment sources as feasible into a unified claims payment
21 system.

22 **27-84-11. RICare board composition.**

23 (a) Within the department of health, there shall be an RICare board appointed by the
24 director with the approval of the governor. Composition of board members: The board shall consist
25 of sixteen (16) members who reside in the State of Rhode Island. The board shall include members
26 with the following types of experience:

27 (1) Two (2) members with experience or expertise in public health;

28 (2) One member with experience or expertise in healthcare financing or healthcare
29 economics;

30 (3) Two (2) members with experience or expertise in healthcare benefit design;

31 (4) One member with experience or expertise in healthcare administration;

32 (5) One member who is a licensed healthcare professional with recent experience in
33 primary care;

34 (6) One member who is a licensed healthcare professional with recent experience in acute

1 care:

2 (7) One member who is a licensed healthcare professional with recent experience in mental
3 healthcare or behavioral health;

4 (8) One member who is a licensed healthcare professional with recent experience in dental
5 care;

6 (9) One member who is a licensed physician;

7 (10) One member who is a registered nurse;

8 (11) One member who is eligible for community mental health services at the time of initial
9 nomination;

10 (12) One member who is eligible for Medicare at the time of initial nomination;

11 (13) One member who is eligible for employer health coverage at the time of initial
12 nomination; and

13 (14) One member who is eligible for Medicaid at the time of initial nomination.

14 (b) Appointments for the initial term shall be for one year for every appointment for an odd
15 number appointment designated pursuant to subsection (a) of this section, and the initial
16 appointment for even number appointments shall be for a two (2) year term.

17 (c) The board shall be appointed for staggered terms. After the initial appointment all terms
18 shall be for two (2) years. No member shall serve more than three (3) consecutive terms. Upon the
19 death, resignation, or removal of any member, the director, with the approval of the governor, shall
20 appoint to fill vacancies, as they occur, a qualified person to serve on the board for the remainder
21 of vacant member's term or until the vacant member's successor is appointed and qualified.

22 (d) The board shall elect, at its first meeting of the calendar year, from its members a chair
23 and other officers as it deems appropriate and necessary to conduct business. The chair shall preside
24 at meetings of the board, be responsible for the performance of all duties and functions of the board
25 and shall perform those duties customarily associated with the position in addition to other duties
26 assigned by the board. The board shall designate a member to serve in the absence of the chair.

27 (e) The chair and any other officer shall serve a term of one year commencing with the day
28 of their election and ending upon the election of their successor.

29 (f) The director may remove any member of the board for the neglect of any duty required
30 by law or for any incompetent, unprofessional, or dishonorable conduct. Before beginning their
31 term of office, each member shall take the oath prescribed by law, a record of which shall be filed
32 with the secretary of state.

33 (g) A board member may be suspended or removed by the director for unprofessional
34 conduct; refusal or inability of a board member to perform their duties as a member of the board in

1 an efficient, responsible, and professional manner; conviction of a felony or of a crime related to
2 the practice of the healthcare profession; failure to meet the qualifications of this statute; or
3 committing any act prohibited by this statute.

4 (h) Members of the board shall not receive compensation for their attendance at official
5 meetings of the board, or attendance at any meeting that would constitute official board business,
6 including teleconference calls or other board responsibilities.

7 (i) The board shall meet at least quarterly. The board may hold additional meetings at the
8 call of the chair or at the written request of any three (3) members of the board. The chair of the
9 board shall have the authority to call other meetings at chair's discretion.

10 (j) A quorum shall be necessary to conduct official board business or any committee
11 thereof. A majority of the members shall constitute a quorum. The board may enter into executive
12 (closed) session according to relevant law.

13 **27-84-12. Advisory groups and subcommittees to the board.**

14 (a) The board may establish additional advisory groups and subcommittees as needed to
15 carry out their duties. The board shall appoint diverse healthcare professionals and consumers
16 demographically representative of the population of this state to the additional advisory groups and
17 subcommittees as appropriate.

18 (d) In carrying out its duties under this chapter, the board shall seek the advice of
19 appropriate individuals and entities regarding the policies, procedures, and rules established under
20 this chapter. Appropriate individuals and entities are those who represent the interests of residents
21 of this state who are patients and consumers of health services and healthcare coverage and who
22 may suggest policies, procedures, or rules to the board to protect those patients' and consumers'
23 interests.

24 **27-84-13. RICare board's powers and duties.**

25 (a) The board shall execute its powers and duties under this chapter consistent with the
26 principles expressed in this chapter.

27 (b) The board shall do all of the following:

28 (1) Oversee the development and implementation, and evaluate the effectiveness of
29 healthcare payment and delivery system reforms designed to control the rate of growth in the costs
30 of health services and maintain healthcare quality in this state.

31 (2) As provided in this subsection, promulgate rules to implement methodologies for
32 achieving payment reform and containing costs and improving outcomes. Rules may relate to the
33 creation of healthcare professional cost-containment or outcome targets, bundled payments, risk-
34 adjusted capitated payments, or other uniform payment methods and amounts for integrated

1 delivery systems, healthcare professionals, or other provider arrangements. Before promulgating
2 rules under this subsection, the board shall report the board's proposed methodologies to the senate
3 house and senate committees on health and human services. In developing methodologies under
4 this subsection, the board shall engage residents of this state in seeking ways to equitably distribute
5 health services while acknowledging the connection between fair and sustainable payment and
6 access to healthcare.

7 (3) Review this state's healthcare information infrastructure to ensure that the necessary
8 standards, claims payment databases, electronic health records, and other infrastructure are in place
9 to enable this state to achieve the principles expressed in this chapter.

10 (4) Set rates for healthcare professionals, to be implemented over time, and make
11 adjustments to the rules on reimbursement methodologies as needed.

12 (5) Not later than March 1, 2027, and before promulgating rules, review the benefit package
13 for qualified health plans under the exchange. The board shall report to the house and senate
14 committees on health and human services not later than fifteen (15) days after its review of the
15 initial benefit package and any subsequent substantive changes to the benefit package.

16 (6) Develop and maintain a method for evaluating systemwide performance and quality,
17 including identification of the appropriate process and outcome measures as follows:

18 (i) For determining public and healthcare professional satisfaction with the healthcare
19 system;

20 (ii) For assessing the effectiveness of prevention and health promotion programs;

21 (iii) For cost containment and limiting the growth in expenditures for health services;

22 (iv) For determining the adequacy of the supply and distribution of healthcare resources in
23 this state;

24 (v) For determining and tracking rates of morbidity and premature mortality for relevant
25 populations, and determining and tracking life expectancy and other quantifiable indicators of
26 population health as appropriate;

27 (vi) For assessing the frequency and severity of medical errors and preventable adverse
28 outcomes;

29 (vii) For assessing the care received by RICare beneficiaries in relation to evidence-based
30 clinical practice guidelines;

31 (viii) For assessing the adequacy of staffing ratios and health provider work hour rules and
32 enforcement in protecting patients and providers;

33 (ix) For assessing the contribution of healthcare costs to personal and business bankruptcies
34 in this state before and after implementation of RICare;

1 (x) For determining timeliness of healthcare service delivery;

2 (xi) To address access to and quality of mental health and substance abuse services; and

3 (xii) For other indicators as determined by the board.

4 (7) Not later than January 1, 2028, study the feasibility of replacing health coverage for
5 accidental bodily injury currently provided by motor vehicle insurers, with RICare coverage. The
6 board shall report to the house and senate committees on health and human services not later than
7 fifteen (15) days after completing its study on the differences in covered benefits, projected costs,
8 projected reductions in motor vehicle insurance premiums, assets available to the catastrophic
9 claims to pay motor vehicle health claims and proposed additional revenue sources.

10 (8) Not later than March 1, 2028, study the feasibility of replacing health coverage
11 currently provided under workers' disability compensation with RICare coverage. The board shall
12 report to the house and senate committees on health and human services not later than fifteen (15)
13 days after completing its study on the differences in covered benefits, federal requirements for state
14 workers' compensation systems, projected costs, projected reductions in workers' compensation
15 insurance premiums to pay workers' compensation health claims, and proposed additional revenue
16 sources.

17 (9) Not later than November 1, 2027, study the feasibility of including long-term care in
18 the RICare benefits package. The board shall report to the house and senate committees on health
19 and human services not later than fifteen (15) days after completing its study on the need for long-
20 term care services in this state, the relative value of covering attendant and home care services to
21 enable care in the least restrictive environment, the advisability of setting separate procedures to
22 establish residency for long-term care coverage eligibility, projected costs, federal funding
23 available to pay long-term care claims, and proposed additional revenue sources.

24 (c) The board shall do all of the following with regard to RICare:

25 (1) Before implementing RICare, consider recommendations from the department, and
26 define the RICare benefit package within the parameters established in §§ 27-84-18 through 27-
27 84-29.

28 (2) When providing its recommendations for the benefit package under subsection (c)(1)
29 of this section, present a report on the benefit package proposal to the house and senate committees
30 on health and human services. The report shall describe the health services to be covered in the
31 RICare benefit package. If the general assembly is not in session at the time that the board makes
32 its recommendations, the board shall send its report electronically or by first-class mail to each
33 member of the house and senate committees on health and human services.

34 (3) Before implementing RICare and annually after implementation, recommend to the

1 general assembly and the governor a three (3) year RICare budget pursuant to § 27-84-25, to be
2 adjusted annually in response to realized revenues and expenditures, that reflects any modifications
3 to the benefit package and includes recommended appropriations, revenue estimates, and necessary
4 modifications to tax rates, fees, and other assessments, if any.

5 (d) On or before January 15, 2027, and each January 15 thereafter, the board shall submit
6 a report of its activities for the preceding state fiscal year to the house and senate committees on
7 health and human services. The report shall include any changes to the payment rates for healthcare
8 professionals under § 27-84-14, any new developments with respect to health information
9 technology, the evaluation criteria adopted under subsection (b)(6) of this section and any related
10 modifications, the results of the systemwide performance and quality evaluations required by
11 subsection (b)(6) of this section and any resulting recommendations, the process and outcome
12 measures used in the evaluation, any recommendations for modifications to state law, and any
13 actual or anticipated impacts on the work of the board as a result of modifications to federal laws,
14 regulations, or programs. The report shall identify how the work of the board comports with the
15 principles expressed in this chapter.

16 (e) All reports prepared by the board shall be available to the public on request and shall
17 be posted on the board's internet website.

18 **27-84-14. Payment rates.**

19 (a) The board shall ensure payments to healthcare professionals that are consistent with
20 efficiency, economy, and quality of care and that shall permit healthcare professionals to provide,
21 on a solvent basis, effective and efficient health services that are in the public interest. The board
22 shall ensure that the amount paid to healthcare professionals is sufficient to enlist enough healthcare
23 professionals to ensure that health services are available to all residents of this state and are
24 distributed equitably.

25 (b) The board shall set reasonable rates for healthcare professionals, manufacturers and
26 retailers of prescribed products, medical supply companies, and other companies providing health
27 services or health supplies based on methodologies pursuant to § 27-84-13, in order to have a
28 consistent reimbursement amount accepted by these persons. The board shall also set rates for
29 covered benefits provided by persons who are not licensed healthcare professionals that provide
30 services such as home services and transportation services. In establishing rates, the board may
31 consider legitimate differences in costs among healthcare professionals, including the cost of
32 providing a specific necessary service or services that may not be available in this state, and the
33 need for healthcare professionals in particular areas of this state, particularly in underserved
34 practice shortage areas. This subsection shall not limit the ability of a healthcare professional to

1 accept less than the rate established in this subsection from a patient without health insurance or
2 other coverage for the health service received.

3 (c) The board shall approve payment methodologies that encourage cost containment;
4 provision of high-quality, evidence-based health services in an integrated setting; patient self-
5 management; access to primary care health services for underserved individuals, populations, and
6 areas; and healthy lifestyles. The payment methodologies shall be consistent with evidence-based
7 practices and may include fee-for-service payments if the board determines those payments to be
8 appropriate.

9 (d) To the extent required to avoid federal antitrust violations and in furtherance of the
10 policy identified in subsection (a) of this section, the board shall facilitate and supervise the
11 participation of healthcare professionals in the process described in subsection (b) of this section.

12 (e) As a base rate for any benefit described in § 27-84-13 that is covered by Medicare Part
13 A or B, the board shall set a rate that is fifty (50%) percent more than the rate provided by Medicare.
14 The board may adjust the base rate to ensure access to services in specific geographic areas or types
15 of care, or to improve outcomes or control costs in accordance with § 27-84-13.

16 (f) As a base rate for coverage of a medical device or prescription drug that is covered by
17 the Department of Veterans Affairs, the board shall set the rate equal to the rate provided by the
18 Department of Veterans Affairs. The board may adjust the base rate to ensure access to medically
19 necessary devices or drugs, or to improve outcomes or control costs in accordance with § 27-84-
20 13.

21 **27-84-15. State and federal privacy laws.**

22 The director shall ensure that, in accordance with state and federal privacy laws, the board
23 has access to data and analysis held by any executive branch agency, department, or office that is
24 necessary to carry out the board's powers and duties as described in this chapter.

25 **27-84-16. Promulgation of rules.**

26 The board may promulgate rules under chapter 35 of title 42 (“administrative procedures”),
27 as needed to carry out this chapter. If promulgating rules relating to the RICare benefit package,
28 the director shall ensure that the rules are consistent with the benefit package defined by the board
29 under this chapter.

30 **27-84-17. Adoption of procedures.**

31 (a) The board shall adopt procedures for administrative appeals of its actions, orders, or
32 other determinations. The procedures shall provide for the issuance of a final order and the creation
33 of a record sufficient to serve as the basis for judicial review under subsection (b) of this section.

34 (b) A person aggrieved by a final action, order, or other determination of the board is

1 entitled, on exhaustion of all administrative appeals available under subsection (a), to judicial
2 review.

3 **27-84-18. Purpose of RICare.**

4 RICare is established to provide, as a public good, comprehensive, affordable, high-quality,
5 publicly financed, and publicly administered healthcare coverage for all residents of this state in a
6 seamless and equitable manner regardless of income, assets, health status, or availability of other
7 health coverage. RICare must improve value in healthcare by doing all of the following:

8 (1) Establishing innovative payment mechanisms to improve outcomes and contain costs;

9 (2) Reducing unnecessary administrative expenditures through a publicly administered
10 system; and

11 (3) Negotiating lower prices with the leverage of a unified payment system.

12 **27-84-19. Implementation.**

13 (a) RICare shall be implemented ninety (90) days after the last of the following to occur:

14 (1) Receipt of a waiver under § 1332 of the federal act, 42 USC 18052(b);

15 (2) Enactment of a law establishing the financing for RICare;

16 (3) Approval by the board of the initial RICare benefit package under § 27-84-13;

17 (4) Enactment of the appropriations for the initial RICare benefit package proposed by the
18 board under § 27-84-13; and

19 (5) A determination by the board that each of the following conditions shall be met:

20 (i) When implemented, RICare shall not have a negative aggregate impact on this state's
21 economy;

22 (ii) The financing for RICare is sustainable;

23 (iii) Administrative expenses shall be reduced;

24 (iv) Cost-containment efforts shall result in a reduction in the rate of growth in this state's
25 per capita healthcare spending; and

26 (v) Healthcare professionals shall be reimbursed at levels sufficient to allow this state to
27 recruit and retain high-quality healthcare professionals.

28 (b) As soon as allowed under federal law, the director shall seek a waiver to allow this state
29 to suspend operation of the exchange and to enable this state to receive the appropriate federal fund
30 contribution in lieu of the federal premium tax credits, cost-sharing subsidies, and small business
31 tax credits provided in the federal act. The director may seek a waiver from other provisions of the
32 federal act as necessary to ensure the operation of RICare.

33 **27-84-20. Ineligibility.**

34 (a) On implementation, a resident of this state is eligible for RICare, regardless of whether

1 an employer offers health insurance for which the resident is eligible. The department shall
2 promulgate rules under chapter 35 of title 42 (“administrative procedures”), as needed to carry out
3 this chapter to establish standards for proof and verification that an individual is a resident of this
4 state.

5 (b) Except as otherwise provided in this subsection, if an individual is determined to be
6 eligible for RICare based on information later found to be false, the department shall make
7 reasonable efforts to recover from the individual the amounts expended through RICare for health
8 services on the individual's behalf. In addition, if the individual knowingly provided the false
9 information, the individual is subject to an administrative fine of not more than one thousand
10 (\$1,000) dollars. The department shall include information on the RICare application to provide
11 notice to applicants of the penalty for knowingly providing false information as established in this
12 subsection. An individual determined to be eligible for RICare whose health services are paid in
13 whole or in part by Medicaid funds who commits fraud is subject to The State False Claim Act,
14 chapter 1.1 of title 9 (“the state false claim act”), instead of the administrative penalty described in
15 this subsection. This subsection does not limit or restrict prosecutions under any applicable
16 provision of law.

17 (c) Except as otherwise provided in this section, a person who is not a resident of this state
18 is not eligible for RICare. Except as otherwise provided in this subsection, an individual covered
19 under RICare shall inform the department not later than sixty (60) days after becoming a resident
20 of another state. An individual who obtains or attempts to obtain health services through RICare
21 more than sixty (60) days after becoming a resident of another state shall reimburse the department
22 for the amounts expended for the individual's care and is subject to an administrative penalty of not
23 more than five hundred dollars (\$500) for a first violation and not more than one thousand dollars
24 (\$1,000) for any subsequent violation. An individual whose health services are paid in whole or in
25 part by Medicaid funds who obtains or attempts to obtain health services through RICare more than
26 sixty (60) days after becoming a resident of another state is subject to chapter 1.1 of title 9 (“the
27 state false claim act”), instead of the administrative penalty described in this subsection. This
28 subsection does not limit or restrict prosecutions under any applicable provision of law.

29 (d) Administrative penalties collected under this section must be transmitted to the state.

30 **27-84-21. Enrollment procedures established.**

31 (a) The department shall establish a procedure to enroll residents of this state in RICare.
32 The department shall develop and implement a program to train department employees and
33 community health workers to enroll residents in RICare.

34 (b) The department shall promulgate rules set forth under chapter 35 of title 42

1 (“administrative procedures”), to establish a process to allow healthcare professionals to presume
2 an individual is eligible based on the information provided on a simplified application. After
3 submission of the application, the department shall collect additional information as necessary to
4 determine whether Medicaid, Medicare, RIChild, or other federal funds may be applied toward the
5 cost of the health services provided but shall provide payment for any health services received by
6 the individual from the time the application is submitted. If an individual presumed eligible for
7 RICare under this subsection is later determined not to be eligible for the program, the department
8 shall make reasonable efforts to recover from the individual the amounts expended through RICare
9 for health services on the individual's behalf.

10 (c) The department shall promulgate rules set forth in chapter 35 of title 42 (“administrative
11 procedures”), to ensure that residents of this state who are temporarily out of the state and who
12 intend to return and reside in this state remain eligible for RICare while outside this state.

13 (d) A nonresident visiting this state, or the individual's health carrier, shall be billed for all
14 health services received by that individual in this state. The department may enter into
15 intergovernmental arrangements or contracts with other states and countries to provide reciprocal
16 coverage for temporary visitors and shall promulgate rules under set forth in chapter 35 of title 42
17 (“administrative procedures”), to carry out this subsection.

18 **27-84-22. Coverage for medical benefits.**

19 (a) RICare includes coverage for medically necessary benefits including, but not limited
20 to, all of the following:

21 (1) Primary care;

22 (2) Preventive care;

23 (3) Chronic care;

24 (4) Acute episodic care;

25 (5) Hospital services;

26 (6) Behavioral health services;

27 (7) Prescription drugs;

28 (8) Medical devices;

29 (9) Dental care;

30 (10) Vision care;

31 (11) Hearing care;

32 (12) Care for substance use disorder;

33 (13) Reproductive healthcare and obstetrical care;

34 (14) Long-term care, including in-home care;

1 (15) Laboratory services, including blood lead testing for a child who is not seven (7) years
2 of age, in accordance with Centers for Disease Control guidelines;

3 (16) Gender affirming care;

4 (17) Organ donation and transplantation;

5 (18) Treatment of autism spectrum disorders;

6 (19) Ambulance services;

7 (20) Hospice care; and

8 (21) Telehealth services.

9 (b) The benefits package for all RICare recipients shall, at a minimum, include any
10 essential benefits for plans under the federal act defined in § 27-84-3.

11 (c) RICare shall not include premiums or cost-sharing requirements. The board shall not
12 impose deductibles, co-insurance, co-pays, or individual caps on coverage amounts. The board
13 shall include all costs of covered benefits in the budget recommended to the general assembly under
14 § 27-84-26, without assuming any revenue shall be derived from premiums or cost-sharing.

15 (d) RICare shall not discriminate in the design and administration of benefits or in the
16 payment of claims because of sexual orientation, gender identity, or disability.

17 (e) RICare shall not limit coverage for preexisting conditions.

18 (f) The board shall approve the benefit package and present it to the general assembly as
19 part of its recommendations for the RICare budget.

20 **27-84-23. RICare benefit package.**

21 (a) For individuals eligible for Medicaid or RICChild, the RICare benefit package shall
22 include the benefits required by federal law, as well as any additional benefits provided as part of
23 the RICare benefit package.

24 (b) On implementation of RICare, the benefit package for individuals eligible for Medicaid
25 or RICChild shall also include any optional Medicaid benefits under 42 USC 1396d or health services
26 covered under RICChild as provided in 42 USC 1397cc. Beginning with the second year of RICare
27 and going forward, the board may, consistent with federal law, modify these optional benefits,
28 while at all times the benefit package for these individuals includes at least the benefits described
29 in subsection (a) of this section.

30 (c) For children eligible for benefits paid for with Medicaid or RICChild funds, the RICare
31 benefit package shall include early and periodic screening, diagnosis, and treatment services as
32 defined under federal law.

33 (d) For individuals eligible for Medicare, the RICare benefit package shall include the
34 benefits provided to these individuals under federal law, and any additional benefits provided as

1 part of the RICare benefit package.

2 **27-84-24. Administering RICare.**

3 (a) The department shall administer RICare. The department shall not enter into contracts
4 with nongovernmental entities to administer claims or payments, design benefits, administer
5 appeals, or provide customer service.

6 (b) If the department receives a federal waiver to administer Medicaid or RICHild programs
7 as part of RICare, the department shall not renew any contract with a managed care organization.

8 (c) In hiring staff necessary to administer RICare, the department shall develop and
9 implement procedures consistent with civil service rules to preferentially recruit individuals
10 displaced from health carriers and health provider administration because of efficiency gains in the
11 administration of healthcare.

12 **27-84-25. Individuals and supplemental insurance.**

13 (a) This chapter does not require an individual with health coverage other than RICare to
14 terminate that coverage.

15 (b) An individual enrolled in RICare may elect to maintain supplemental health insurance
16 if the individual so chooses.

17 (c) Residents of this state shall not be billed any additional amount for the receipt of health
18 services covered by RICare.

19 (d) The executive office of health and human services (EOHHS) shall administer Medicaid
20 and, in conjunction with the office of the health insurance commissioner (OHIC), regulate Medicare
21 supplement. RICare shall be the secondary payer with respect to any health service that may be
22 covered in whole or in part by Medicare.

23 (e) RICare shall be the secondary payer with respect to any health service that may be
24 covered in whole or in part by any other health benefit plan including, but not limited to, private
25 health insurance, retiree health benefits, or federal health benefit plans offered by the department
26 of veterans affairs, by the military, or to federal employees.

27 (f) The department may seek a waiver under 42 USC 1315 to include Medicaid and under
28 42 USC 1397gg to include RICHild in RICare. If the department is unsuccessful in obtaining one
29 or both of these waivers, RICare shall be the secondary payer with respect to any health service
30 that may be covered in whole or in part by Medicaid or RICHild, as applicable.

31 (g) Any prescription drug coverage offered by RICare shall be consistent with the standards
32 and procedures applicable under §§ 27-18-33, 27-19-42, 27-20-23, 27-20.1-15, 27-41-51 and 27-
33 55-2.

34 (h) RICare shall maintain a robust and adequate network of healthcare professionals

1 located in this state or regularly serving residents of this state, including mental health and
2 substance abuse professionals. RICare may establish procedures and incentives to ensure sufficient
3 healthcare providers. The department shall contract with outside entities as needed to allow for the
4 appropriate portability of coverage under RICare for residents of this state who are temporarily out
5 of this state.

6 (i) The department shall make available the necessary information, forms, access to
7 eligibility or enrollment systems, and billing procedures to healthcare professionals to ensure
8 immediate enrollment for individuals in RICare at the point of service or treatment.

9 (j) An individual aggrieved by an adverse decision of the department or board may appeal
10 that final decision in the manner provided in §§ 27-19-42, 27-20.1-15 and 27-41-51.

11 (k) The department, in collaboration with other relevant departments, shall monitor the
12 extent to which residents of other states move to this state for the purpose of receiving health
13 services and the impact, positive or negative, of any such migration on this state's healthcare system
14 and on this state's economy, and make appropriate recommendations to the general assembly based
15 on its findings.

16 **27-84-26. Funding.**

17 The board, in collaboration with the department, shall annually develop a three (3) year
18 RICare budget for proposal to the general assembly and to the governor, to be adjusted annually in
19 response to realized revenues and expenditures, that reflects any modifications to the benefit
20 package and includes recommended appropriations, revenue estimates, and necessary
21 modifications to tax rates and other assessments. The budget shall not include cost sharing or
22 premiums.

23 **27-84-27. State treasury.**

24 (a) The RICare fund is created in the state treasury as the single source to finance healthcare
25 coverage for RICare.

26 (b) The general treasurer may receive money or other assets from any source for deposit
27 into the fund. The general treasurer shall direct the investment of the fund. The general treasurer
28 shall credit to the fund interest and earnings from fund investments. The general treasurer shall
29 deposit all of the following into the fund:

30 (1) Transfers or appropriations from the general fund, authorized by the general assembly.

31 (2) If authorized by a waiver from federal law, federal funds for Medicaid, Medicare,
32 RIChild, and the exchange.

33 (3) The proceeds from grants, donations, contributions, taxes, and any other sources of
34 revenue as may be provided by statute or by rule.

1 (4) Administrative fines collected under this chapter.

2 (c) Money in the fund at the close of the fiscal year shall remain in the fund and shall not
3 lapse to the general fund. The department is the administrator of the fund for auditing purposes.

4 (d) The department shall expend money from the fund, on appropriation, only for one or
5 more of the following purposes:

6 (1) The administration and delivery of and payment for health services covered by RICare
7 as provided in this chapter.

8 (2) Expenses related to the duties and operation of the board including, but not limited to,
9 administrative and implementation staff.

10 **27-84-28. Collective bargaining.**

11 This chapter does not limit the ability of collective bargaining units to negotiate for
12 healthcare coverage pursuant to law. This chapter does not supersede existing collective bargaining
13 agreements.

14 **27-84-29. Public input.**

15 The department shall provide a process for soliciting public input on the RICare benefit
16 package on an ongoing basis, including a mechanism by which members of the public may request
17 inclusion of particular benefits or services. The process may include receiving written comments
18 on proposed new or amended rules or holding public hearings, or both.

19 **27-84-30. Liberal construction.**

20 This chapter, being necessary for the welfare of the state and its inhabitants, shall be
21 liberally construed so as to effectuate its purposes.

22 **27-84-31. Severability.**

23 If any clause, sentence, paragraph, section, or part of this chapter shall be adjudged by any
24 court of competent jurisdiction to be unconstitutional or otherwise invalid, that judgment shall not
25 affect, impair, or invalidate the remainder of this chapter but shall be confined in its operation to
26 the clause, sentence, paragraph, section, or part directly involved in the controversy in which that
27 judgment shall have been rendered.

28 SECTION 3. This act shall take effect upon passage.

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LC004382
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO INSURANCE -- UNIVERSAL AND UNIFIED HEALTHCARE SYSTEM
ACT

1 This act would establish a universal and unified healthcare system and reform the current
2 payment system for healthcare coverage in this state by creating a board and prescribing its powers
3 and duties; prescribing the powers and duties of state, city and town governmental officials and
4 agencies; establishing a fund; providing for the promulgation of rules; and prescribing penalties
5 and remedies.

6 This act would take effect upon passage.

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