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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

Introduced By: Senators Bissaillon, Ciccone, Tikoian, Gallo, Murray, and DiMario

Date Introduced: January 16, 2026

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 27-18-54 of the General Laws in Chapter 27-18 entitled "Accident
2 and Sickness Insurance Policies" is hereby amended to read as follows:

3 **27-18-54. Health insurance rates.**

4 No insurance company organized as a stock or mutual corporation that merges or
5 consolidates with, acquires ownership or control or possession of twenty percent (20%) or greater
6 of the operating assets of, or otherwise acquires control of a nonprofit hospital service corporation
7 organized under chapter 19 of this title, a nonprofit medical service corporation organized under
8 chapter 20 of this title, or a health maintenance organization organized under chapter 41 of this title
9 may: (1) File with any state agency for review or approval any proposed rate to be used by the
10 company in the state; ~~or~~ (2) Charge to any party in the state any rate or premium, that takes into
11 account or reflects in any manner the value of any contribution, distribution, or allocation the
12 company expends or incurs in establishing or funding a charitable foundation organized to maintain
13 or account for the assets of a nonprofit hospital service corporation, nonprofit medical service
14 corporation, or health maintenance organization; or (3) Pay a rate that is less than the approved
15 Medicaid rate set by the executive office of health and human services. For any rate that is to be
16 charged to policy holders, regardless of whether the rate is subject to approval by a state agency
17 under this or another chapter, the company shall at least thirty (30) days before implementing the
18 rate submit under oath to the commissioner of insurance an accounting that documents the cost
19 structure on which the rate is based and demonstrates the company's compliance with this section.

1 SECTION 2. Section 27-19-30.1 of the General Laws in Chapter 27-19 entitled "Nonprofit
2 Hospital Service Corporations" is hereby amended to read as follows:

3 **27-19-30.1. Health insurance rates.**

4 No insurance company organized as a stock or mutual corporation that merges or
5 consolidates with, acquires ownership or control or possession of twenty percent (20%) or greater
6 of the operating assets of, or otherwise acquires control of a nonprofit hospital service corporation
7 organized under this chapter, a nonprofit medical service corporation organized under chapter 20
8 of this title, or a health maintenance organization organized under chapter 41 of this title, may: (1)
9 File with any state agency for review or approval any proposed rate to be used by the company in
10 the state,~~or~~; (2) Charge to any party in the state any rate or premium that takes into account or
11 reflects in any manner the value of any contribution, distribution, or allocation the company
12 expends or incurs in establishing or funding a charitable foundation organized to maintain or
13 otherwise account for the assets of a nonprofit hospital service corporation, nonprofit medical
14 service corporation, or health maintenance organization; or (3) Pay a rate that is less than the
15 approved Medicaid rate set by the executive office of health and human services. For any rate that
16 is to be charged to policyholders, regardless of whether the rate is subject to approval by a state
17 agency under this or another chapter, the company shall at least thirty (30) days before
18 implementing the rate submit under oath to the commissioner of insurance an accounting that
19 documents the cost structure on which the rate is based and demonstrates the company's
20 compliance with this section.

21 SECTION 3. Section 27-20-25.2 of the General Laws in Chapter 27-20 entitled "Nonprofit
22 Medical Service Corporations" is hereby amended to read as follows:

23 **27-20-25.2. Health insurance rates.**

24 No insurance company organized as a stock or mutual corporation that merges or
25 consolidates with; acquires ownership or control or possession of twenty percent (20%) or greater
26 of the operating assets of; or acquires control of a nonprofit hospital service corporation organized
27 under chapter 19 of this title, a nonprofit medical service corporation organized under this chapter,
28 or a health maintenance organization organized under chapter 41 of this title may: (1) File with any
29 state agency for review or approval any proposed rate to be used by the company in the state,~~or~~; (2)
30 Charge to any party in the state any rate or premium, that takes into account or reflects in any
31 manner the value of any contribution, distribution, or allocation the company expends or incurs in
32 establishing or funding a charitable foundation organized to maintain or account for the assets of a
33 nonprofit hospital service corporation, nonprofit medical service corporation, or health
34 maintenance organization; or (3) Pay a rate that is less than the approved Medicaid rate set by the

1 [executive office of health and human services](#). For any rate that is to be charged to policyholders,
2 regardless of whether this rate is subject to approval by a state agency under this or another chapter,
3 the company shall at least thirty (30) days before implementing the rate submit under oath to the
4 commissioner of insurance an accounting that documents the cost structure on which the rate is
5 based and demonstrates the company's compliance with this section.

6 SECTION 4. Section 27-41-27.2 of the General Laws in Chapter 27-41 entitled "Health
7 Maintenance Organizations" is hereby amended to read as follows:

8 **27-41-27.2. Health insurance rates.**

9 No insurance company organized as a stock or mutual corporation that merges or
10 consolidates with, acquires ownership or control or possession of twenty percent (20%) or greater
11 of the operating assets of, or acquires control of a nonprofit hospital service corporation organized
12 under chapter 19 of this title, a nonprofit medical service corporation organized under chapter 20
13 of this title, or a health maintenance organization organized under chapter 41 of this title: (1) May
14 file with any state agency for review or approval any proposed rate to be used by the company in
15 the state, ~~or~~; (2) May charge to any party in the state any rate or premium, that takes into account
16 or reflects in any manner the value of any contribution, distribution, or allocation the company
17 expends or incurs in establishing or funding a charitable foundation organized to maintain or
18 account for the assets of a nonprofit hospital service corporation, nonprofit medical service
19 corporation, or health maintenance organization; [or \(3\) Pay a rate that is less than the approved](#)
20 [Medicaid rate set by the executive office of health and human services](#). For any rate that is to be
21 charged to policyholders, regardless of whether this rate is subject to approval by a state agency
22 under this or another chapter, the company shall at least thirty (30) days before implementing the
23 rate submit under oath to the commissioner of insurance an accounting that documents the cost
24 structure on which the rate is based and demonstrates the company's compliance with this section.

25 SECTION 5. This act shall take effect on January 1, 2027.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

- 1 This act would prohibit insurance companies from paying a rate that is less than the
- 2 approved Medicaid rate set by the executive office of health and human services.
- 3 This act would take effect on January 1, 2027.

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