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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

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A N A C T

RELATING TO INSURANCE - HEALTH INSURANCE POLICIES

Introduced By: Representatives Silva, and Serpa

Date Introduced: March 13, 2014

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 27-18-1.1 of the General Laws in Chapter 27-18 entitled "Accident  
2 and Sickness Insurance Policies" is hereby amended to read as follows:

3           **27-18-1.1. Definitions.** -- As used in this chapter:

4           (1) "Adverse benefit determination" means any of the following: a denial, reduction, or  
5 termination of, or a failure to provide or make payment (in whole or in part) for, a benefit,  
6 including any such denial, reduction, termination, or failure to provide or make payment that is  
7 based on a determination of an individual's eligibility to participate in a plan or to receive  
8 coverage under a plan, and including, with respect to group health plans, a denial, reduction, or  
9 termination of, or a failure to provide or make payment (in whole or in part) for, a benefit  
10 resulting from the application of any utilization review, as well as a failure to cover an item or  
11 service for which benefits are otherwise provided because it is determined to be experimental or  
12 investigational or not medically necessary or appropriate. The term also includes a rescission of  
13 coverage determination.

14           (2) "Affordable Care Act" means the federal Patient Protection and Affordable Care Act  
15 of 2010, as amended by the federal Health Care and Education Reconciliation Act of 2010, and  
16 federal regulations adopted thereunder.

17           (3) "Commissioner" or "health insurance commissioner" means that individual appointed  
18 pursuant to section 42-14.5-1 of the general laws.

19           (4) "Essential health benefits" shall have the meaning set forth in section 1302(b) of the

1 federal Affordable Care Act,

2 (5) "Grandfathered health plan" means any group health plan or health insurance  
3 coverage subject to 42 USC section 18011.

4 (6) "Group health insurance coverage" means, in connection with a group health plan,  
5 health insurance coverage offered in connection with such plan.

6 (7) "Group health plan" means an employee welfare benefit plan, as defined in 29 USC  
7 section 1002(1), to the extent that the plan provides health benefits to employees or their  
8 dependents directly or through insurance, reimbursement, or otherwise.

9 (8) "Health benefits" or "covered benefits" means coverage or benefits for the diagnosis,  
10 cure, mitigation, treatment, or prevention of disease, or amounts paid for the purpose of affecting  
11 any structure or function of the body including coverage or benefits for transportation primarily  
12 for and essential thereto, and including medical services as defined in R.I. Gen. Laws section 27-  
13 19-17;

14 (9) "Health care facility" means an institution providing health care services or a health  
15 care setting, including, but not limited to, hospitals and other licensed inpatient centers,  
16 ambulatory surgical or treatment centers, skilled nursing centers, residential treatment centers,  
17 diagnostic, laboratory and imaging centers, and rehabilitation and other therapeutic health  
18 settings.

19 (10) "Health care professional" means a physician or other health care practitioner  
20 licensed, accredited or certified to perform specified health care services consistent with state  
21 law.

22 (11) "Health care provider" or "provider" means a health care professional or a health  
23 care facility.

24 (12) "Health care services" means services for the diagnosis, prevention, treatment, cure  
25 or relief of a health condition, illness, injury or disease.

26 (13) "Health insurance carrier" means a person, firm, corporation or other entity subject  
27 to the jurisdiction of the commissioner under this chapter. Such term does not include a group  
28 health plan.

29 (14) "Health plan" or "health benefit plan" means health insurance coverage and a group  
30 health plan, including coverage provided through an association plan if it covers Rhode Island  
31 residents. Except to the extent specifically provided by the federal Affordable Care Act, the term  
32 "health plan" shall not include a group health plan to the extent state regulation of the health plan  
33 is pre-empted under section 514 of the federal Employee Retirement Income Security Act of  
34 1974. The term also shall not include:

- 1 (A) (i) Coverage only for accident, or disability income insurance, or any combination  
2 thereof.
- 3 (ii) Coverage issued as a supplement to liability insurance.
- 4 (iii) Liability insurance, including general liability insurance and automobile liability  
5 insurance.
- 6 (iv) Workers' compensation or similar insurance.
- 7 (v) Automobile medical payment insurance.
- 8 (vi) Credit-only insurance.
- 9 (vii) Coverage for on-site medical clinics.
- 10 (viii) Other similar insurance coverage, specified in federal regulations issued pursuant  
11 to Pub. L. No. 104-191, the federal health insurance portability and accountability act of 1996  
12 ("HIPAA"), under which benefits for medical care are secondary or incidental to other insurance  
13 benefits.
- 14 (B) The following benefits if they are provided under a separate policy, certificate or  
15 contract of insurance or are otherwise not an integral part of the plan:
- 16 (i) Limited scope dental or vision benefits.
- 17 (ii) Benefits for long-term care, nursing home care, home health care, community-based  
18 care, or any combination thereof.
- 19 (iii) Other excepted benefits specified in federal regulations issued pursuant to federal  
20 Pub. L. No. 104-191 ("HIPAA").
- 21 (C) The following benefits if the benefits are provided under a separate policy, certificate  
22 or contract of insurance, there is no coordination between the provision of the benefits and any  
23 exclusion of benefits under any group health plan maintained by the same plan sponsor, and the  
24 benefits are paid with respect to an event without regard to whether benefits are provided with  
25 respect to such an event under any group health plan maintained by the same plan sponsor:
- 26 (i) Coverage only for a specified disease or illness.
- 27 (ii) Hospital indemnity or other fixed indemnity insurance.
- 28 (D) The following if offered as a separate policy, certificate or contract of insurance:
- 29 (i) Medicare supplement health insurance as defined under section 1882(g)(1) of the  
30 federal Social Security Act.
- 31 (ii) Coverage supplemental to the coverage provided under chapter 55 of title 10, United  
32 States Code (Civilian Health and Medical Program of the Uniformed Services (CHAMPUS)).
- 33 (iii) Similar supplemental coverage provided to coverage under a group health plan.
- 34 (15) "Office of the health insurance commissioner" means the agency established under

1 section 42-14.5-1 of the General laws.

2 (16) "Rescission" means a cancellation or discontinuance of coverage that has retroactive  
3 effect for reasons unrelated to timely payment of required premiums or contribution to costs of  
4 coverage.

5 (17) "MC5-A scrambler therapy" means a type of treatment for nerve pain that uses  
6 electrodes placed on the skin. Electricity is carried from the electrodes through the skin and  
7 blocks the pain. The pain may be caused by physical injury, infection, toxic substances, and  
8 certain diseases or drugs, including anticancer drugs.

9 SECTION 2. Chapter 27-18 of the General Laws entitled "Accident and Sickness  
10 Insurance Policies" is hereby amended by adding thereto the following section:

11 **27-18-82. MC5-A scrambler therapy mandatory coverage.** – Every individual or  
12 group hospital or medical expense insurance policy or individual or group hospital or medical  
13 services plan contract delivered, issued for delivery, or renewed in this state on or after January 1,  
14 2015 shall provide coverage for MC5-A scrambler therapy.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO INSURANCE - HEALTH INSURANCE POLICIES

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1           This act would require every individual or group hospital or medical expense insurance  
2 policy or individual or group hospital or medical services plan contract delivered, issued for  
3 delivery, or renewed in this state on or after January 1, 2015 to provide coverage for MC5-A  
4 scrambler therapy.

5           This act would take effect upon passage.

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