

2017 -- H 6105

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

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A N A C T

RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

Introduced By: Representatives Craven, and McEntee

Date Introduced: April 12, 2017

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 27-18 of the General Laws entitled "Accident and Sickness
2 Insurance Policies" is hereby amended by adding thereto the following section:

3 **27-18-48.2. Prospective reimbursement - State contracts.**

4 Any contract between the state of Rhode Island and any health insurance carrier, as
5 defined under chapters 18, 19, 20, and 41 of title 27, shall require the health insurance carrier to
6 pay a state-licensed facility that provides mental health, substance abuse treatment and/or
7 prevention services on a prospective basis. Payment on a prospective basis shall require payment
8 by the health insurance carrier on the first business day of each month with each payment amount
9 equal to the average monthly payment during the immediately preceding calendar year. The
10 facility and the health insurance carrier shall undertake a reconciliation within thirty (30) days of
11 the close of each calendar year with any overpayment repaid by the facility or underpayment paid
12 by the health insurance carrier within ninety (90) days of the close of the calendar year.

13 SECTION 2. Chapter 27-19 of the General Laws entitled "Nonprofit Hospital Service
14 Corporations" is hereby amended by adding thereto the following section:

15 **27-19-40.2. Prospective reimbursement - State contracts.**

16 Any contract between the state of Rhode Island and any health insurance carrier, as
17 defined under chapters 18, 19, 20, and 41 of title 27, shall require the health insurance carrier to
18 pay a state-licensed facility that provides mental health, substance abuse treatment and/or
19 prevention services on a prospective basis. Payment on a prospective basis shall require payment

1 by the health insurance carrier on the first business day of each month with each payment amount
2 equal to the average monthly payment during the immediately preceding calendar year. The
3 facility and the health insurance carrier shall undertake a reconciliation within thirty (30) days of
4 the close of each calendar year with any overpayment repaid by the facility or underpayment paid
5 by the health insurance carrier within ninety (90) days of the close of the calendar year.

6 SECTION 3. Chapter 27-20 of the General Laws entitled "Nonprofit Medical Service
7 Corporations" is hereby amended by adding thereto the following section:

8 **27-20-35.2. Prospective reimbursement - State contracts.**

9 Any contract between the state of Rhode Island and any health insurance carrier, as
10 defined under chapters 18, 19, 20, and 41 of title 27, shall require the health insurance carrier to
11 pay a state-licensed facility that provides mental health, substance abuse treatment and/or
12 prevention services on a prospective basis. Payment on a prospective basis shall require payment
13 by the health insurance carrier on the first business day of each month with each payment amount
14 equal to the average monthly payment during the immediately preceding calendar year. The
15 facility and the health insurance carrier shall undertake a reconciliation within thirty (30) days of
16 the close of each calendar year with any overpayment repaid by the facility or underpayment paid
17 by the health insurance carrier within ninety (90) days of the close of the calendar year.

18 SECTION 4. Chapter 27-41 of the General Laws entitled "Health Maintenance
19 Organizations" is hereby amended by adding thereto the following section:

20 **27-41-49.2. Prospective reimbursement - State contracts.**

21 Any contract between the state of Rhode Island and any health insurance carrier, as
22 defined under chapters 18, 19, 20, and 41 of title 27, shall require the health insurance carrier to
23 pay a state-licensed facility that provides mental health, substance abuse treatment and/or
24 prevention services on a prospective basis. Payment on a prospective basis shall require payment
25 by the health insurance carrier on the first business day of each month with each payment amount
26 equal to the average monthly payment during the immediately preceding calendar year. The
27 facility and the health insurance carrier shall undertake a reconciliation within thirty (30) days of
28 the close of each calendar year with any overpayment repaid by the facility or underpayment paid
29 by the health insurance carrier within ninety (90) days of the close of the calendar year.

30 SECTION 5. 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 -- ACCIDENT AND SICKNESS INSURANCE POLICIES

1 This act would require prospective reimbursement for state-licensed facilities providing
2 mental health, substance abuse treatment and/or prevention services with an annual reconciliation
3 for any underpayment or overpayment.

4 This act would take effect upon passage.

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