

2018 -- H 7061

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LC003167  
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

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A N A C T

RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

Introduced By: Representatives Craven, McEntee, and Lombardi

Date Introduced: January 03, 2018

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

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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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