

**ARTICLE 12 AS AMENDED**

RELATING TO HEALTH CARE

SECTION 1. Section 5-19.1-2 of the General Laws in Chapter 5-19.1 entitled "Pharmacies" is hereby amended to read as follows:

**5-19.1-2. Definitions.**

(a) "Biological product" means a "biological product" as defined in the "Public Health Service Act," 42 U.S.C. § 262.

(b) "Board" means the Rhode Island board of pharmacy.

(c) "Change of ownership" means:

(1) In the case of a pharmacy, manufacturer, or wholesaler that is a partnership, any change that results in a new partner acquiring a controlling interest in the partnership;

(2) In the case of a pharmacy, manufacturer, or wholesaler that is a sole proprietorship, the transfer of the title and property to another person;

(3) In the case of a pharmacy, manufacturer, or wholesaler that is a corporation:

(i) A sale, lease exchange, or other disposition of all, or substantially all, of the property and assets of the corporation; or

(ii) A merger of the corporation into another corporation; or

(iii) The consolidation of two (2) or more corporations resulting in the creation of a new corporation; or

(iv) In the case of a pharmacy, manufacturer, or wholesaler that is a business corporation, any transfer of corporate stock that results in a new person acquiring a controlling interest in the corporation; or

(v) In the case of a pharmacy, manufacturer, or wholesaler that is a non-business corporation, any change in membership that results in a new person acquiring a controlling vote in the corporation.

(d) "Compounding" means the act of combining two (2) or more ingredients as a result of a practitioner's prescription or medication order occurring in the course of professional practice based upon the individual needs of a patient and a relationship between the practitioner, patient, and pharmacist. Compounding does not mean the routine preparation, mixing, or assembling of drug products that are essentially copies of a commercially available product. Compounding shall

1 only occur in the pharmacy where the drug or device is dispensed to the patient or caregiver and  
2 includes the preparation of drugs or devices in anticipation of prescription orders based upon  
3 routine, regularly observed prescribing patterns.

4 (e) "Controlled substance" means a drug or substance, or an immediate precursor of such  
5 drug or substance, so designated under, or pursuant to, the provisions of chapter 28 of title 21.

6 (f) "Deliver" or "delivery" means the actual, constructive, or attempted transfer from one  
7 person to another of a drug or device, whether or not there is an agency relationship.

8 (g) "Device" means instruments, apparatus, and contrivances, including their components,  
9 parts, and accessories, intended:

10 (1) For use in the diagnosis, cure, mitigation, treatment, or prevention of disease in humans  
11 or other animals; or

12 (2) To affect the structure or any function of the body of humans or other animals.

13 (h) "Director" means the director of the Rhode Island state department of health.

14 (i) "Dispense" means the interpretation of a prescription or order for a drug, biological  
15 product, or device and, pursuant to that prescription or order, the proper selection, measuring,  
16 compounding, labeling, or packaging necessary to prepare that prescription or order for delivery or  
17 administration.

18 (j) "Distribute" means the delivery of a drug or device other than by administering or  
19 dispensing.

20 (k) "Drug" means:

21 (1) Articles recognized in the official United States Pharmacopoeia or the Official  
22 Homeopathic Pharmacopoeia of the U.S.;

23 (2) Substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention  
24 of disease in humans or other animals;

25 (3) Substances (other than food) intended to affect the structure, or any function, of the  
26 body of humans or other animals; or

27 (4) Substances intended for use as a component of any substances specified in subsection  
28 (k)(1), (k)(2), or (k)(3), but not including devices or their component parts or accessories.

29 (l) "Equivalent and interchangeable" means a drug, excluding a biological product, having  
30 the same generic name, dosage form, and labeled potency, meeting standards of the United States  
31 Pharmacopoeia or National Formulary, or their successors, if applicable, and not found in violation  
32 of the requirements of the United States Food and Drug Administration, or its successor agency, or  
33 the Rhode Island department of health.

34 (m) "Interchangeable biological product" means a biological product that the United States

1 Food and Drug Administration has:

2 (1) Licensed and determined meets the standards for interchangeability pursuant to 42  
3 U.S.C. § 262(k)(4) or lists of licensed, biological products with reference product exclusivity and  
4 biosimilarity or interchangeability evaluations; or

5 (2) Determined is therapeutically equivalent as set forth in the latest edition of, or  
6 supplement to, the United States Food and Drug Administration’s Approved Drug Products with  
7 Therapeutic Equivalence Evaluations.

8 (n) “Intern” means:

9 (1) A graduate of an American Council on Pharmaceutical Education (ACPE)-accredited  
10 program of pharmacy;

11 (2) A student who is enrolled in at least the first year of a professional ACPE-accredited  
12 program of pharmacy; or

13 (3) A graduate of a foreign college of pharmacy who has obtained full certification from  
14 the FPGEC (Foreign Pharmacy Graduate Equivalency Commission) administered by the National  
15 Association of Boards of Pharmacy.

16 (o) “Legend drugs” means any drugs that are required by any applicable federal or state  
17 law or regulation to be dispensed on prescription only or are restricted to use by practitioners only.

18 (p) “Limited-function test” means those tests listed in the federal register under the Clinical  
19 Laboratory Improvement Amendments of 1988 (CLIA) as waived tests. For the purposes of this  
20 chapter, limited-function test shall include only the following: blood glucose, hemoglobin A1c,  
21 cholesterol tests, and/or other tests that are classified as waived under CLIA and are approved by  
22 the United States Food and Drug Administration for sale to the public without a prescription in the  
23 form of an over-the-counter test kit.

24 (q) “Manufacture” means the production, preparation, propagation, compounding, or  
25 processing of a drug or other substance or device or the packaging or repackaging.

26 (r) “Non-legend” or “nonprescription drugs” means any drugs that may be lawfully sold  
27 without a prescription.

28 (s) “Person” means an individual, corporation, government, subdivision, or agency,  
29 business trust, estate, trust, partnership, or association, or any other legal entity.

30 (t) “Pharmaceutical care” is the provision of drugs and other pharmaceutical services  
31 intended to achieve outcomes related to cure or prevention of a disease, elimination or reduction of  
32 a patient’s symptoms, or arresting or slowing of a disease process. “Pharmaceutical care” includes  
33 the judgment of a pharmacist in dispensing an equivalent and interchangeable drug or device in  
34 response to a prescription after appropriate communication with the prescriber and the patient.

1 (u) "Pharmacist in charge" means a pharmacist licensed in this state as designated by the  
2 owner as the person responsible for the operation of a pharmacy in conformance with all laws and  
3 regulations pertinent to the practice of pharmacy and who is personally in full and actual charge of  
4 such pharmacy and personnel.

5 (v) "Pharmacy" means that portion or part of a premise where prescriptions are  
6 compounded and dispensed, including that portion utilized for the storage of prescription or legend  
7 drugs.

8 (w) "Pharmacy technician" means an individual who meets minimum qualifications  
9 established by the board, that are less than those established by this chapter as necessary for  
10 licensing as a pharmacist, and who works under the direction and supervision of a licensed  
11 pharmacist.

12 (x) "Practice of pharmacy" means the interpretation, evaluation, and implementation of  
13 medical orders; the dispensing of prescription drug orders; participation in drug and device  
14 selection; the compounding of prescription drugs; drug regimen reviews and drug or drug-related  
15 research; the administration of adult immunizations and, medications approved by the department  
16 of health in consultation with the board of pharmacy for administration by a pharmacist except as  
17 provided by § 5-25-7, pursuant to a valid prescription or physician-approved protocol and in  
18 accordance with regulations, to include training requirements as promulgated by the department of  
19 health; the administration of all forms of influenza immunizations to individuals between the ages  
20 of nine (9) years and eighteen (18) years, inclusive, pursuant to a valid prescription or prescriber-  
21 approved protocol, in accordance with the provisions of § 5-19.1-31 and in accordance with  
22 regulations, to include necessary training requirements specific to the administration of influenza  
23 immunizations to individuals between the ages of nine (9) years and eighteen (18) years, inclusive,  
24 as promulgated by the department of health; provision of patient counseling and the provision of  
25 those acts or services necessary to provide pharmaceutical care; the responsibility for the  
26 supervision for compounding and labeling of drugs and devices (except labeling by a manufacturer,  
27 repackager, or distributor of nonprescription drugs and commercially packaged legend drugs and  
28 devices), proper and safe storage of drugs and devices, and maintenance of proper records for them;  
29 and the performance of clinical laboratory tests, ~~provided such testing is limited to limited function~~  
30 ~~tests as defined herein;~~ and engage in the independent prescribing of drugs, drug categories or  
31 devices in accordance with the provision of § 5-19.1-36.1. Nothing in this definition shall be  
32 construed to limit or otherwise affect the scope of practice of any other profession.

33 (y) "Practitioner" means a physician, dentist, veterinarian, nurse, or other person duly  
34 authorized by law in the state in which they practice to prescribe drugs.

1 (z) “Preceptor” means a pharmacist registered to engage in the practice of pharmacy in this  
2 state who has the responsibility for training interns.

3 (aa) “Prescription” means an order for drugs or devices issued by the practitioner duly  
4 authorized by law in the state in which he or she practices to prescribe drugs or devices in the course  
5 of his or her professional practice for a legitimate medical purpose.

6 (bb) “Wholesaler” means a person who buys drugs or devices for resale and distribution to  
7 corporations, individuals, or entities other than consumers.

8 SECTION 2. Chapter 5-19.1 of the General Laws entitled "Pharmacies" is hereby amended  
9 by adding thereto the following section:

10 **5-19.1-36.1. Pharmacists – Drug categories -- Prescribing.**

11 (a) In accordance with this chapter and regulations adopted by the department of health, a  
12 pharmacist may engage in the independent prescribing of drugs, drug categories, or devices that  
13 are critical to the improvement of public health in accordance with such products' federal Food and  
14 Drug Administration-approved labeling:

15 (1) Drugs for medication assisted treatment (MAT) of opioid use disorder;

16 (2) Nicotine/tobacco cessation products;

17 (3) Hyperlipidemia medications;

18 (4) Inhalers for COPD or asthma;

19 (5) Insulin and diabetes medications;

20 (6) Drugs to treat hypertension;

21 (7) Treatment for positive infectious disease point-of-care testing for influenza, COVID-  
22 19, group A strep, and other infections approved by the director;

23 (8) Such other drugs, drug categories, or devices set forth in the regulations promulgated  
24 by the department of health in collaboration with the board of pharmacy. A prescribing pharmacist  
25 may order and review and clinical laboratory test necessary to appropriately prescribe and manage  
26 drugs and devices in accordance with this section.

27 (b) The department, in collaboration with the board of pharmacy, shall promulgate  
28 regulations, including educational requirements, authorizing a pharmacist to prescribe drugs, drug  
29 categories and devices in accordance with this section.

30 (c) A pharmacist shall be authorized to charge fees in line with other practitioners for  
31 services or submit said fees to insurance for reimbursement in accordance with all state and federal  
32 laws governing insurance coverage.

33 (d) The practice of independent prescribing by pharmacists is voluntary and shall not be  
34 mandated by employers or regulatory bodies within this state.

1 SECTION 3. Sections 5-31.1-1, 5-31.1-6.1 and 5-31.1-39 of the General Laws in Chapter  
2 5-31.1 entitled "Dentists and Dental Hygienists" are hereby amended to read as follows:

3 **5-31.1-1. Definitions.**

4 As used in this chapter:

5 (1) "Board" means the Rhode Island board of examiners in dentistry or any committee or  
6 subcommittee of the board.

7 (2) "Chief of the division of oral health" means the chief of the division of oral health of  
8 the Rhode Island department of health who is a licensed dentist possessing a master's degree in  
9 public health or a certificate in public health from an accredited program.

10 (3) "Dental administrator" means the administrator of the Rhode Island board of examiners  
11 in dentistry.

12 (4) "Dental hygienist" means a person with a license to practice dental hygiene in this state  
13 under the provisions of this chapter.

14 (5) "Dentist" means a person with a license to practice dentistry in this state under the  
15 provisions of this chapter.

16 (6) "Dentistry" is defined as the evaluation, diagnosis, prevention, and/or treatment  
17 (nonsurgical, surgical, or related procedures) of diseases, disorders, and/or conditions of the oral  
18 cavity, cranio-maxillofacial area, and/or the adjacent and associated structures and their impact on  
19 the human body, provided by a dentist, within the scope of his or her education, training, and  
20 experience, in accordance with the ethics of the profession and applicable law.

21 (7) "Department" means the Rhode Island department of health.

22 (8) "Direct visual supervision" means supervision by an oral and maxillofacial surgeon  
23 (with a permit to administer deep sedation and general anesthesia) by verbal command and under  
24 direct line of sight.

25 (9) "Director" means the director of the Rhode Island department of health.

26 (10) "Healthcare facility" means any institutional health service provider licensed pursuant  
27 to the provisions of chapter 17 of title 23.

28 (11) "Health-maintenance organization" means a public or private organization licensed  
29 pursuant to the provisions of chapter 17 of title 23 or chapter 41 of title 27.

30 (12) "Limited registrant" means a person holding a limited registration certificate pursuant  
31 to the provisions of this chapter.

32 (13) "Nonprofit medical services corporation" or "nonprofit hospital service corporation"  
33 or "nonprofit dental service corporation" means any corporation organized pursuant to chapter 19  
34 or 20 of title 27 for the purpose of establishing, maintaining, and operating a nonprofit medical,

1 hospital, or dental service plan.

2 (14) "Peer-review board" means any committee of a state, local, dental or dental hygiene  
3 association or society, or a committee of any licensed healthcare facility, or the dental staff of the  
4 committee, or any committee of a dental care foundation or health-maintenance organization, or  
5 any staff committee or consultant of a hospital, medical, or dental service corporation, the function  
6 of which, or one of the functions of which, is to evaluate and improve the quality of dental care  
7 rendered by providers of dental care service or to determine that dental care services rendered were  
8 professionally indicated or were performed in compliance with the applicable standard of care or  
9 that the cost for dental care rendered was considered reasonable by the providers of professional  
10 dental care services in the area and includes a committee functioning as a utilization review  
11 committee under the provisions of Pub. L. No. 89-97, 42 U.S.C. § 1395 et seq. (Medicare law), or  
12 as a professional standards-review organization or statewide professional standards-review council  
13 under the provisions of Pub. L. No. 92-603, 42 U.S.C. § 1301 et seq. (professional standards-review  
14 organizations), or a similar committee or a committee of similar purpose, to evaluate or review the  
15 diagnosis or treatment of the performance or rendition of dental services performed under public  
16 dental programs of either state or federal design.

17 (15) "Person" means any individual, partnership, firm, corporation, association, trust or  
18 estate, state or political subdivision, or instrumentality of a state.

19 (16) "Practice of dental hygiene." Any person is practicing dental hygiene within the  
20 meaning of this chapter who performs those services and procedures that a dental hygienist has  
21 been educated to perform and which services and procedures are, from time to time, specifically  
22 authorized by rules and regulations adopted by the board of examiners in dentistry. [Dental](#)  
23 [hygienists may perform dental hygiene assessment, dental hygiene diagnosis, and dental hygiene](#)  
24 [treatment planning for dental hygiene services. Dental hygienists may prescribe, administer, and](#)  
25 [dispense fluoride supplements, topical anticaries treatments, topical antimicrobials including, but](#)  
26 [not limited to, chlorhexidine, and any other preventive dental supplements, treatments, and](#)  
27 [antimicrobials as determined by the board.](#) Nothing in this section is construed to authorize a  
28 licensed dental hygienist to perform the following: ~~diagnosis and treatment planning~~, surgical  
29 procedures on hard or soft tissue, prescribe medication [except for the purpose of prevention of](#)  
30 [dental disease](#), or administer general anesthesia or injectables other than oral local anesthesia. A  
31 dental hygienist is only permitted to practice dental hygiene under the general supervision of a  
32 dentist licensed and registered in this state under the provisions of this chapter.

33 (i) Provided, that in order to administer local injectable anesthesia to dental patients, dental  
34 hygienists must be under the supervision of a dentist and meet the requirements established by

1 regulation of the board of examiners in dentistry including payment of a permit fee.

2 (17)(i)(A) "Practice of dentistry." Any person is practicing dentistry within the meaning of  
3 this chapter who:

4 (I) Uses or permits to be used, directly or indirectly, for profit or otherwise, for himself,  
5 herself, or for any other person, in connection with his or her name, the word "dentist" or "dental  
6 surgeon," or the title "D.D.S." or "D.M.D.," or any other words, letters, titles, or descriptive matter,  
7 personal or not, that directly or indirectly implies the practice of dentistry;

8 (II) Owns, leases, maintains, operates a dental business in any office or other room or rooms  
9 where dental operations are performed, or directly or indirectly is manager, proprietor, or conductor  
10 of this business;

11 (III) Directly or indirectly informs the public in any language, orally, in writing, or in  
12 printing, or by drawings, demonstrations, specimens, signs, or pictures that he or she can perform  
13 or will attempt to perform, dental operations of any kind;

14 (IV) Undertakes, by any means or method, gratuitously, or for a salary, fee, money, or other  
15 reward paid or granted directly or indirectly to himself or herself, or to any other person, to diagnose  
16 or profess to diagnose, or to treat or profess to treat, or to prescribe for, or profess to prescribe for,  
17 any of the lesions, diseases, disorders, or deficiencies of the human oral cavity, teeth, gums,  
18 maxilla, or mandible, and/or adjacent associated structures;

19 (V) Extracts human teeth, corrects malpositions of the teeth or of the jaws;

20 (VI) Except on the written prescription of a licensed dentist and by the use of impressions  
21 or casts made by a licensed and practicing dentist, directly or indirectly by mail, carrier, personal  
22 agent, or by any other method, furnishes, supplies, constructs, reproduces, or repairs prosthetic  
23 dentures, bridges, appliances, or other structures to be used and worn as substitutes for natural teeth;

24 (VII) Places those substitutes in the mouth and/or adjusts them;

25 (VIII) Administers an anesthetic, either general or local, in the course of any of the  
26 previously stated dental procedures; or

27 (IX) Engages in any of the practices included in the curricula of recognized dental colleges;

28 (B) Provided, that in order to administer any form of anesthesia, other than local, dentists  
29 must meet the requirements established by regulation of the board of examiners in dentistry,  
30 including training in advanced cardiac life support and pediatric advanced life support, and  
31 payment of a permit fee.

32 (ii) The board shall promulgate regulations relating to anesthesia. Those regulations shall  
33 be consistent with the American Dental Association guidelines for the use of conscious sedation,  
34 deep sedation, and general anesthesia in dentistry. Neither the board, nor any regulation

1 promulgated by the board, shall require additional licensing fees for the use of nitrous oxide by  
2 dentists. Prior to the adoption of those regulations, dentists shall be permitted to administer  
3 anesthesia without restriction. From the proceeds of any fees collected pursuant to the provisions  
4 of this chapter, there is created a restricted receipts account that is used solely to pay for the  
5 administrative expenses incurred for expenses of administrating this chapter.

6 (iii) No non-dentist who operates a dental facility in the form of a licensed outpatient  
7 healthcare center or management service organization may interfere with the professional judgment  
8 of a dentist in the practice.

9 (18) "Telemedicine" has the same meaning as provided in § 27-81-3.

10 **5-31.1-6.1. Dental hygienists and dental assistants.**

11 Dentists licensed pursuant to § 5-31.1-6 may supervise and delegate to any dental hygienist  
12 licensed pursuant to § 5-31.1-6, working under the dentist's general supervision and who is  
13 employed on a regular basis by such dentists, any procedures that he or she may deem advisable;  
14 including initial oral-health-screening assessments and other procedures specified under section 13  
15 (or any comparable or successor section) of the rules and regulations pertaining to dentists and  
16 dental hygienists promulgated from time to time by the department of health, ~~and any.~~ Dental  
17 hygienists may prescribe, administer, and dispense fluoride supplements, topical anticaries  
18 treatments, and topical antimicrobials including, but not limited to, chlorhexidine, for preventive  
19 dental purposes as determined by the board. Any such dental hygienists may engage in the practice  
20 of dental hygiene under the responsibility of the supervising dentists outside of the dentists' office  
21 in order to render to residents of nursing facilities licensed pursuant to chapter 17 of title 23,  
22 whether or not such residents are patients of record of the supervising dentist, without the on-site  
23 direct supervision of a dentist licensed pursuant to § 5-31.1-6, those dental services, procedures,  
24 and duties that he or she has been educated to perform and that are authorized by the board of  
25 examiners in dentistry. Dental hygienists working under general supervision in nursing facilities  
26 shall provide documentation of initial oral health screening assessments to the supervising dentist  
27 and to the licensed nursing facility for appropriate follow-up assessment and treatment, as needed.

28 **5-31.1-39. Public health hygienists.**

29 (a) Any public health dental hygienist, which for purposes of this chapter means any  
30 practicing registered dental hygienist who may perform dental-hygiene procedures in a public-  
31 health setting subject to conditions adopted by the Rhode Island board of examiners in dentistry,  
32 may perform in a public-health setting, without the immediate or direct supervision or direction of  
33 a dentist, any procedure or provide any service that is within the dental-hygiene scope of practice  
34 that has been authorized and adopted by the Rhode Island board of examiners in dentistry as a

1 delegable procedure for a dental hygienist under general supervision in a private practice setting.

2 (b) Public-health settings shall, for purposes of this section, include, but are not limited to,  
3 residences of the homebound, schools, nursing home and long-term-care facilities, clinics,  
4 hospitals, medical facilities, community health centers licensed or certified by the department of  
5 health, mobile and portable dental-health programs licensed or certified by the department of health  
6 and operated by a local or state agency, head-start programs, and any other facilities or programs  
7 deemed appropriate by the department of health.

8 (c) Any public-health hygienist shall enter into a written, collaborative agreement with a  
9 local or state government agency or institution or with a licensed dentist who states that he or she  
10 shall be able to provide the appropriate level of communication and consultation with the dental  
11 hygienist to ensure patient health and safety prior to performing any procedure or providing any  
12 service under this section. The written, collaborative agreement will follow the appropriate  
13 guidelines as determined and established by the Rhode Island board of examiners in dentistry.

14 (d) Any public-health dental hygienist shall provide to the patient, or to the patient's legal  
15 guardian, a consent form to be signed by the patient or legal guardian. The consent form shall be  
16 consistent with current department of health policies that describes services to be rendered and  
17 explains that services rendered are not a substitute for a dental examination by a dentist. The  
18 consent form shall also inform the patient or legal guardian that the patient should obtain a dental  
19 examination by a dentist within ninety (90) days after undergoing a procedure authorized pursuant  
20 to this section. The patient or legal guardian shall also obtain written referral to a dentist and an  
21 assessment of further dental needs.

22 (e) The public-health dental hygienist shall be directly reimbursed for services  
23 administered in a public-health setting by Medicaid or the state healthcare insurance program  
24 except as required by federal Medicaid law, ~~but shall not~~ and may seek reimbursement from any  
25 other insurance or third-party payor. A public-health dental hygienist shall not operate  
26 independently of a dentist, except for a dental hygienist working for a local or state government  
27 agency or institution or practicing in a mobile or portable prevention program licensed or certified  
28 by the department of health. In such cases, the local or state government agency or institution or  
29 mobile or portable prevention program licensed or certified by the department of health may seek  
30 reimbursement from any other third-party payor.

31 (f) A public health dental hygienist may supervise a dental assistant performing assisting  
32 duties to facilitate provision of services within the scope of a dental-hygiene practice in the public  
33 health setting.

34 SECTION 4. Chapter 5-34.3 of the General Laws entitled "Nurse Licensure Compact" is

1 hereby amended by adding thereto the following section:

2 **5-34.3-15. Sunset provision.**

3 [Chapter 34.3 of this title entitled “nurse licensure compact” shall sunset and expire on](#)  
4 [January 1, 2029.](#)

5 SECTION 5. Section 5-37-2.1 of the General Laws in Chapter 5-37 entitled "Board of  
6 Medical Licensure and Discipline" is hereby amended to read as follows:

7 **5-37-2.1. Recertification — Continuing medical education.**

8 Effective beginning in calendar year 2004, every physician licensed to practice medicine  
9 within this state shall, in connection with biannual registration, on or before the first day of June in  
10 each even-numbered year, provide satisfactory evidence to the board of medical licensure and  
11 discipline that in the preceding two (2) years the practitioner has completed a prescribed course of  
12 continuing medical education established by the appropriate medical or osteopathic society and  
13 approved by rule or regulation of the director or by the board of medical licensure and discipline.

14 [At least one hour of the required continuing medical education credits every two \(2\) years must be](#)  
15 [related to the topic of nutrition.](#) The board may extend for only one six-month (6) period these  
16 educational requirements if the board is satisfied that the applicant has suffered hardship that  
17 prevented meeting the educational requirement. No recertification to practice medicine in this state  
18 shall be refused, nor shall any certificate be suspended or revoked except: (1) As provided for in  
19 this chapter, and (2) For failure to provide satisfactory evidence of continuing medical education  
20 as provided for in this section.

21 SECTION 6. Title 5 of the General Laws entitled "BUSINESSES AND PROFESSIONS"  
22 is hereby amended by adding thereto the following chapter:

23 [CHAPTER 54.1](#)

24 [PHYSICIAN ASSISTANT LICENSURE COMPACT](#)

25 **5-54.1-1. Short title.**

26 [The Physician Assistant Licensure Compact, hereinafter referred to as the “PA Licensure](#)  
27 [Compact,” is hereby enacted into law and entered into by the State of Rhode Island with any and](#)  
28 [all states legally joining therein in accordance with its terms.](#)

29 **5-54.1-2. Purpose.**

30 [In order to strengthen access to medical services, and in recognition of the advances in the](#)  
31 [delivery of medical services, the participating states of the PA licensure compact have allied in](#)  
32 [common purpose to develop a comprehensive process that complements the existing authority of](#)  
33 [state licensing boards to license and discipline PAs and seeks to enhance the portability of a license](#)  
34 [to practice as a PA while safeguarding the safety of patients. This compact allows medical services](#)

1 to be provided by PAs, via the mutual recognition of the licensee’s qualifying license by other  
2 compact participating states. This compact also adopts the prevailing standard for PA licensure and  
3 affirms that the practice and delivery of medical services by the PA occurs where the patient is  
4 located at the time of the patient encounter, and therefore requires the PA to be under the  
5 jurisdiction of the state licensing board where the patient is located. State licensing boards that  
6 participate in this compact retain the jurisdiction to impose adverse action against a compact  
7 privilege in that state issued to a PA through the procedures of this compact. The PA licensure  
8 compact will alleviate burdens for military families by allowing active duty military personnel and  
9 their spouses to obtain a compact privilege based on having an unrestricted license in good standing  
10 from a participating state.

11 **5-54.1-3. Definitions.**

12 As used in this compact:

13 (1) “Adverse action” means any administrative, civil, equitable, or criminal action  
14 permitted by a state’s laws which is imposed by a licensing board or other authority against a PA  
15 license or license application or compact privilege such as license denial, censure, revocation,  
16 suspension, probation, monitoring of the licensee, or restriction on the licensee’s practice.

17 (2) “Compact privilege” means the authorization granted by a remote state to allow a  
18 licensee from another participating state to practice as a PA to provide medical services and other  
19 licensed activity to a patient located in the remote state under the remote state’s laws and  
20 regulations.

21 (3) “Conviction” means a finding by a court that an individual is guilty of a felony or  
22 misdemeanor offense through adjudication or entry of a plea of guilt or no contest to the charge by  
23 the offender.

24 (4) “Criminal background check” means the submission of fingerprints or other biometric-  
25 based information for a license applicant for the purpose of obtaining that applicant’s criminal  
26 history record information, as defined in 28 C.F.R. § 20.3(d), from the state’s criminal history  
27 record repository as defined in 28 C.F.R. § 20.3(f).

28 (5) “Data system” means the repository of information about licensees, including but not  
29 limited to license status and adverse actions, which is created and administered under the terms of  
30 this compact.

31 (6) “Executive committee” means a group of directors and ex-officio individuals elected  
32 or appointed pursuant to § 5-54.1-7(f)(2).

33 (7) “Impaired practitioner” means a PA whose practice is adversely affected by health-  
34 related condition(s) that impact their ability to practice.

1           (8) “Investigative information” means information, records, or documents received or  
2 generated by a licensing board pursuant to an investigation.

3           (9) “Jurisprudence requirement” means the assessment of an individual’s knowledge of the  
4 laws and rules governing the practice of a PA in a state.

5           (10) “License” means current authorization by a state, other than authorization pursuant to  
6 a compact privilege, for a PA to provide medical services, which would be unlawful without current  
7 authorization.

8           (11) “Licensee” means an individual who holds a license from a state to provide medical  
9 services as a PA.

10           (12) “Licensing board” means any state entity authorized to license and otherwise regulate  
11 PAs.

12           (13) “Medical services” means health care services provided for the diagnosis, prevention,  
13 treatment, cure or relief of a health condition, injury, or disease, as defined by a state’s laws and  
14 regulations.

15           (14) “Model compact” means the model for the PA licensure compact on file with the  
16 council of state governments or other entity as designated by the commission.

17           (15) “Participating state” means a state that has enacted this compact.

18           (16) “PA” means an individual who is licensed as a physician assistant in a state. For  
19 purposes of this compact, any other title or status adopted by a state to replace the term “physician  
20 assistant” shall be deemed synonymous with “physician assistant” and shall confer the same rights  
21 and responsibilities to the licensee under the provisions of this compact at the time of its enactment.

22           (17) “PA licensure compact commission,” “compact commission,” or “commission”  
23 means the national administrative body created pursuant to § 5-54.1-7(a) of this compact.

24           (18) “Qualifying license” means an unrestricted license issued by a participating state to  
25 provide medical services as a PA.

26           (19) “Remote state” means a participating state where a licensee who is not licensed as a  
27 PA is exercising or seeking to exercise the compact privilege.

28           (20) “Rule” means a regulation promulgated by an entity that has the force and effect of  
29 law.

30           (21) “Significant investigative information” means investigative information that a  
31 licensing board, after an inquiry or investigation that includes notification and an opportunity for  
32 the PA to respond if required by state law, has reason to believe is not groundless and, if proven  
33 true, would indicate more than a minor infraction.

34           (22) “State” means any formally recognized state, commonwealth, district, or territory of

1 the United States.

2 **5-54.1-4. State participation in this compact.**

3 (a) To participate in this compact, a participating state shall:

4 (1) License PAs.

5 (2) Participate in the compact commission's data system.

6 (3) Have a mechanism in place for receiving and investigating complaints against licensees  
7 and license applicants.

8 (4) Notify the commission, in compliance with the terms of this compact and commission  
9 rules, of any adverse action against a licensee or license applicant and the existence of significant  
10 investigative information regarding a licensee or license applicant.

11 (5) Fully implement a criminal background check requirement, within a time frame  
12 established by commission rule, by its licensing board receiving the results of a criminal  
13 background check and reporting to the commission whether the license applicant has been granted  
14 a license.

15 (6) Comply with the rules of the compact commission.

16 (7) Utilize passage of a recognized national exam such as the National Commission on  
17 Certification of Physician Assistants (NCCPA) Physician Assistant National Certifying  
18 Examination (PANCE) as a requirement for PA licensure.

19 (8) Grant the compact privilege to a holder of a qualifying license in a participating state.

20 (b) Nothing in this compact prohibits a participating state from charging a fee for granting  
21 the compact privilege.

22 **5-54.1-5. Compact privilege.**

23 (a) To exercise the compact privilege, a licensee must:

24 (1) Have graduated from a PA program accredited by the Accreditation Review  
25 Commission on Education for the Physician Assistant, Inc. or other programs authorized by  
26 commission rule.

27 (2) Hold current NCCPA certification.

28 (3) Have no felony or misdemeanor conviction.

29 (4) Have never had a controlled substance license, permit, or registration suspended or  
30 revoked by a state or by the United States Drug Enforcement Administration.

31 (5) Have a unique identifier as determined by commission rule.

32 (6) Hold a qualifying license.

33 (7) Have had no revocation of a license or limitation or restriction on any license currently  
34 held due to an adverse action.

1 (8) If a licensee has had a limitation or restriction on a license or compact privilege due to  
2 an adverse action, two (2) years must have elapsed from the date on which the license or compact  
3 privilege is no longer limited or restricted due to the adverse action.

4 (9) If a compact privilege has been revoked or is limited or restricted in a participating state  
5 for conduct that would not be a basis for disciplinary action in a participating state in which the  
6 licensee is practicing or applying to practice under a compact privilege, that participating state shall  
7 have the discretion not to consider such action as an adverse action requiring the denial or removal  
8 of a compact privilege in that state.

9 (10) Notify the compact commission that the licensee is seeking the compact privilege in  
10 a remote state.

11 (11) Meet any jurisprudence requirement of a remote state in which the licensee is seeking  
12 to practice under the compact privilege and pay any fees applicable to satisfying the jurisprudence  
13 requirement.

14 (12) Report to the commission any adverse action taken by a non-participating state within  
15 thirty (30) days after the action is taken.

16 (b) The compact privilege is valid until the expiration or revocation of the qualifying  
17 license unless terminated pursuant to an adverse action. The licensee must also comply with all of  
18 the requirements of subsection (a) of this section to maintain the compact privilege in a remote  
19 state. If the participating state takes adverse action against a qualifying license, the licensee shall  
20 lose the compact privilege in any remote state in which the licensee has a compact privilege until  
21 all of the following occur:

22 (1) The license is no longer limited or restricted; and

23 (2) Two (2) years have elapsed from the date on which the license is no longer limited or  
24 restricted due to the adverse action.

25 (c) Once a restricted or limited license satisfies the requirements of subsection (b)(1) and  
26 (b)(2) of this section, the licensee must meet the requirements of subsection (a) of this section to  
27 obtain a compact privilege in any remote state.

28 (d) For each remote state in which a PA seeks authority to prescribe controlled substances,  
29 the PA shall satisfy all requirements imposed by such state in granting or renewing such authority.

30 **5-54.1-6. Designation of the state from which licensee is applying for a compact**  
31 **privilege.**

32 (a) Upon a licensee's application for a compact privilege, the licensee shall identify to the  
33 commission the participating state from which the licensee is applying, in accordance with  
34 applicable rules adopted by the commission, and subject to the following requirements:

1           (1) When applying for a compact privilege, the licensee shall provide the commission with  
2 the address of the licensee's primary residence and thereafter shall immediately report to the  
3 commission any change in the address of the licensee's primary residence.

4           (2) When applying for a compact privilege, the licensee is required to consent to accept  
5 service of process by mail at the licensee's primary residence on file with the commission with  
6 respect to any action brought against the licensee by the commission or a participating state,  
7 including a subpoena, with respect to any action brought or investigation conducted by the  
8 commission or a participating state.

9           **5-54.1-7. Adverse actions.**

10          (a) A participating state in which a licensee is licensed shall have exclusive power to  
11 impose adverse action against the qualifying license issued by that participating state.

12          (b) In addition to the other powers conferred by state law, a remote state shall have the  
13 authority, in accordance with existing state due process law, to do all of the following:

14           (1) Take adverse action against a PA's compact privilege within that state to remove a  
15 licensee's compact privilege or take other action necessary under applicable law to protect the  
16 health and safety of its citizens.

17           (2) Issue subpoenas for both hearings and investigations that require the attendance and  
18 testimony of witnesses as well as the production of evidence. Subpoenas issued by a licensing board  
19 in a participating state for the attendance and testimony of witnesses or the production of evidence  
20 from another participating state shall be enforced in the latter state by any court of competent  
21 jurisdiction, according to the practice and procedure of that court applicable to subpoenas issued in  
22 proceedings pending before it. The issuing authority shall pay any witness fees, travel expenses,  
23 mileage and other fees required by the service statutes of the state in which the witnesses or  
24 evidence are located.

25           (3) Notwithstanding subsection (b)(2) of this section, subpoenas may not be issued by a  
26 participating state to gather evidence of conduct in another state that is lawful in that other state for  
27 the purpose of taking adverse action against a licensee's compact privilege or application for a  
28 compact privilege in that participating state.

29           (4) Nothing in this compact authorizes a participating state to impose discipline against a  
30 PA's compact privilege or to deny an application for a compact privilege in that participating state  
31 for the individual's otherwise lawful practice in another state.

32           (c) For purposes of taking adverse action, the participating state which issued the qualifying  
33 license shall give the same priority and effect to reported conduct received from any other  
34 participating state as it would if the conduct had occurred within the participating state which issued

1 the qualifying license. In so doing, that participating state shall apply its own state laws to determine  
2 appropriate action.

3 (d) A participating state, if otherwise permitted by state law, may recover from the affected  
4 PA the costs of investigations and disposition of cases resulting from any adverse action taken  
5 against that PA.

6 (e) A participating state may take adverse action based on the factual findings of a remote  
7 state, provided that the participating state follows its own procedures for taking the adverse action.

8 (f) Joint investigations.

9 (1) In addition to the authority granted to a participating state by its respective state PA  
10 laws and regulations or other applicable state law, any participating state may participate with other  
11 participating states in joint investigations of licensees.

12 (2) Participating states shall share any investigative, litigation, or compliance materials in  
13 furtherance of any joint or individual investigation initiated under this compact.

14 (g) If an adverse action is taken against a PA's qualifying license, the PA's compact  
15 privilege in all remote states shall be deactivated until two (2) years have elapsed after all  
16 restrictions have been removed from the state license. All disciplinary orders by the participating  
17 state which issued the qualifying license that impose adverse action against a PA's license shall  
18 include a statement that the PA's compact privilege is deactivated in all participating states during  
19 the pendency of the order.

20 (h) If any participating state takes adverse action, it promptly shall notify the administrator  
21 of the data system.

22 **5-54.1-8. Establishment of the PA licensure compact commission.**

23 (a) The participating states hereby create and establish a joint government agency and  
24 national administrative body known as the PA licensure compact commission. The commission is  
25 an instrumentality of the compact states acting jointly and not an instrumentality of any one state.  
26 The commission shall come into existence on or after the effective date of the compact as set forth  
27 in § 5-54.1-11(a).

28 (b) Membership, voting, and meetings.

29 (1) Each participating state shall have and be limited to one delegate selected by that  
30 participating state's licensing board or, if the state has more than one licensing board, selected  
31 collectively by the participating state's licensing boards.

32 (2) The delegate shall be either:

33 (i) A current PA, physician or public member of a licensing board or PA  
34 council/committee; or

- 1           (ii) An administrator of a licensing board.
- 2           (3) Any delegate may be removed or suspended from office as provided by the laws of the  
3 state from which the delegate is appointed.
- 4           (4) The participating state licensing board shall fill any vacancy occurring in the  
5 commission within sixty (60) days.
- 6           (5) Each delegate shall be entitled to one vote on all matters voted on by the commission  
7 and shall otherwise have an opportunity to participate in the business and affairs of the commission.  
8 A delegate shall vote in person or by such other means as provided in the bylaws. The bylaws may  
9 provide for delegates' participation in meetings by telecommunications, video conference, or other  
10 means of communication.
- 11           (6) The commission shall meet at least once during each calendar year. Additional meetings  
12 shall be held as set forth in this compact and the bylaws.
- 13           (7) The commission shall establish by rule a term of office for delegates.
- 14           (c) The commission shall have the following powers and duties:
- 15           (1) Establish a code of ethics for the commission;
- 16           (2) Establish the fiscal year of the commission;
- 17           (3) Establish fees;
- 18           (4) Establish bylaws;
- 19           (5) Maintain its financial records in accordance with the bylaws;
- 20           (6) Meet and take such actions as are consistent with the provisions of this compact and  
21 the bylaws;
- 22           (7) Promulgate rules to facilitate and coordinate implementation and administration of this  
23 compact. The rules shall have the force and effect of law and shall be binding in all participating  
24 states;
- 25           (8) Bring and prosecute legal proceedings or actions in the name of the commission,  
26 provided that the standing of any state licensing board to sue or be sued under applicable law shall  
27 not be affected;
- 28           (9) Purchase and maintain insurance and bonds;
- 29           (10) Borrow, accept, or contract for services of personnel including, but not limited to,  
30 employees of a participating state;
- 31           (11) Hire employees and engage contractors, elect or appoint officers, fix compensation,  
32 define duties, grant such individuals appropriate authority to carry out the purposes of this compact,  
33 and establish the commission's personnel policies and programs relating to conflicts of interest,  
34 qualifications of personnel, and other related personnel matters;

1           (12) Accept any and all appropriate donations and grants of money, equipment, supplies,  
2 materials and services, and receive, utilize and dispose of the same; provided that at all times the  
3 commission shall avoid any appearance of impropriety or conflict of interest;

4           (13) Lease, purchase, accept appropriate gifts or donations of, or otherwise own, hold,  
5 improve or use, any property, real, personal or mixed; provided that at all times the commission  
6 shall avoid any appearance of impropriety;

7           (14) Sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any  
8 property real, personal, or mixed;

9           (15) Establish a budget and make expenditures;

10          (16) Borrow money;

11          (17) Appoint committees, including standing committees composed of members, state  
12 regulators, state legislators or their representatives, and consumer representatives, and such other  
13 interested persons as may be designated in this compact and the bylaws;

14          (18) Provide and receive information from, and cooperate with, law enforcement agencies;

15          (19) Elect a chair, vice chair, secretary and treasurer and such other officers of the  
16 commission as provided in the commission's bylaws;

17          (20) Reserve for itself, in addition to those reserved exclusively to the commission under  
18 the compact, powers that the executive committee may not exercise;

19          (21) Approve or disapprove a state's participation in the compact based upon its  
20 determination as to whether the state's compact legislation departs in a material manner from the  
21 model compact language;

22          (22) Prepare and provide to the participating states an annual report; and

23          (23) Perform such other functions as may be necessary or appropriate to achieve the  
24 purposes of this compact consistent with the state regulation of PA licensure and practice.

25          (d) Meetings of the commission.

26           (1) All meetings of the commission that are not closed pursuant to this subsection shall be  
27 open to the public. Notice of public meetings shall be posted on the commission's website at least  
28 thirty (30) days prior to the public meeting.

29           (2) Notwithstanding subsection (d)(1) of this section, the commission may convene a  
30 public meeting by providing at least twenty-four (24) hours prior notice on the commission's  
31 website, and any other means as provided in the commission's rules, for any of the reasons it may  
32 dispense with notice of proposed rulemaking under § 5-54.1-9(1).

33           (3) The commission may convene in a closed, non-public meeting or non-public part of a  
34 public meeting to receive legal advice or to discuss:

- 1           (i) Non-compliance of a participating state with its obligations under this compact;
- 2           (ii) The employment, compensation, discipline or other matters, practices or procedures  
3 related to specific employees or other matters related to the commission's internal personnel  
4 practices and procedures;
- 5           (iii) Current, threatened, or reasonably anticipated litigation;
- 6           (iv) Negotiation of contracts for the purchase, lease, or sale of goods, services, or real  
7 estate;
- 8           (v) Accusing any person of a crime or formally censuring any person;
- 9           (vi) Disclosure of trade secrets or commercial or financial information that is privileged or  
10 confidential;
- 11           (vii) Disclosure of information of a personal nature where disclosure would constitute a  
12 clearly unwarranted invasion of personal privacy;
- 13           (viii) Disclosure of investigative records compiled for law enforcement purposes;
- 14           (ix) Disclosure of information related to any investigative reports prepared by or on behalf  
15 of or for use of the commission or other committee charged with responsibility of investigation or  
16 determination of compliance issues pursuant to this compact;
- 17           (x) Legal advice; or
- 18           (xi) Matters specifically exempted from disclosure by federal or participating states'  
19 statutes.
- 20           (4) If a meeting, or portion of a meeting, is closed pursuant to this provision, the chair of  
21 the meeting or the chair's designee shall certify that the meeting or portion of the meeting may be  
22 closed and shall reference each relevant exempting provision.
- 23           (5) The commission shall keep minutes that fully and clearly describe all matters discussed  
24 in a meeting and shall provide a full and accurate summary of actions taken, including a description  
25 of the views expressed. All documents considered in connection with an action shall be identified  
26 in such minutes. All minutes and documents of a closed meeting shall remain under seal, subject  
27 to release by a majority vote of the commission or order of a court of competent jurisdiction.
- 28           (e) Financing of the commission.
- 29           (1) The commission shall pay, or provide for the payment of, the reasonable expenses of  
30 its establishment, organization, and ongoing activities.
- 31           (2) The commission may accept any and all appropriate revenue sources, donations, and  
32 grants of money, equipment, supplies, materials, and services.
- 33           (3) The commission may levy on and collect an annual assessment from each participating  
34 state and may impose compact privilege fees on licensees of participating states to whom a compact

1 privilege is granted to cover the cost of the operations and activities of the commission and its staff,  
2 which must be in a total amount sufficient to cover its annual budget as approved by the commission  
3 each year for which revenue is not provided by other sources. The aggregate annual assessment  
4 amount levied on participating states shall be allocated based upon a formula to be determined by  
5 commission rule.

6 (i) A compact privilege expires when the licensee's qualifying license in the participating  
7 state from which the licensee applied for the compact privilege expires.

8 (ii) If the licensee terminates the qualifying license through which the licensee applied for  
9 the compact privilege before its scheduled expiration, and the licensee has a qualifying license in  
10 another participating state, the licensee shall inform the commission that it is changing to that  
11 participating state the participating state through which it applies for a compact privilege and pay  
12 to the commission any compact privilege fee required by commission rule.

13 (4) The commission shall not incur obligations of any kind prior to securing the funds  
14 adequate to meet the same; nor shall the commission pledge the credit of any of the participating  
15 states, except by and with the authority of the participating state.

16 (5) The commission shall keep accurate accounts of all receipts and disbursements. The  
17 receipts and disbursements of the commission shall be subject to the financial review and  
18 accounting procedures established under its bylaws. All receipts and disbursements of funds  
19 handled by the commission shall be subject to an annual financial review by a certified or licensed  
20 public accountant, and the report of the financial review shall be included in and become part of  
21 the annual report of the commission.

22 (f) The executive committee.

23 (1) The executive committee shall have the power to act on behalf of the commission  
24 according to the terms of this compact and commission rules.

25 (2) The executive committee shall be composed of nine (9) members:

26 (i) Seven (7) voting members who are elected by the commission from the current  
27 membership of the commission;

28 (ii) One ex-officio, nonvoting member from a recognized national PA professional  
29 association; and

30 (iii) One ex-officio, nonvoting member from a recognized national PA certification  
31 organization.

32 (3) The ex-officio members will be selected by their respective organizations.

33 (4) The commission may remove any member of the executive committee as provided in  
34 its bylaws.

1           (5) The executive committee shall meet at least annually.

2           (6) The executive committee shall have the following duties and responsibilities:

3           (i) Recommend to the commission changes to the commission’s rules or bylaws, changes  
4 to this compact legislation, fees to be paid by compact participating states such as annual dues, and  
5 any commission compact fee charged to licensees for the compact privilege;

6           (ii) Ensure compact administration services are appropriately provided, contractual or  
7 otherwise;

8           (iii) Prepare and recommend the budget;

9           (iv) Maintain financial records on behalf of the commission;

10          (v) Monitor compact compliance of participating states and provide compliance reports to  
11 the commission.

12          (vi) Establish additional committees as necessary;

13          (vii) Exercise the powers and duties of the commission during the interim between  
14 commission meetings, except for issuing proposed rulemaking or adopting commission rules or  
15 bylaws, or exercising any other powers and duties exclusively reserved to the commission by the  
16 commission’s rules; and

17          (viii) Perform other duties as provided in the commission’s rules or bylaws.

18          (7) All meetings of the executive committee at which it votes or plans to vote on matters  
19 in exercising the powers and duties of the commission shall be open to the public and public notice  
20 of such meetings shall be given as public meetings of the commission are given.

21          (8) The executive committee may convene in a closed, non-public meeting for the same  
22 reasons that the commission may convene in a non-public meeting as set forth in subsection (d)(3)  
23 of this section and shall announce the closed meeting as the commission is required to under  
24 subsection (d)(4) of this section and keep minutes of the closed meeting as the commission is  
25 required to under section subsection (d)(5) of this section.

26          (g) Qualified immunity, defense, and indemnification.

27          (1) The members, officers, executive director, employees and representatives of the  
28 commission shall be immune from suit and liability, both personally and in their official capacity,  
29 for any claim for damage to or loss of property or personal injury or other civil liability caused by  
30 or arising out of any actual or alleged act, error, or omission that occurred, or that the person against  
31 whom the claim is made had a reasonable basis for believing occurred within the scope of  
32 commission employment, duties or responsibilities; provided that nothing in this paragraph shall  
33 be construed to protect any such person from suit or liability for any damage, loss, injury, or liability  
34 caused by the intentional or willful or wanton misconduct of that person. The procurement of

1 insurance of any type by the commission shall not in any way compromise or limit the immunity  
2 granted hereunder.

3 (2) The commission shall defend any member, officer, executive director, employee, and  
4 representative of the commission in any civil action seeking to impose liability arising out of any  
5 actual or alleged act, error, or omission that occurred within the scope of commission employment,  
6 duties, or responsibilities, or as determined by the commission that the person against whom the  
7 claim is made had a reasonable basis for believing occurred within the scope of commission  
8 employment, duties, or responsibilities; provided that nothing herein shall be construed to prohibit  
9 that person from retaining their own counsel at their own expense; and provided further, that the  
10 actual or alleged act, error, or omission did not result from that person's intentional or willful or  
11 wanton misconduct.

12 (3) The commission shall indemnify and hold harmless any member, officer, executive  
13 director, employee, and representative of the commission for the amount of any settlement or  
14 judgment obtained against that person arising out of any actual or alleged act, error, or omission  
15 that occurred within the scope of commission employment, duties, or responsibilities, or that such  
16 person had a reasonable basis for believing occurred within the scope of commission employment,  
17 duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result  
18 from the intentional or willful or wanton misconduct of that person.

19 (4) Venue is proper and judicial proceedings by or against the commission shall be brought  
20 solely and exclusively in a court of competent jurisdiction where the principal office of the  
21 commission is located. The commission may waive venue and jurisdictional defenses in any  
22 proceedings as authorized by commission rules.

23 (5) Nothing herein shall be construed as a limitation on the liability of any licensee for  
24 professional malpractice or misconduct, which shall be governed solely by any other applicable  
25 state laws.

26 (6) Nothing herein shall be construed to designate the venue or jurisdiction to bring actions  
27 for alleged acts of malpractice, professional misconduct, negligence, or other such civil action  
28 pertaining to the practice of a PA. All such matters shall be determined exclusively by state law  
29 other than this compact.

30 (7) Nothing in this compact shall be interpreted to waive or otherwise abrogate a  
31 participating state's state action immunity or state action affirmative defense with respect to  
32 antitrust claims under 15 USC 1 et seq. (Sherman Act), as amended from time to time, 15 USC 12-  
33 27 (Clayton Act), as amended from time to time, or any other state or federal antitrust or  
34 anticompetitive law or regulation.

1 (8) Nothing in this compact shall be construed to be a waiver of sovereign immunity by the  
2 participating states or by the commission.

3 **5-54.1-9. Data system.**

4 (a) The commission shall provide for the development, maintenance, operation, and  
5 utilization of a coordinated data and reporting system containing licensure, adverse action, and the  
6 reporting of the existence of significant investigative information on all licensed PAs and applicants  
7 denied a license in participating states.

8 (b) Notwithstanding any other state law to the contrary, a participating state shall submit a  
9 uniform data set to the data system on all PAs to whom this compact is applicable (utilizing a  
10 unique identifier) as required by the rules of the commission, including:

11 (1) Identifying information;

12 (2) Licensure data;

13 (3) Adverse actions against a license or compact privilege;

14 (4) Any denial of application for licensure, and the reason(s) for such denial, excluding the  
15 reporting of any criminal history record information prohibited by section 5-54.1-13.1 of this  
16 chapter or other state or federal law;

17 (5) The existence of significant investigative information; and

18 (6) Other information that may facilitate the administration of this compact, as determined  
19 by the rules of the commission.

20 (c) Significant investigative information pertaining to a licensee in any participating state  
21 shall only be available to other participating states.

22 (d) The commission shall promptly notify all participating states of any adverse action  
23 taken against a licensee or an individual applying for a license that has been reported to it. This  
24 adverse action information shall be available to any other participating state.

25 (e) Participating states contributing information to the data system may, in accordance with  
26 state or federal law, designate information that may not be shared with the public without the  
27 express permission of the contributing state. Notwithstanding any such designation, such  
28 information shall be reported to the commission through the data system.

29 (f) Any information submitted to the data system that is subsequently expunged pursuant  
30 to federal law or the laws of the participating state contributing the information shall be removed  
31 from the data system upon reporting of such by the participating state to the commission.

32 (g) The records and information provided to a participating state pursuant to this compact  
33 or through the data system, when certified by the commission or an agent thereof, shall constitute  
34 the authenticated business records of the commission, and shall be entitled to any associated

1 hearsay exception in any relevant judicial, quasi-judicial or administrative proceedings in a  
2 participating state.

3 **5-54.1-10. Rulemaking.**

4 (a) The commission shall exercise its rulemaking powers pursuant to the criteria set forth  
5 in this section and the rules adopted thereunder. Commission rules shall become binding as of the  
6 date specified by the commission for each rule.

7 (b) The commission shall promulgate reasonable rules in order to effectively and efficiently  
8 implement and administer this compact and achieve its purposes. A commission rule shall be  
9 invalid and have not force or effect only if a court of competent jurisdiction holds that the rule is  
10 invalid because the commission exercised its rulemaking authority in a manner that is beyond the  
11 scope of the purposes of this compact, or the powers granted hereunder, or based upon another  
12 applicable standard of review.

13 (c) The rules of the commission shall have the force of law in each participating state,  
14 provided however that where the rules of the commission conflict with the laws of the participating  
15 state that establish the medical services a PA may perform in the participating state, as held by a  
16 court of competent jurisdiction, the rules of the commission shall be ineffective in that state to the  
17 extent of the conflict.

18 (d) If a majority of the legislatures of the participating states rejects a commission rule, by  
19 enactment of a statute or resolution in the same manner used to adopt this compact within four (4)  
20 years of the date of adoption of the rule, then such rule shall have no further force and effect in any  
21 participating state or to any state applying to participate in the compact.

22 (e) Commission rules shall be adopted at a regular or special meeting of the commission.

23 (f) Prior to promulgation and adoption of a final rule or rules by the commission, and at  
24 least thirty (30) days in advance of the meeting at which the rule will be considered and voted upon,  
25 the commission shall file a notice of proposed rulemaking:

26 (1) On the website of the commission or other publicly accessible platform; and

27 (2) To persons who have requested notice of the commission's notices of proposed  
28 rulemaking, and

29 (3) In such other way(s) as the commission may by rule specify.

30 (g) The notice of proposed rulemaking shall include:

31 (1) The time, date, and location of the public hearing on the proposed rule and the proposed  
32 time, date and location of the meeting in which the proposed rule will be considered and voted  
33 upon;

34 (2) The text of the proposed rule and the reason for the proposed rule;

1           (3) A request for comments on the proposed rule from any interested person and the date  
2 by which written comments must be received; and

3           (4) The manner in which interested persons may submit notice to the commission of their  
4 intention to attend the public hearing or provide any written comments.

5           (h) Prior to adoption of a proposed rule, the commission shall allow persons to submit  
6 written data, facts, opinions, and arguments, which shall be made available to the public.

7           (i) If the hearing is to be held via electronic means, the commission shall publish the  
8 mechanism for access to the electronic hearing.

9           (1) All persons wishing to be heard at the hearing shall as directed in the notice of proposed  
10 rulemaking, not less than five (5) business days before the scheduled date of the hearing, notify the  
11 commission of their desire to appear and testify at the hearing.

12           (2) Hearings shall be conducted in a manner providing each person who wishes to comment  
13 a fair and reasonable opportunity to comment orally or in writing.

14           (3) All hearings shall be recorded. A copy of the recording and the written comments, data,  
15 facts, opinions, and arguments received in response to the proposed rulemaking shall be made  
16 available to a person upon request.

17           (4) Nothing in this section shall be construed as requiring a separate hearing on each  
18 proposed rule. Proposed rules may be grouped for the convenience of the commission at hearings  
19 required by this section.

20           (j) Following the public hearing the commission shall consider all written and oral  
21 comments timely received.

22           (k) The commission shall, by majority vote of all delegates, take final action on the  
23 proposed rule and shall determine the effective date of the rule, if adopted, based on the rulemaking  
24 record and the full text of the rule.

25           (1) If adopted, the rule shall be posted on the commission's website.

26           (2) The commission may adopt changes to the proposed rule provided the changes do not  
27 enlarge the original purpose of the proposed rule.

28           (3) The commission shall provide on its website an explanation of the reasons for  
29 substantive changes made to the proposed rule as well as reasons for substantive changes not made  
30 that were recommended by commenters.

31           (4) The commission shall determine a reasonable effective date for the rule. Except for an  
32 emergency as provided in subsection (l) of this section, the effective date of the rule shall be no  
33 sooner than thirty (30) days after the commission issued the notice that it adopted the rule.

34           (l) Upon determination that an emergency exists, the commission may consider and adopt

1 an emergency rule with twenty-four (24) hours prior notice, without the opportunity for comment,  
2 or hearing, provided that the usual rulemaking procedures provided in this compact and in this  
3 section shall be retroactively applied to the rule as soon as reasonably possible, in no event later than  
4 ninety (90) days after the effective date of the rule. For the purposes of this provision, an emergency  
5 rule is one that must be adopted immediately by the commission in order to:

6 (1) Meet an imminent threat to public health, safety, or welfare;

7 (2) Prevent a loss of commission or participating state funds;

8 (3) Meet a deadline for the promulgation of a commission rule that is established by federal  
9 law or rule; or

10 (4) Protect public health and safety.

11 (m) The commission or an authorized committee of the commission may direct revisions  
12 to a previously adopted commission rule for purposes of correcting typographical errors, errors in  
13 format, errors in consistency, or grammatical errors. Public notice of any revisions shall be posted  
14 on the website of the commission. The revision shall be subject to challenge by any person for a  
15 period of thirty (30) days after posting. The revision may be challenged only on grounds that the  
16 revision results in a material change to a rule. A challenge shall be made as set forth in the notice  
17 of revisions and delivered to the commission prior to the end of the notice period. If no challenge  
18 is made, the revision will take effect without further action. If the revision is challenged, the  
19 revision may not take effect without the approval of the commission.

20 (n) No participating state's rulemaking requirements shall apply under this compact.

21 **5-54.1-11. Oversight, dispute resolution, and enforcement.**

22 (a) Oversight

23 (1) The executive and judicial branches of state government in each participating state shall  
24 enforce this compact and take all actions necessary and appropriate to implement the compact.

25 (2) Venue is proper and judicial proceedings by or against the commission shall be brought  
26 solely and exclusively in a court of competent jurisdiction where the principal office of the  
27 commission is located. The commission may waive venue and jurisdictional defenses to the extent  
28 it adopts or consents to participate in alternative dispute resolution proceedings. Nothing herein  
29 shall affect or limit the selection or propriety of venue in any action against a licensee for  
30 professional malpractice, misconduct or any such similar matter.

31 (3) The commission shall be entitled to receive service of process in any proceeding  
32 regarding the enforcement or interpretation of the compact or the commission's rules and shall have  
33 standing to intervene in such a proceeding for all purposes. Failure to provide the commission with  
34 service of process shall render a judgment or order in such proceeding void as to the commission.

1 this compact, or commission rules.

2 (b) Default, technical assistance, and termination.

3 (1) If the commission determines that a participating state has defaulted in the performance  
4 of its obligations or responsibilities under this compact or the commission rules, the commission  
5 shall provide written notice to the defaulting state and other participating states. The notice shall  
6 describe the default, the proposed means of curing the default and any other action that the  
7 commission may take and shall offer remedial training and specific technical assistance regarding  
8 the default.

9 (2) If a state in default fails to cure the default, the defaulting state may be terminated from  
10 this compact upon an affirmative vote of a majority of the delegates of the participating states, and  
11 all rights, privileges and benefits conferred by this compact upon such state may be terminated on  
12 the effective date of termination. A cure of the default does not relieve the offending state of  
13 obligations or liabilities incurred during the period of default.

14 (3) Termination of participation in this compact shall be imposed only after all other means  
15 of securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given  
16 by the commission to the governor, the majority and minority leaders of the defaulting state's  
17 legislature, and to the licensing board(s) of each of the participating states.

18 (4) A state that has been terminated is responsible for all assessments, obligations, and  
19 liabilities incurred through the effective date of termination, including obligations that extend  
20 beyond the effective date of termination.

21 (5) The commission shall not bear any costs related to a state that is found to be in default  
22 or that has been terminated from this compact, unless agreed upon in writing between the  
23 commission and the defaulting state.

24 (6) The defaulting state may appeal its termination from the compact by the commission  
25 by petitioning the United States District Court for the District of Columbia or the federal district  
26 where the commission has its principal offices. The prevailing member shall be awarded all costs  
27 of such litigation, including reasonable attorney's fees.

28 (7) Upon the termination of a state's participation in the compact, the state shall  
29 immediately provide notice to all licensees within that state of such termination:

30 (i) Licensees who have been granted a compact privilege in that state shall retain the  
31 compact privilege for one hundred eighty (180) days following the effective date of such  
32 termination.

33 (ii) Licensees who are licensed in that state who have been granted a compact privilege in  
34 a participating state shall retain the compact privilege for one hundred eighty (180) days unless the

1 licensee also has a qualifying license in a participating state or obtains a qualifying license in a  
2 participating state before the one hundred eighty (180) day-period ends, in which case the compact  
3 privilege shall continue.

4 (c) Dispute resolution.

5 (1) Upon request by a participating state, the commission shall attempt to resolve disputes  
6 related to this compact that arise among participating states and between participating and non  
7 participating states.

8 (2) The commission shall promulgate a rule providing for both mediation and binding  
9 dispute resolution for disputes as appropriate.

10 (d) Enforcement.

11 (1) The commission, in the reasonable exercise of its discretion, shall enforce the  
12 provisions of this compact and rules of the commission.

13 (2) If compliance is not secured after all means to secure compliance have been exhausted,  
14 by majority vote, the commission may initiate legal action in the United States District Court for  
15 the District of Columbia or the federal district where the commission has its principal offices,  
16 against a participating state in default to enforce compliance with the provisions of this compact  
17 and the commission's promulgated rules and bylaws. The relief sought may include both injunctive  
18 relief and damages. In the event judicial enforcement is necessary, the prevailing party shall be  
19 awarded all costs of such litigation, including reasonable attorney's fees.

20 (3) The remedies herein shall not be the exclusive remedies of the commission. The  
21 commission may pursue any other remedies available under federal or state law.

22 (e) Legal action against the commission.

23 (1) A participating state may initiate legal action against the commission in the United  
24 States District Court for the District of Columbia or the federal district where the commission has  
25 its principal offices to enforce compliance with the provisions of the compact and its rules. The  
26 relief sought may include both injunctive relief and damages. In the event judicial enforcement is  
27 necessary, the prevailing party shall be awarded all costs of such litigation, including reasonable  
28 attorney's fees.

29 (2) No person other than a participating state shall enforce this compact against the  
30 commission.

31 **5-54.1-12. Date of implementation of the PA licensure compact commission.**

32 (a) This compact shall come into effect on the date on which this compact statute is enacted  
33 into law in the seventh participating state.

34 (1) On or after the effective date of the compact, the commission shall convene and review

1 the enactment of each of the states that enacted the compact prior to the commission convening  
2 (“charter participating states”) to determine if the statute enacted by each such charter participating  
3 state is materially different than the model compact.

4 (i) A charter participating state whose enactment is found to be materially different from  
5 the model compact shall be entitled to the default process set forth in § 5-54.1-10(b).

6 (ii) If any participating state later withdraws from the compact or its participation is  
7 terminated, the commission shall remain in existence and the compact shall remain in effect even  
8 if the number of participating states should be less than seven (7). Participating states enacting the  
9 compact subsequent to the commission convening shall be subject to the process set forth in § 5-  
10 54.1-7(c)(21) to determine if their enactments are materially different from the model compact and  
11 whether they qualify for participation in the compact.

12 (2) Participating states enacting the compact subsequent to the seven (7) initial charter  
13 participating states shall be subject to the process set forth in section § 5-54.1-7(c)(21) to determine  
14 if their enactments are materially different from the model compact and whether they qualify for  
15 participation in the compact.

16 3) All actions taken for the benefit of the commission or in furtherance of the purposes of  
17 the administration of the compact prior to the effective date of the compact or the commission  
18 coming into existence shall be considered to be actions of the commission unless specifically  
19 repudiated by the commission.

20 (b) Any state that joins this compact shall be subject to the commission’s rules and bylaws  
21 as they exist on the date on which this compact becomes law in that state. Any rule that has been  
22 previously adopted by the commission shall have the full force and effect of law on the day this  
23 compact becomes law in that state.

24 (c) Any participating state may withdraw from this compact by enacting a statute repealing  
25 the same.

26 (1) A participating state’s withdrawal shall not take effect until one hundred eighty (180)  
27 days after enactment of the repealing statute. During this one hundred eighty (180) day-period, all  
28 compact privileges that were in effect in the withdrawing state and were granted to licensees  
29 licensed in the withdrawing state shall remain in effect. If any licensee licensed in the withdrawing  
30 state is also licensed in another participating state or obtains a license in another participating state  
31 within the one hundred eighty (180) days, the licensee’s compact privileges in other participating  
32 states shall not be affected by the passage of the one hundred eighty (180) days.

33 (2) Withdrawal shall not affect the continuing requirement of the state licensing board(s)  
34 of the withdrawing state to comply with the investigative, and adverse action reporting

1 requirements of this compact prior to the effective date of withdrawal.

2 (3) Upon the enactment of a statute withdrawing a state from this compact, the state shall  
3 immediately provide notice of such withdrawal to all Licensees within that State. Such withdrawing  
4 State shall continue to recognize all licenses granted pursuant to this compact for a minimum of  
5 one hundred eighty (180) days after the date of such notice of withdrawal.

6 (d) Nothing contained in this compact shall be construed to invalidate or prevent any PA  
7 licensure agreement or other cooperative arrangement between participating states and between a  
8 participating state and non-participating state that does not conflict with the provisions of this  
9 compact.

10 (e) This compact may be amended by the participating states. No amendment to this  
11 compact shall become effective and binding upon any participating state until it is enacted  
12 materially in the same manner into the laws of all participating states as determined by the  
13 commission.

14 **5-54.1-13. Construction and severability.**

15 (a) This compact and the commission's rulemaking authority shall be liberally construed  
16 so as to effectuate the purposes, and the implementation and administration of the compact.  
17 Provisions of the compact expressly authorizing or requiring the promulgation of rules shall not be  
18 construed to limit the commission's rulemaking authority solely for those purposes.

19 (b) The provisions of this compact shall be severable and if any phrase, clause, sentence or  
20 provision of this compact is held by a court of competent jurisdiction to be contrary to the  
21 constitution of any participating state, a state seeking participation in the compact, or of the United  
22 States, or the applicability thereof to any government, agency, person or circumstance is held to be  
23 unconstitutional by a court of competent jurisdiction, the validity of the remainder of this compact  
24 and the applicability thereof to any other government, agency, person or circumstance shall not be  
25 affected thereby.

26 (c) Notwithstanding subsection (b) of this section, the commission may deny a state's  
27 participation in the compact or, in accordance with the requirements of § 5-54.1-10(b), terminate a  
28 participating state's participation in the compact, if it determines that a constitutional requirement  
29 of a participating state is, or would be with respect to a state seeking to participate in the compact,  
30 a material departure from the compact. Otherwise, if this compact shall be held to be contrary to  
31 the constitution of any participating state, the compact shall remain in full force and effect as to the  
32 remaining participating states and in full force and effect as to the participating state affected as to  
33 all severable matters.

34 **5-54.1-14. Binding effect of compact.**

1           (a) Nothing herein prevents the enforcement of any other law of a participating state that  
2 is not inconsistent with this compact.

3           (b) Any laws in a participating state in conflict with this compact are superseded to the  
4 extent of the conflict.

5           (c) All agreements between the commission and the participating states are binding in  
6 accordance with their terms.

7           **5-54.1-14.1. Confidentiality of National Criminal Records Checks.**

8           (a) State and federal criminal history record information of an applicant for a PA license  
9 may be used by the department of health or the board of licensure of physician assistants for the  
10 purpose of screening the applicant.

11           b) State and federal criminal history record information of a licensed PA seeking an initial  
12 compact privilege may be used by the department of health or the board of licensure of physician  
13 assistants for the purpose of taking disciplinary action against the licensee.

14           (c) State and federal criminal history records information received by the Rhode Island  
15 department of health or the board of licensure of physician assistants shall not be disseminated to  
16 the Physician Assistant Licensure Compact Commission established under section 5-54.1-7 of this  
17 chapter.

18           SECTION 7. Chapter 5-91 of the General Laws entitled "Interstate Medical Licensure  
19 Compact" is hereby amended by adding thereto the following section:

20           **5-91-26. Confidentiality of criminal history records information.**

21           (a) State and federal criminal history records information received by the Rhode Island  
22 department of health or the board of licensure of medical licensure and discipline shall not be  
23 disseminated to the Interstate Medical Licensure Compact established under § 5-91-11 of this  
24 chapter.

25           SECTION 8. Section 23-1-46.1 of the General Laws in Chapter 23-1 entitled "Department  
26 of Health" is hereby repealed.

27           ~~**23-1-46.1. Psychiatry resource network account. [See Compiler's Note.]**~~

28           ~~(a) There is created within the general fund a restricted receipt account to be known as the~~  
29 ~~“PRN account.” All money in the account shall be utilized by the department of health to effectuate~~  
30 ~~coverage for the following services: Existing Rhode Island lines including the PediPRN and~~  
31 ~~MomsPRN information lines together with any additional information line, referral service, or~~  
32 ~~hotline which is available to providers or residents in the state, and which is funded pursuant to~~  
33 ~~regulation adopted by the director of the department of health. Amounts collected pursuant to § 42-~~  
34 ~~7.4-3(a)(1)(iv) shall be deposited in the “PRN account.” The funds shall be used solely for the~~

1 ~~purposes of the “PRN account,” and no other.~~

2 ~~(b) Each year’s psychiatry resource network funding requirement in § 42-7.4-3(a)(1)(iv)~~  
3 ~~shall be the amount:~~

4 ~~(1) Projected by the department of health for the services in subsection (a) of this section;~~  
5 ~~plus~~

6 ~~(2) A ten percent (10%) contingency for unexpected expenses; and after~~

7 ~~(3) Deduction for any projected carryover of excess funds from prior assessments.~~

8 ~~(c) The department of health shall submit to the general assembly an annual report on the~~  
9 ~~program and costs related to the program, on or before February 1 of each year. The department~~  
10 ~~shall make available to each insurer required to make a contribution pursuant to § 42-7.4-3, upon~~  
11 ~~its request, detailed information regarding the programs described in subsection (a) of this section~~  
12 ~~and the costs related to those programs.~~

13 ~~(d) The “PRN account” shall be exempt from the indirect costs recovery provisions of §~~  
14 ~~35-4-27.~~

15 SECTION 9. Chapter 23-1 of the General Laws entitled "Department of Health" is hereby  
16 amended by adding thereto the following section:

17 **23-1-46.2. Psychiatry resource network programs.**

18 (a) The department of health shall manage any and all funds available to effectuate  
19 coverage for the following services: Existing Rhode Island PediPRN and MomsPRN  
20 teleconsultation information lines which are available to support pediatric, primary care, perinatal,  
21 and other service providers in the state in providing appropriate and timely mental health care and  
22 referrals to children perinatal patients, and mothers with mental health concerns.

23 SECTION 10. Sections 23-15-2, 23-15-4, 23-15-4.1, 23-15-4.2, 23-15-4.4, 23-15-5, 23-  
24 15-6, 23-15-6.1, 23-15-10 and 23-15-11 of the General Laws in Chapter 23-15 entitled  
25 "Determination of Need for New Healthcare Equipment and New Institutional Health Services" are  
26 hereby amended to read as follows:

27 **23-15-2. Definitions.**

28 As used in this chapter:

29 (1) “Accessible or accessibility” means the ability of underserved populations to access  
30 healthcare and as may be further defined in rules and regulations promulgated by the Rhode Island  
31 state department of health

32 ~~(1)(2) “Affected person” means and includes the person whose proposal is being reviewed,~~  
33 ~~or the applicant, healthcare facilities located within the state that provide institutional health~~  
34 ~~services, the state medical society, the state osteopathic society, those voluntary nonprofit area-~~

1 wide planning agencies that may be established in the state, ~~the state budget office, the office of~~  
2 ~~health insurance commissioner~~, any hospital or medical service corporation organized under the  
3 laws of the state, ~~the statewide health coordinating council, contiguous health systems agencies,~~  
4 and those members of the public who are to be served by the proposed, new institutional health  
5 services or new healthcare equipment.

6 (3) “Affordable” means the relative ability of the people of the state to pay for, or incur,  
7 the cost, resulting from the proposed determination of need and as may be further defined in rules  
8 and regulations promulgated by the Rhode Island state department of health.

9 (4) “Applicant” means the person who has submitted a request for a certificate of need  
10 review and approval in accordance with this chapter.

11 (5) “Capital expenditure” means the total non-recurring expenditures for physical  
12 improvements and the acquisition of existing buildings, land, and/or interests in land, including  
13 costs associated therewith in excess of fifty million dollars (\$50,000,000) and as may be further  
14 defined in rules and regulations promulgated by the department. Further, beginning on July 1, 2026,  
15 and each July 1 thereafter, the amount of the threshold shall be adjusted by the percentage increase  
16 in the consumer price index for all urban consumers (CPI-U) as published by the United States  
17 Department of Labor Statistics as of September 30 of the prior calendar year. Expenditures related  
18 to electronic health and management information systems shall not be considered capital  
19 expenditures for the purposes of this chapter.

20 ~~(2) “Cost impact analysis” means a written analysis of the effect that a proposal to offer or~~  
21 ~~develop new institutional health services or new healthcare equipment, if approved, will have on~~  
22 ~~healthcare costs and shall include any detail that may be prescribed by the state agency in rules and~~  
23 ~~regulations.~~

24 (6) “Department” means the Rhode Island department of health.

25 ~~(3)~~(7) “Director” means the director of the Rhode Island state department of health.

26 ~~(4)~~(8)(i) “Healthcare facility” means ~~any institutional health service provider, facility or~~  
27 ~~institution, place, building, agency, or portion of them, whether a partnership or corporation,~~  
28 ~~whether public or private, whether organized for profit or not, used, operated, or engaged in~~  
29 ~~providing healthcare services that are limited to~~ hospitals (except with respect to hospitals whose  
30 services are limited exclusively to behavioral health), nursing facilities, ~~home nursing care~~  
31 ~~provider, home care provider~~, hospice provider, inpatient rehabilitation hospital centers ~~(including~~  
32 ~~drug and/or alcohol abuse treatment centers)~~, freestanding emergency-care facilities as defined in  
33 § 23-17-2, ~~certain facilities providing surgical treatment to patients not requiring hospitalization~~  
34 ~~(surgi centers, multi practice, physician ambulatory surgery centers and multi practice, podiatry~~

1 ~~ambulatory surgery centers), and facilities providing inpatient hospice care. Single-practice~~  
2 ~~physician or podiatry ambulatory surgery centers (as defined in § 23-17-2(17), (18), respectively)~~  
3 ~~are exempt from the requirements of chapter 15 of this title; provided, however, that such~~  
4 ~~exemption shall not apply if a single-practice physician or podiatry ambulatory surgery center is~~  
5 ~~established by a medical practice group (as defined in § 5-37-1) within two (2) years following the~~  
6 ~~formation of such medical practice group, when such medical practice group is formed by the~~  
7 ~~merger or consolidation of two (2) or more medical practice groups or the acquisition of one~~  
8 ~~medical practice group by another medical practice group.~~ Medical spas as defined in chapter 105  
9 of this title are exempt from the requirements of this chapter. The term “healthcare facility” does  
10 not include Christian Science institutions (also known as Christian Science nursing facilities) listed  
11 and certified by the Commission for Accreditation of Christian Science Nursing  
12 Organizations/Facilities, Inc.

13 (ii) Any provider of hospice care who provides hospice care without charge shall be exempt  
14 from the provisions of this chapter.

15 ~~(5)~~(9) “Healthcare provider” means a person who is a direct provider of healthcare services  
16 (including but not limited to licensed physicians, dentists, nurses, podiatrists, physician assistants,  
17 or nurse practitioners) ~~in that~~ where the person’s ~~primary~~ current activity is the provision of  
18 healthcare services for persons.

19 ~~(6)~~(10) “Health services” means organized program components for preventive,  
20 assessment, maintenance, diagnostic, treatment, and rehabilitative services provided in a healthcare  
21 facility.

22 ~~(7)~~(11) “Health services council” means the advisory body to the Rhode Island state  
23 department of health established in accordance with chapter ~~17 of this title~~ 13.1 of title 17,  
24 appointed and empowered as provided to serve as the advisory body to the ~~state agency~~ department  
25 in its review functions under this chapter.

26 (12) "Innovation" means the potential of the proposal to demonstrate or provide one or  
27 more innovative approaches of methods for attaining a more cost effective and/or efficient  
28 healthcare system as may be further defined in rules and regulations promulgated by the  
29 department.

30 ~~(8)~~(13) "Institutional health services" means health services provided in or through  
31 healthcare facilities and includes the entities in or through ~~that the~~ which such services are provided.

32 ~~(9) “New healthcare equipment” means any single piece of medical equipment (and any~~  
33 ~~components that constitute operational components of the piece of medical equipment) proposed~~  
34 ~~to be utilized in conjunction with the provision of services to patients or the public, the capital costs~~

1 ~~of which would exceed two million two hundred fifty thousand dollars (\$2,250,000); provided,~~  
2 ~~however, that the state agency shall exempt from review any application that proposes one for one~~  
3 ~~equipment replacement as defined in regulation. Further, beginning July 1, 2012, and each July~~  
4 ~~thereafter, the amount shall be adjusted by the percentage of increase in the consumer price index~~  
5 ~~for all urban consumers (CPI-U) as published by the United States Department of Labor Statistics~~  
6 ~~as of September 30 of the prior calendar year.~~

7 ~~(10)(14)~~ “New institutional health services” means and includes:

8 (i) Construction, development, or other establishment of a new healthcare facility.

9 (ii) Any capital expenditure as defined herein, ~~except acquisitions of an existing healthcare~~  
10 ~~facility, that will not result in a change in the services or bed capacity of the healthcare facility by,~~  
11 ~~or on behalf of, an existing healthcare facility in excess of five million two hundred fifty thousand~~  
12 ~~dollars (\$5,250,000) which is a capital expenditure including expenditures for predevelopment~~  
13 ~~activities; provided further, beginning July 1, 2012, and each July thereafter, the amount shall be~~  
14 ~~adjusted by the percentage of increase in the consumer price index for all urban consumers (CPI-~~  
15 ~~U) as published by the United States Department of Labor Statistics as of September 30 of the prior~~  
16 ~~calendar year.~~

17 (iii) Where a person makes an acquisition by, or on behalf of, a healthcare facility ~~or health~~  
18 ~~maintenance organization~~ under lease or comparable arrangement or through donation, which  
19 would have required review if the acquisition had been by purchase, the acquisition shall be deemed  
20 a capital expenditure subject to review.

21 ~~(iv) Any capital expenditure that results in the addition of a health service or that changes~~  
22 ~~the bed capacity of a healthcare facility with respect to which the expenditure is made, except that~~  
23 ~~the state agency may exempt from review, by rules and regulations promulgated for this chapter,~~  
24 ~~any bed reclassifications made to licensed nursing facilities and annual increases in licensed bed~~  
25 ~~capacities of nursing facilities that do not exceed the greater of ten (10) beds or ten percent (10%)~~  
26 ~~of facility licensed bed capacity and for which the related capital expenditure does not exceed two~~  
27 ~~million dollars (\$2,000,000).~~

28 ~~(v) Any health service proposed to be offered to patients or the public by a healthcare~~  
29 ~~facility that was not offered on a regular basis in or through the facility within the twelve month~~  
30 ~~(12) period prior to the time the service would be offered, and that increases operating expenses by~~  
31 ~~more than one million five hundred thousand dollars (\$1,500,000), except that the state agency may~~  
32 ~~exempt from review, by rules and regulations promulgated for this chapter, any health service~~  
33 ~~involving reclassification of bed capacity made to licensed nursing facilities. Further, beginning~~  
34 ~~July 1, 2012, and each July thereafter, the amount shall be adjusted by the percentage of increase~~

1 ~~in the consumer price index for all urban consumers (CPI-U) as published by the United States~~  
2 ~~Department of Labor Statistics as of September 30 of the prior calendar year.~~

3 ~~(vi)(iv)~~ Any new or expanded ~~tertiary or specialty care~~ service in the following areas:  
4 cardiac catheterization, open heart surgery, organ transplantation, particle accelerator-based  
5 radiation therapy, and neonatal intensive care services. ~~regardless of capital expense or operating~~  
6 ~~expense, as defined by and listed in regulation, the list not to exceed a total of twelve (12) categories~~  
7 ~~of services at any one time and shall include full body magnetic resonance imaging and~~  
8 ~~computerized axial tomography; provided, however, that the state agency shall exempt from review~~  
9 ~~any application that proposes one for one equipment replacement as defined by and listed in~~  
10 ~~regulation. Acquisition of full body magnetic resonance imaging and computerized axial~~  
11 ~~tomography shall not require a certificate of need review and approval by the state agency if~~  
12 ~~satisfactory evidence is provided to the state agency that it was acquired for under one million~~  
13 ~~dollars (\$1,000,000) on or before January 1, 2010, and was in operation on or before July 1, 2010.~~

14 ~~(11)~~(15) "Person" means any individual, trust or estate, partnership, corporation (including  
15 associations, joint stock companies, limited liability corporations, and insurance companies), state  
16 or political subdivision, or instrumentality of a state.

17 ~~(12) "Predevelopment activities" means expenditures for architectural designs, plans,~~  
18 ~~working drawings, and specifications, site acquisition, professional consultations, preliminary~~  
19 ~~plans, studies, and surveys made in preparation for the offering of a new, institutional health~~  
20 ~~service.~~

21 ~~(13) "State agency" means the Rhode Island state department of health.~~

22 ~~(14)~~(16) "To develop" means to undertake those activities that, on their completion, will  
23 result in the offering of a new, institutional health service or new healthcare equipment or the  
24 incurring of a financial obligation, in relation to the offering of that service.

25 ~~(15)~~(17) "To offer" means to hold oneself out as capable of providing, or as having the  
26 means for the provision of, specified health services or healthcare equipment.

27 **23-15-4. Review and approval of new health care equipment and new institutional**  
28 **health services.**

29 (a) No ~~health care provider or health care facility~~ person shall develop or offer new health  
30 care equipment or new institutional health services in Rhode Island, the magnitude of which  
31 exceeds the limits defined by this chapter, without prior review by the health services council and  
32 approval by the ~~state agency~~ department; except that review by the health services council may be  
33 waived in the case of expeditious reviews conducted in accordance with § 23-15-5, ~~and except that~~  
34 ~~health maintenance organizations which fulfill criteria to be established in rules and regulations~~

1 ~~promulgated by the state agency with the advice of the health services council shall be exempted~~  
2 ~~from the review and approval requirement established in this section upon approval by the state~~  
3 ~~agency of an application for exemption from the review and approval requirement established in~~  
4 ~~this section which contain any information that the state agency may require to determine if the~~  
5 ~~health maintenance organization meets the criteria.~~

6 (b) No approval shall be made without an adequate demonstration of need by the applicant  
7 ~~at the time and place and under the circumstances proposed~~, nor shall the approval be made without  
8 a determination that a proposal for which need has been demonstrated is also affordable by the  
9 people of the state.

10 ~~(c) No approval of new institutional health services for the provision of health services to~~  
11 ~~inpatients shall be granted unless the written findings required in accordance with § 23-15-6(b)(6)~~  
12 ~~are made.~~

13 ~~(d)~~(c) Applications for determination of need shall be filed with the ~~state agency on a date~~  
14 ~~fixed by the state agency~~ department together with plans and specifications and any other  
15 appropriate data and information that the ~~state agency~~ department shall require by regulation, ~~and~~  
16 ~~shall be considered in relation to each other no less than once a year~~. A duplicate copy of each  
17 application together with all supporting documentation shall be kept on file by the ~~state agency~~  
18 department as a public record.

19 ~~(e)~~(d) ~~The health services council shall consider, but shall not be limited to, the following~~  
20 ~~in conducting reviews and determining need:~~ In its recommendations to the department, the health  
21 services council may assess criteria including, but not limited to, affordability, accessibility,  
22 innovation and quality standards, as further defined in regulations adopted by the department.

23 ~~(1) The relationship of the proposal to state health plans that may be formulated by the state~~  
24 ~~agency;~~

25 ~~(2) The impact of approval or denial of the proposal on the future viability of the applicant~~  
26 ~~and of the providers of health services to a significant proportion of the population served or~~  
27 ~~proposed to be served by the applicant;~~

28 ~~(3) The need that the population to be served by the proposed equipment or services has~~  
29 ~~for the equipment or services;~~

30 ~~(4) The availability of alternative, less costly, or more effective methods of providing~~  
31 ~~services or equipment, including economies or improvements in service that could be derived from~~  
32 ~~feasible cooperative or shared services;~~

33 ~~(5) The immediate and long term financial feasibility of the proposal, as well as the~~  
34 ~~probable impact of the proposal on the cost of, and charges for, health services of the applicant;~~

- 1           ~~(6) The relationship of the services proposed to be provided to the existing health care~~  
2 ~~system of the state;~~
- 3           ~~(7) The impact of the proposal on the quality of health care in the state and in the population~~  
4 ~~area to be served by the applicant;~~
- 5           ~~(8) The availability of funds for capital and operating needs for the provision of the services~~  
6 ~~or equipment proposed to be offered;~~
- 7           ~~(9) The cost of financing the proposal including the reasonableness of the interest rate, the~~  
8 ~~period of borrowing, and the equity of the applicant in the proposed new institutional health service~~  
9 ~~or new equipment;~~
- 10          ~~(10) The relationship, including the organizational relationship of the services or~~  
11 ~~equipment proposed, to ancillary or support services;~~
- 12          ~~(11) Special needs and circumstances of those entities which provide a substantial portion~~  
13 ~~of their services or resources, or both, to individuals not residing within the state;~~
- 14          ~~(12) Special needs of entities such as medical and other health professional schools,~~  
15 ~~multidisciplinary clinics, and specialty centers; also, the special needs for and availability of~~  
16 ~~osteopathic facilities and services within the state;~~
- 17          ~~(13) In the case of a construction project:~~
- 18           ~~(i) The costs and methods of the proposed construction;~~
- 19           ~~(ii) The probable impact of the construction project reviewed on the costs of providing~~  
20 ~~health services by the person proposing the construction project; and~~
- 21           ~~(iii) The proposed availability and use of safe patient handling equipment in the new or~~  
22 ~~renovated space to be constructed.~~
- 23          ~~(14) Those appropriate considerations that may be established in rules and regulations~~  
24 ~~promulgated by the state agency with the advice of the health services council;~~
- 25          ~~(15) The potential of the proposal to demonstrate or provide one or more innovative~~  
26 ~~approaches or methods for attaining a more cost effective and/or efficient health care system;~~
- 27          ~~(16) The relationship of the proposal to the need indicated in any requests for proposals~~  
28 ~~issued by the state agency;~~
- 29          ~~(17) The input of the community to be served by the proposed equipment and services and~~  
30 ~~the people of the neighborhoods close to the health care facility who are impacted by the proposal;~~
- 31          ~~(18) The relationship of the proposal to any long range capital improvement plan of the~~  
32 ~~health care facility applicant.~~
- 33          ~~(19) Cost impact statements forwarded pursuant to subsection 23-15-6(e).~~
- 34          ~~(f)~~(e) In conducting its review, the health services council shall perform the following:

1 (1) Within one hundred and fifteen (115) days after initiating its review, which must be  
2 commenced no later than thirty-one (31) days after the filing of an application, the health services  
3 council shall ~~determine as to each proposal whether the applicant has demonstrated need at the time~~  
4 ~~and place and under the circumstances proposed, and in doing so may apply the criteria and~~  
5 ~~standards set forth in subsection (e) of this section; provided however, that a determination of need~~  
6 ~~shall not alone be sufficient to warrant a recommendation to the state agency that a proposal should~~  
7 ~~be approved.~~ Make recommendations to the department relative to approval or denial of the new  
8 institutional health services or new healthcare equipment proposed. The director shall render, in  
9 writing, his or her decision within ~~five (5)~~ ten (10) days of the determination of the health services  
10 council.

11 ~~(2) Prior to the conclusion of its review in accordance with § 23-15-6(e), the health services~~  
12 ~~council shall evaluate each proposal for which a determination of need has been established in~~  
13 ~~relation to other proposals, comparing proposals with each other, whether similar or not,~~  
14 ~~establishing priorities among the proposals for which need has been determined, and taking into~~  
15 ~~consideration the criteria and standards relating to relative need and affordability as set forth in~~  
16 ~~subsection (e) of this section and § 23-15-6(f).~~

17 ~~(3) At the conclusion of its review, the health services council shall make recommendations~~  
18 ~~to the state agency relative to approval or denial of the new institutional health services or new~~  
19 ~~health care equipment proposed; provided that:~~

20 ~~(i) The health services council shall recommend approval of only those proposals found to~~  
21 ~~be affordable in accordance with the provisions of § 23-15-6(f); and~~

22 ~~(ii) If the state agency proposes to render a decision that is contrary to the recommendation~~  
23 ~~of the health services council, the state agency must render its reasons for doing so in writing.~~

24 ~~(g)(f)~~ Approval of new institutional health services or new health care equipment by the  
25 ~~state agency~~ department shall be subject to conditions that may be prescribed by rules and  
26 ~~regulations developed by the state agency with the advice of the health services council, but those~~  
27 ~~conditions must relate to the considerations enumerated in subsection (e) and to considerations that~~  
28 ~~may be established in regulations in accordance with subsection (e)(14).~~ may be subject to  
29 conditions as necessary to promote affordability, accessibility, innovation, and quality standards.

30 ~~(h)(g)~~ The offering or developing of new institutional health services or health care  
31 equipment by a health care facility without prior review by the health services council and approval  
32 by the ~~state agency~~ department shall be grounds for the imposition of licensure sanctions on the  
33 facility, including denial, suspension, revocation, or curtailment or for imposition of any monetary  
34 fines that may be statutorily permitted by virtue of individual health care facility licensing statutes.

1           ~~(i)(h)~~ No government agency ~~and no hospital or medical service corporation organized~~  
2 ~~under the laws of the state~~ shall reimburse any ~~health care facility or health care provider~~ person  
3 for the costs associated with offering or developing new institutional health services or new health  
4 care equipment unless ~~the health care facility or health care provider~~ person has received the  
5 approval of the ~~state agency~~ department in accordance with this chapter. ~~Government agencies and~~  
6 ~~hospital and medical service corporations organized under the laws of the state shall, during budget~~  
7 ~~negotiations, hold health care facilities and health care providers accountable to operating~~  
8 ~~efficiencies claimed or projected in proposals which receive the approval of the state agency in~~  
9 ~~accordance with this chapter.~~

10           ~~(j)(i)~~ In addition, the ~~state agency~~ department shall not make grants to, enter into contracts  
11 with, or recommend approval of the use of federal or state funds by any ~~health care facility or health~~  
12 ~~care provider~~ person which proceeds with the offering or developing of new institutional health  
13 services or new health care equipment after disapproval by the ~~state agency~~ department.

14           **23-15-4.1. Exemption for nonclinical capital expenditures.**

15           Notwithstanding the requirements of any other provisions of any general or public laws,  
16 capital expenditures by a health care facility that are not directly related to the provision of health  
17 services as defined in this chapter, ~~including, but not limited to, capital expenditures for parking~~  
18 ~~lots, billing computer systems, and telephone systems,~~ shall not require a certificate of need review  
19 and approval by the state agency.

20           **23-15-4.2. Exemption for research.**

21           Notwithstanding the requirements of any other provisions of any general or public laws,  
22 capital expenditures by a health care facility related to research in basic biomedical or medical  
23 research areas that are not directly related to the provision of clinical or patient care services shall  
24 not require a certificate of need review and approval by the ~~state agency~~ department.

25           ~~**23-15-4.4. Exemption for voter approved capital bond issues for health care facilities**~~  
26 **Exemption for voter approved capital bond issues and state capital plan projects for health**  
27 **care facilities.**

28           Notwithstanding the requirements of any other provisions of any general law or public  
29 laws, voter approved state bond issues authorizing capital expenditures for state health care  
30 facilities and all Rhode Island capital plan fund projects approved by the general assembly shall  
31 not require a certificate of need review and approval by the ~~state agency~~ department.

32           **23-15-5. Expeditious review.**

33           (a) Any person who proposes to offer or develop new institutional health services or new  
34 healthcare equipment for documented emergency needs; or for the purpose of eliminating or

1 preventing documented fire or safety hazards affecting the lives and health of patients or staff; or  
2 for compliance with accreditation standards required for receipt of federal or state reimbursement;  
3 or for any other purpose ~~that the state agency may specify~~ as may be further defined in rules and  
4 regulations promulgated by the department, may apply for an expeditious review. The ~~state agency~~  
5 department may exercise its discretion in recommending approvals through an expeditious review,  
6 ~~except that no new institutional health service or new healthcare equipment may be approved~~  
7 ~~through the expeditious review if provision of the new institutional health service or new healthcare~~  
8 ~~equipment is contra indicated by the state health plan as may be formulated by the state agency.~~  
9 Specific procedures for the conduct of expeditious reviews shall be promulgated in rules and  
10 regulations adopted by the ~~state agency~~ department with the advice of the health services council.

11 ~~(b) The decision of the state agency not to conduct an expeditious review shall be~~  
12 ~~reconsidered upon a written petition to the state agency, and the state agency shall be required to~~  
13 ~~respond to the written petition within ten (10) days stating whether expeditious review is granted.~~  
14 ~~If the request for reconsideration is denied, the state agency shall state the reasons in writing why~~  
15 ~~the expeditious request had been denied.~~

16 ~~(c) The decision of the state agency in connection with an expeditious review shall be~~  
17 ~~rendered within thirty (30) days after the commencement of said review.~~

18 ~~(d) Any healthcare facility that provides a service performed in another state and that is not~~  
19 ~~performed in the state of Rhode Island, or such service is performed in the state on a very limited~~  
20 ~~basis, shall be granted expeditious review upon request under this section, provided that such~~  
21 ~~service, among other things, has a clear effect on the timeliness, access, or quality of care and is~~  
22 ~~able to meet licensing standards.~~

23 **23-15-6. Procedures for review.**

24 (a) The ~~state agency~~ department, with the advice of the health services council, and in  
25 accordance with the Administrative Procedures Act, chapter 35 of title 42, after public hearing  
26 pursuant to reasonable notice, which notice shall include affected persons and healthcare facilities  
27 located within the state that provide institutional health services, shall promulgate appropriate rules  
28 and regulations that may be designated to further the accomplishment of the purposes of this chapter  
29 including the formulation of procedures that may be particularly necessary for the conduct ~~on~~ of  
30 reviews of particular types of new institutional health services or new health care equipment.

31 (b) Review procedures promulgated in accordance with subsection (a) shall include at least  
32 the following, except that substitute procedures for the conduct of expeditious ~~and accelerated~~  
33 reviews may be promulgated by the ~~state agency~~ department in accordance with § 23-15-5:

34 (1) Provision that the ~~state agency~~ department established a process requiring potential

1 applicants to file a detailed letter of intent to submit an application at least forty-five (45) days prior  
2 to the submission of an application and that the state agency shall undertake reviews in a timely  
3 fashion ~~no less often than twice a year~~ and give written notification to affected persons of the  
4 beginning of the review including the proposed schedule for the review, ~~the period within which a  
5 public meeting may be held, and the manner by which notification will be provided of the time and  
6 place of any public meeting so held.~~

7 ~~(2) Provision that no more than one hundred and twenty (120) days shall elapse between  
8 initial notification of affected persons and the final decision of the state agency.~~

9 ~~(3)~~(2) Provision that, if the ~~state agency~~ department fails to act upon an application within  
10 the applicable period established in ~~subsection (b)(2)~~ § 23-15-4(e)(1), the applicant may apply to  
11 the superior court of Providence County to require the ~~state agency~~ department to act upon the  
12 application.

13 ~~(4)~~(3) Provision for review ~~and comment~~ by the health services council and comment by  
14 any affected person, ~~including but not limited to those parties defined in § 23-15-2(1) and the  
15 department of business regulation, the department of behavioral healthcare, developmental  
16 disabilities and hospitals, the department of human services, health maintenance organizations, and  
17 the state professional standards review organization, on every application for the determination of  
18 need.~~

19 ~~(5) Provision that a public meeting may be held during the course of the state agency review  
20 at which any person may have the opportunity to present testimony. Procedures for the conduct of  
21 the public meeting shall be established in rules and regulations promulgated by the state agency  
22 with the advice of the health services council.~~

23 ~~(6)~~(4)(i) Provision for issuance of a written decision by the ~~state agency~~ department which  
24 shall ~~be based upon~~ address and consider the findings and recommendations of the health services  
25 council ~~unless the state agency shall afford written justification for variance from that decision.~~

26 (ii) In the case of any proposed new institutional health service for the provision of health  
27 services to inpatients, a state agency shall not make a finding that the proposed new institutional  
28 health service is needed, unless it makes written ~~findings~~ recommendations as to:

29 (A) The efficiency and appropriateness of the use of existing inpatient facilities providing  
30 inpatient services similar to those proposed;

31 (B) The capital and operating costs (and their potential impact on patient charges),  
32 efficiency, and appropriateness of the proposed new institutional health services; and

33 ~~(C) Makes each of the following findings in writing:~~

34 ~~(1) That superior alternatives to inpatient services in terms of cost, efficiency, and~~

1 ~~appropriateness do not exist and that the development of alternatives is not practicable;~~

2 ~~(II) That, in the case of new construction, alternatives to new construction (e.g.,~~

3 ~~modernization or sharing arrangements) have been considered and implemented to the maximum~~

4 ~~extent practicable;~~

5 ~~(III) That patients will experience serious problems in terms of costs, availability, or~~

6 ~~accessibility, or any other problems that may be identified by the state agency, in obtaining inpatient~~

7 ~~care of the type proposed in the absence of the proposed new service; and~~

8 ~~(IV) That, in the case of a proposal for the addition of beds for the provision of skilled~~

9 ~~nursing or intermediate care, the relationship of the addition to the plans of other agencies of the~~

10 ~~state responsible for providing and financing long term care (including home health services) has~~

11 ~~been considered.~~

12 ~~(7)(5) Provision for the distribution of the decision of the ~~state agency~~ department,~~

13 ~~including its findings and recommendations, to the applicant and to affected persons.~~

14 ~~(8)(6) Provision that the ~~state agency~~ department may approve or disapprove in whole or~~

15 ~~in part any application as submitted, but that the parties may mutually agree to a modification of~~

16 ~~any element of an application as submitted, without requiring resubmission of the application.~~

17 ~~(9)(7)(i) Provision that any person affected may request in writing reconsideration of a~~

18 ~~state agency decision if the person:~~

19 ~~(A) Presents significant relevant information not previously considered by the state agency;~~

20 ~~(B) Demonstrates that there have been significant changes in factors or circumstances~~

21 ~~relied upon by the state agency in reaching its decision;~~

22 ~~(C) Demonstrates that the state agency has materially failed to follow its adopted~~

23 ~~procedures in reaching its decision; or~~

24 ~~(D) Provides any other basis for reconsideration that the state agency may have determined~~

25 ~~by regulation to constitute good cause.~~

26 ~~(ii) Procedures for reconsideration shall be established in regulations promulgated by the~~

27 ~~state agency department with the advice of the health services council.~~

28 ~~(10)(8) Provision that upon the request of any affected person, the decision of the state~~

29 ~~agency to issue, deny, or withdraw a certificate of need or to grant or deny an exemption shall be~~

30 ~~administratively reviewed under an appeals mechanism provided for in the rules and regulations of~~

31 ~~the state agency, with the review to be conducted by a hearing officer appointed by the director of~~

32 ~~health. The procedures for judicial review shall be in accordance with the provisions of § 42-35-~~

33 ~~15. Provision for appeal by the applicant of the department's decision in accordance with § 42-35-~~

34 ~~15.1(a).~~

1 (c) The ~~state agency~~ department shall publish at least annually a report of reviews of new  
2 institutional health services and new health care equipment conducted, together with the findings  
3 and decisions rendered in the course of the reviews. ~~The reports shall be published on or about~~  
4 ~~February 1 of each year and shall contain evaluations of the prior year's statutory changes where~~  
5 ~~feasible.~~

6 (d) All applications reviewed by the ~~state agency~~ department and all written materials  
7 pertinent to ~~state agency~~ the department's review, including minutes of all health services council  
8 meetings, shall be accessible to the public upon request.

9 ~~(e) In the case or review of proposals by health care facilities who by contractual~~  
10 ~~agreement, chapter 19 of title 27, or other statute are required to adhere to an annual schedule of~~  
11 ~~budget or reimbursement determination to which the state is a party, the state budget office, the~~  
12 ~~office of the health insurance commissioner, and hospital service corporations organized under~~  
13 ~~chapter 19 of title 27 shall forward to the health services council within forty five (45) days of the~~  
14 ~~initiation of the review of the proposals by the health services council under § 23-15-4(f)(1):~~

15 ~~(1) A cost impact analysis of each proposal which analysis shall include, but not be limited~~  
16 ~~to, consideration of increases in operating expenses, per diem rates, health care insurance~~  
17 ~~premiums, and public expenditures; and~~

18 ~~(2) Comments on acceptable interest rates and minimum equity contributions and/or~~  
19 ~~maximum debt to be incurred in financing needed proposals.~~

20 ~~(f) The health services council shall not make a recommendation to the state agency that a~~  
21 ~~proposal be approved unless it is found that the proposal is affordable to the people of the state. In~~  
22 ~~determining whether or not a proposal is affordable, the health service council shall consider the~~  
23 ~~condition of the state's economy, the statements of authorities and/or parties affected by the~~  
24 ~~proposals, and any other factors that it may deem appropriate.~~

25 **23-15-6.1. Action subsequent to review.**

26 Development of any new institutional health services or new health care equipment  
27 approved by the ~~state agency~~ department must be initiated within ~~one year~~ two (2) years of the date  
28 of the approval ~~and may not exceed the maximum amount of capital expenditures specified in the~~  
29 ~~decision of the state agency without prior authorization of the state agency.~~ The ~~state agency~~  
30 department, with the advice of the health services council, shall ~~adopt procedures~~ promulgate rules  
31 and regulations for the review of the applicant's failure to develop new institutional health services  
32 or new health care equipment within the timeframe ~~and capital limitation~~ stipulated in this section,  
33 and for the withdrawal of approval in the absence of a good faith effort to meet the stipulated  
34 timeframe.

1           **23-15-10. Application fees.**

2           The ~~state agency~~ department shall require that any applicant for certificate of need submit  
3 an application fee prior to requesting any review of matters pursuant to the requirements of this  
4 chapter; except that health care facilities and equipment owned and operated by the state of Rhode  
5 Island shall be exempt from this application fee requirement. The application fee shall be paid by  
6 check made payable to the general treasurer. Except for applications that propose new or expanded  
7 ~~tertiary or specialty care~~ services as defined in ~~subdivision 23-15-2(10)(vi)~~ § 23-15-2(14)(iv),  
8 submission of any application filed in accordance with § 23-15-4(d) shall include an application  
9 fee of five hundred dollars (\$500) per application plus an amount equal to one quarter of one percent  
10 (0.25%) of the total capital expenditure costs associated with the application. ~~For an application~~  
11 ~~filed in accordance with the requirements of § 23-15-5 (Expeditious review), the application shall~~  
12 ~~include an application processing fee of seven hundred and fifty dollars (\$750) per application plus~~  
13 ~~an amount equal to one quarter of one percent (0.25%) of the total capital expenditure costs~~  
14 ~~associated with the application.~~ Applications that propose new or expanded tertiary or specialty  
15 care services as defined in ~~subdivision 23-15-2(10)(vi)~~ § 23-15-2(14)(iv), shall include an  
16 application fee of ten thousand dollars (\$10,000) plus an amount equal to one quarter of one percent  
17 (0.25%) of the total capital expenditure costs associated with the application. Application fees shall  
18 be non-refundable once the formal review of the application has commenced. All fees received  
19 pursuant to this chapter shall be deposited in the general fund.

20           **23-15-11. Reports, use of experts, all costs and expenses.**

21           The ~~state agency~~ department may in effectuating the purposes of this chapter engage  
22 experts or consultants including, but not limited to, actuaries, investment bankers, accountants,  
23 attorneys, or industry analysts. Except for privileged or confidential communications between the  
24 ~~state agency~~ department and engaged attorneys, all copies of final reports prepared by experts and  
25 consultants, and all costs and expenses associated with the reports, shall be public. All costs and  
26 expenses incurred under this provision shall be the responsibility of the applicant in an amount to  
27 be determined by the director as he or she shall deem appropriate. No application made pursuant to  
28 the requirements of this chapter shall be considered complete unless an agreement has been  
29 executed with the director for the payment of all costs and expenses in accordance with this section.  
30 The maximum cost and expense to an applicant for experts and/or consultants that may be required  
31 by the ~~state agency~~ department shall be ~~twenty thousand dollars (\$20,000)~~ fifty thousand dollars  
32 (\$50,000); provided however, that the maximum amount shall be increased ~~by regulations~~  
33 ~~promulgated by the state agency on or after January 1, 2008~~ annually by the most recently available  
34 annual increase in the federal consumer price index as determined by the ~~state agency~~ department.

1 SECTION 11. Legislative findings. The general assembly finds and declares that:

2 (1) Birthing centers, including freestanding centers and hospital-operated birthing units,  
3 play a critical role in ensuring safe, timely, and equitable access to maternal, perinatal, and newborn  
4 care across Rhode Island.

5 (2) The closure or reduction of birthing centers has significant consequences for maternal  
6 morbidity and mortality, newborn outcomes, emergency transport times, and regional healthcare  
7 capacity.

8 (3) Rhode Island law does not require sufficient advance notice, public transparency, or  
9 rigorous financial review before a birthing center is closed or its operations are significantly  
10 reduced.

11 (4) Given ongoing consolidation within regional healthcare systems, it is essential that the  
12 state receive complete and accurate financial information, including system-level data, to determine  
13 whether a birthing center's closure is truly unavoidable.

14 (5) It is in the public interest to establish a strong review process requiring advance notice,  
15 robust financial disclosure, community engagement, and independent analysis to protect Rhode  
16 Island families, particularly in underserved and high-risk communities.

17 SECTION 12. Chapter 23-17.14 of the General Laws entitled "The Hospital Conversions  
18 Act" is hereby amended by adding thereto the following section:

19 **23-17.14-18.1. The Rhode Island birthing center access, transparency, and financial**  
20 **accountability act of 2026.**

21 (a) For purposes of this section:

22 (1) "Applicant" means the birthing center submitting an application pursuant to subsection  
23 (d) of this section.

24 (2) "Birthing center" means any freestanding birthing center licensed under chapter 17 of  
25 title 23, and any birthing unit, maternity unit, perinatal unit, or labor-and-delivery service operated  
26 by a hospital or healthcare facility.

27 (3) "Closure" means the permanent cessation of all birthing services at a birthing center.

28 (4) "Closure application" means the application required by subsection (d) of this section.

29 (5) "Discontinuation of services" means the cessation of any prenatal, perinatal,  
30 postpartum, or birthing-related service or program offered by a birthing center without complete  
31 closure of the facility.

32 (6) "Significant reduction" or "significantly reduced" means:

33 (i) A reduction of twenty-five percent (25%) or more in capacity or annual volume;

34 (ii) A reduction in operating hours by twenty-five percent (25%) or more;

1 (iii) Elimination of labor, delivery, or postpartum services; or  
2 (iv) Any relocation of birthing-related services outside the municipality in which the  
3 service is currently located.

4 (b) No birthing center shall be closed, terminated, relocated, or significantly reduced  
5 without the prior written approval of the director of the department of health.

6 (c) A facility proposing closure or significant reduction of a birthing center shall file a  
7 closure application with the director of the department of health no fewer than one hundred eighty  
8 (180) days prior to the proposed effective closure date. Notice shall also be provided to:

9 (1) The city or town council within the municipality in which the birthing center is located;

10 (2) The birthing center's patients and personnel;

11 (3) The patient advocacy groups within the state that support maternal and child health;

12 (4) All local EMS agencies;

13 (5) Local and state media outlets by written publication; and

14 (6) The speaker of the house and the president of the senate.

15 (d) Prior to the discontinuation or significant reduction of services at a birthing center, its  
16 controlling officers shall provide a closure application to the director of the department of health,  
17 the contents of which shall be a considered public record and posted on the department of health's  
18 website. The closure application shall include:

19 (1) An access impact assessment that details:

20 (i) The number of beds within the impacted birthing unit;

21 (ii) The number of existing patients within the impacted birthing unit;

22 (iii) The number of employees and staff within the impacted birthing unit;

23 (iv) Affected healthcare services for traditionally underserved populations;

24 (v) Affected healthcare services for the affected community; and

25 (vi) Other licensed birthing centers in the affected community and the distance of those  
26 facilities to the applicant's birthing center.

27 (2) A detailed evaluation of:

28 (i) Annual deliveries, prenatal visits, postpartum care, and newborn services;

29 (ii) Impact on high-risk pregnancies, low-income families, and Medicaid members;

30 (iii) EMS transport impacts; and

31 (iv) Projected changes in maternal morbidity and newborn outcomes.

32 (3) A patient transition plan, including:

33 (i) Protocols for laboring patient transfers;

34 (ii) EMS and hospital coordination;

1 (iii) Continuity plans for prenatal patients beyond twenty (20) weeks gestation;  
2 (iv) Transfer agreements with receiving hospitals or birthing centers; and  
3 (v) Protocols for the storage of and access to medical records.  
4 (4) Workforce plan, including detailed descriptions of:  
5 (i) Staffing levels;  
6 (ii) Proposed layoff or reassignment plans; and  
7 (iii) Transition plans for licensed midwives, doulas, nurses, and obstetric clinicians.  
8 (5) Financial justification, certified by a certified public accountant, including:  
9 (i) Five (5) years of audited financial statements for the birthing center and operating  
10 hospital, if applicable, parent health system, and all controlled affiliates, subsidiaries, and  
11 management entities;  
12 (ii) Detailed service-level financials, including, revenues, expenses, and margins, volume  
13 trends, overhead allocation methodology, and documentation of any staffing cuts, resource  
14 reductions, or underinvestment contributing to financial decline;  
15 (iii) Five (5) year forward projection, including, break-even analyses, capital investment  
16 needs, labor costs, and sensitivity analyses for multiple scenarios; and  
17 (iv) Parent system financial capacity review, including, reserves and unrestricted funds,  
18 cash on hand, investments and endowment holdings, executive compensation, and intercompany  
19 transfers or management fees.  
20 (6) Comparative analysis of at least three (3) alternatives to closure including, but not  
21 limited to, shared staffing models, partnerships with community providers or regional systems,  
22 cross-subsidization by the parent system, and/or redesign or modernization; and  
23 (7) The applicant's controlling officers shall certify that neither the birthing center nor  
24 parent system engaged in actions that materially contributed to financial instability including, but  
25 not limited to, understaffing, reduction of capital investment, curtailment of marketing or referral  
26 pathways, diversion of patients, and/or failure to pursue available external funding.  
27 (e) The director of the department of health shall deny a closure application that fails to  
28 satisfy the requirements of this section.  
29 (f) An independent expert, selected by the department of health and paid for by the  
30 applicant, shall evaluate sustainability, feasible restructuring alternatives, and pathways to avoid  
31 closure or significant reduction of services.  
32 (g)(1) Within sixty (60) days of receiving the notice required by subsection (c) of this  
33 section, the director of the department of health shall hold a public hearing. The applicant's  
34 controlling officers shall attend the public hearing and members of the public shall be permitted to

1 participate and offer testimony; the director of the department of health shall provide twenty-one  
2 (21) days written notice on the department of health's website of the date, time, and location of the  
3 public hearing.

4 (2) Within thirty (30) days of receiving a closure application that satisfies the requirements  
5 of subsection (d) of this section, the director of the department of health shall hold a public hearing.

6 The applicant's controlling officers shall attend the public hearing and members of the public shall  
7 be permitted to participate and offer testimony; the director of the department of health shall  
8 provide twenty-one (21) days written notice on the department of health's website of the date, time,  
9 and location of the public hearing.

10 (h) The director of the department of health shall not approve an application submitted  
11 pursuant to subsection (d) of this section unless the applicant demonstrates, by clear and convincing  
12 evidence, that:

13 (1) The birthing center cannot reasonably be sustained through restructuring, alternative  
14 staffing models, or system-level financial support;

15 (2) No feasible alternatives exist that would maintain safe and accessible birthing services;

16 (3) Closure shall not exacerbate maternal, newborn, racial, economic, or geographic  
17 disparities; and

18 (4) Adequate, timely, and safe birthing access shall remain for the affected population.

19 (i) Notwithstanding any other provision in the general laws, the director of the department  
20 of health shall have the sole authority to review all applications submitted under this section and  
21 shall issue a written decision within ninety (90) days of the public hearing that follows the  
22 applicant's submission of the completed closure application. The decision of the director of the  
23 department of health shall approve, deny, or approve with conditions, the closure application.

24 (j) The department of health shall not amend a facility license issued pursuant to chapter  
25 17 of title 23 to remove a birthing center unless the requirements of this section have been fulfilled.

26 (k) Failure to comply with the requirements of this section shall subject the entity required  
27 to comply with the provisions of this section to civil penalties not to exceed twenty-five thousand  
28 dollars (\$25,000) per violation. Each day of noncompliance shall constitute a separate violation.

29 (l) The department of health shall adopt rules and regulations to implement and enforce the  
30 provisions of this section.

31 SECTION 13. Title 27 of the General Laws entitled "INSURANCE" is hereby amended  
32 by adding thereto the following chapter:

33 CHAPTER 84

34 PHARMACY BENEFIT MANAGER TRANSPARENCY REPORTING AND STUDY ACT

1           **27-84-1. Short title.**

2           This chapter shall be known and may be cited as the “Pharmacy Benefit Manager  
3 Transparency Reporting and Study Act.”

4           **27-84-2. Definitions.**

5           As used in this chapter:

6           (1) "Aggregate retained rebate percentage" means the percentage of all rebates received  
7 from a manufacturer or other entity to a pharmacy benefit manager for prescription drug utilization  
8 which is not passed on to the pharmacy benefit manager’s health carrier clients. The percentage  
9 shall be calculated for each health carrier for rebates in the prior calendar years as follows:

10           (i) The sum total dollar amount of rebates received from all pharmaceutical manufacturers  
11 for all utilization of covered persons of a health carrier that was not passed through to the health  
12 carrier;

13           (ii) Divided by the sum total dollar amount of all rebates received from all pharmaceutical  
14 manufacturers for covered persons of a health carrier.

15           (2) "Health benefit plan" means a policy, contract, certificate or agreement offered or  
16 issued by a health carrier to provide, deliver, arrange for, pay for or reimburse any of the costs of  
17 healthcare services.

18           (3) "Health carrier" means an entity subject to the insurance laws and regulations of this  
19 state, or subject to the jurisdiction of the health insurance commissioner, that contracts or offers to  
20 contract, or enters into an agreement to provide, deliver, arrange for, pay for, or reimburse any of  
21 the cost of healthcare services, including a health insurance company, a health maintenance  
22 organization, a hospital and health services corporation, or any other entity providing a plan of  
23 health insurance, health benefits or healthcare services.

24           (4) "Pharmacy benefit manager" means a person, business, or other entity that, pursuant to  
25 a contract or under an employment relationship with a health carrier, a self-insurance plan, or other  
26 third-party payer, either directly or through an intermediary, manages the prescription drug  
27 coverage provided by the health carrier, self-insurance plan, or other third-party payer including,  
28 but not limited to, the processing and payment of claims for prescription drugs, the performance of  
29 drug utilization review, the processing of drug prior authorization requests, the adjudication of  
30 appeals or grievances related to prescription drug coverage contracting with network pharmacies,  
31 and controlling the cost of covered prescription drugs.

32           (5) "Rebates" means all price concessions paid by a manufacturer to a pharmacy benefit  
33 manager or health carrier, including rebates, discounts, and other price concessions that are based  
34 on actual or estimated utilization of a prescription drug. Rebates also include price concessions

1 based on the effectiveness of a drug as in a value-based or performance-based contract.

2 (6) "Spread pricing" means any amount charged or claimed by a pharmacy benefit manager  
3 to a health carrier that is in excess of the amount the pharmacy benefit manager paid to the  
4 pharmacy that filled the prescription.

5 (7) "Trade secrets" has the meaning found in § 6-41-1.

6 **27-84-3. Pharmacy benefit manager transparency.**

7 (a) Beginning March 1, 2027, and annually thereafter, each pharmacy benefit manager shall  
8 submit a transparency report containing data from the prior calendar year to the health insurance  
9 commissioner. The transparency report shall contain the following information:

10 (1) The aggregate amount of all rebates that the pharmacy benefit manager received from  
11 all pharmaceutical manufacturers for all health carrier clients and for each health carrier client;

12 (2) The aggregate administrative fees that the pharmacy benefit manager received from all  
13 manufacturers for all health carrier clients and for each health carrier client;

14 (3) The aggregate retained rebates that the pharmacy benefit manager received from all  
15 pharmaceutical manufacturers and did not pass through to health carriers;

16 (4) The aggregate retained rebate percentage as defined in § 27-84-2;

17 (5) The highest, lowest, and mean aggregate retained rebate percentage for all health carrier  
18 clients and for each health carrier client; and

19 (6) A response to a set of standard questions developed by the health insurance  
20 commissioner regarding business practices including, but not limited to, rebate pass through  
21 practices, spread pricing, pharmacy network development, and utilization management.

22 (b) A pharmacy benefit manager providing information under this section shall provide  
23 complete information to the health insurance commissioner but may request that the health  
24 insurance commissioner designate certain material as a trade secret with a factual and legal analysis  
25 supporting such request. Disclosure, however, may be ordered by a court of this state for good  
26 cause shown or made in a court filing.

27 (c) Within sixty (60) days of receipt of complete reports, the health insurance commissioner  
28 shall publish the transparency report of each pharmacy benefit manager on the agency's website in  
29 a form and manner that does not violate state trade secrets law.

30 (d) The health insurance commissioner may impose administrative penalties in accordance  
31 with § 42-14-16 for violations of this section.

32 **27-84-4. Pharmacy benefit manager study.**

33 (a) On or before October 1, 2027, the health insurance commissioner shall provide the  
34 governor and the general assembly with an analysis of the reporting information furnished pursuant

1 to § 27-84-3. The report shall also include a review of the role of pharmacy benefit managers in the  
2 structure and cost of health insurance, a review of approaches to pharmacy benefit manager  
3 regulation in other states, and any recommended actions to improve the oversight of pharmacy  
4 benefit managers doing business in Rhode Island.

5 (b) The health insurance commissioner may contract with actuaries and other subject  
6 matter experts to assist the commissioner in conducting the study required under this section. The  
7 actuaries and other experts shall serve under the direction of the health insurance commissioner.  
8 Health insurance companies doing business in this state including, but not limited to, nonprofit  
9 hospital service corporations and nonprofit medical service corporations established pursuant to  
10 chapters 19 and 20 of title 27, and health maintenance organizations established pursuant to chapter  
11 41 of title 27, shall bear the cost of these actuaries and subject matter experts according to a  
12 schedule of their direct writing of health insurance in this state as determined by the health  
13 insurance commissioner. The amount to be invoiced to and paid by the above-described health  
14 insurance companies doing business in this state for the study conducted under this section shall  
15 not exceed a total of one hundred seventy-five thousand dollars (\$175,000).

16 **27-84-5. Regulations.**

17 The health insurance commissioner may promulgate rules and regulations as are necessary  
18 to carry out and effectuate the provisions of this chapter.

19 Section 14. Chapter 42-7.2 of the General Laws entitled "Office of Health and Human  
20 Services", is hereby amended by adding thereto the following section:

21 "42-7.2-21 Pharmacy Scope of Practice Report.

22 (a) On or before January 1, 2027, the executive office shall submit a report regarding issues  
23 related to the expansion of pharmacists' scope of practice contained in the FY 2027 budget. The  
24 report shall be prepared in consultation with the department of health and the office of the health  
25 insurance commissioner and include analyses and recommendations relating to:

26 (1) Oversight;

27 (2) Payment parity;

28 (3) Network adequacy requirements;

29 (4) Necessary technology upgrades;

30 (5) Medicaid impacts including potential requirements such as State Plan Amendments and  
31 managed care organization contracts;

32 (6) Commercial insurance impacts; and

33 (7) Alignment between Medicaid, commercial insurance, and insurance on the health  
34 insurance marketplace.

1           **(b) The report shall be submitted to the speaker of the house, president of the senate, chairs**  
2 **of the house and senate finance committees, chairs of the house and senate health and human**  
3 **services committees, and the governor.**

4           SECTION 15. Section 42-7.4-3 of the General Laws in Chapter 42-7.4 entitled "The  
5 Healthcare Services Funding Plan Act" is hereby amended to read as follows:

6           **42-7.4-3. Imposition of healthcare services funding contribution.**

7           (a) Each insurer is required to pay the healthcare services funding contribution for each  
8 contribution enrollee of the insurer at the time the contribution is calculated and paid, at the rate set  
9 forth in this section.

10           (1) Beginning January 1, 2016, the secretary shall set the healthcare services funding  
11 contribution each fiscal year in an amount equal to: (i) The child immunization funding requirement  
12 described in § 23-1-46; plus (ii) The adult immunization funding requirement described in § 23-1-  
13 46; plus (iii) The children’s health services funding requirement described in § 42-12-29; and all  
14 as divided by (iv) The number of contribution enrollees of all insurers.

15           (2) The contribution set forth herein shall be in addition to any other fees or assessments  
16 upon the insurer allowable by law.

17           (b) The contribution shall be paid by the insurer; provided, however, a person providing  
18 health benefits coverage on a self-insurance basis that uses the services of a third-party  
19 administrator shall not be required to make a contribution for a contribution enrollee where the  
20 contribution on that enrollee has been or will be made by the third-party administrator.

21           (c) Beginning calendar year 2026, and sunseting effective October 1, 2026, in addition to  
22 the assessment collection pursuant to subsection (a), there shall be an additional amount assessed  
23 pursuant to (i) and (ii), to support primary care and other critical healthcare programs totaling thirty  
24 million dollars (\$30,000,000) annualized, which shall be deposited as general revenues.

25           SECTION 16. Section 42-14.5-2.1 of the General Laws in Chapter 42-14.5 entitled "The  
26 Rhode Island Health Care Reform Act of 2004 — Health Insurance Oversight" is hereby amended  
27 to read as follows:

28           **42-14.5-2.1. Definitions.**

29           As used in this chapter:

30           (1) “Accountability standards” means measures including service processes, client and  
31 population outcomes, practice standard compliance, and fiscal integrity of social and human service  
32 providers on the individual contractual level and service type for all state contracts of the state or  
33 any subdivision or agency to include, but not limited to, the department of children, youth and  
34 families (DCYF), the department of behavioral healthcare, developmental disabilities and hospitals

1 (BHDDH), the department of human services (DHS), the department of health (DOH), and  
2 Medicaid. This may include mandatory reporting, consolidated, standardized reporting, audits  
3 regardless of organizational tax status, and accountability dashboards of aforementioned state  
4 departments or subdivisions that are regularly shared with the public.

5 (2) "Accountable care organization" means, for the purposes of § 42-14.5-3.2, a provider  
6 organization contracted with one or more payers and held accountable for the quality of health care,  
7 outcomes and total cost of care of an attributed commercial and/or Medicare population.

8 (3) "Accountable entity" means, for the purposes of § 42-14.5-3.2, a provider organization  
9 contracted with one or more Rhode Island Medicaid insurers and held accountable for the quality  
10 of health care, outcomes and total cost of care of an attributed Medicaid population.

11 ~~(2)~~(4) "Executive Office of Health and Human Services (EOHHS)" means the department  
12 that serves as "principal agency of the executive branch of state government" (§ 42-7.2-2)  
13 responsible for managing the departments and offices of: health (RIDOH), human services (DHS),  
14 healthy aging (OHA), veterans services (VETS), children, youth and families (DCYF), and  
15 behavioral healthcare, developmental disabilities and hospitals (BHDDH). EOHHS is also  
16 designated as the single state agency with authority to administer the Medicaid program in Rhode  
17 Island.

18 (5) "Healthcare cost growth target" means the targeted annual per capita growth rate for  
19 Rhode Island's total healthcare spending, expressed as the percentage growth from the prior year's  
20 per capita spending.

21 (6) "Large provider entity" means a provider organization contracted with one or more  
22 payers that, at a minimum, includes professional providers to whom patients can be attributed, and  
23 that collectively, during any given calendar year, has at least sixty thousand (60,000) attributed  
24 member months across payers in the commercial, Medicaid or Medicare market, enabling the  
25 organization to participate in total cost of care contracts, even if it is not engaged in a total cost of  
26 care contract as an Accountable Care Organization or a Medicaid Accountable Entity.

27 (7) "Market" means the highest level of categorization of the health insurance market and  
28 shall include Medicare Fee-For-Service and Medicare Managed Care, collectively referred to as  
29 the "Medicare market;" Medicaid Fee-for-Service and Medicaid Managed Care, collectively  
30 referred to as the "Medicaid market;" and individual, self-insured, small and large group markets  
31 and student health insurance, collectively referred to as the "commercial market."

32 (8) "Net cost of private health insurance" means the costs to Rhode Island residents  
33 associated with the administration of private health insurance, including Medicare Managed Care  
34 and Medicaid Managed Care. It is defined as the difference between health premiums earned and

1 benefits incurred, and consists of insurers' costs of paying bills, advertising, sales commission and  
2 other administrative costs, premium taxes, and profits (or contributions to reserves) or losses.

3 (9) "Payer" means any public payer, including Medicaid and Medicare; any health insurer  
4 offering Medicaid Managed Care or Medicare Managed Care plans in Rhode Island; any  
5 commercial health insurer, defined as an entity subject to the insurance laws and regulations of  
6 Rhode Island, or subject to the jurisdiction of the health insurance commissioner, that contracts or  
7 offers to contract to provide, deliver, arrange for, pay for, or reimburse any of the costs of healthcare  
8 services including, without limitation, an insurance company offering accident and sickness  
9 insurance, a health maintenance organization, a nonprofit hospital service corporation, a nonprofit  
10 medical service corporation, and a nonprofit hospital and medical service corporation; and any  
11 commercial health insurer that provides benefit administration for self-insured employers or labor  
12 trusts, or both.

13 (10) "Pharmaceutical manufacturer" means any entity holding legal title to or possession  
14 of a national drug code number issued by the federal Food and Drug Administration.

15 (11) "Pharmacy benefit manager" has the same meaning as defined in § 27-19-26.2.

16 (12) "Primary care expenditures" means all claims-based and non-claims-based payments  
17 by commercial health insurers, Medicaid, and Medicare directly to a primary care practice or  
18 accountable care organization for primary care services delivered to Rhode Island residents at a  
19 primary care site of care, which shall include a primary care outpatient setting, federally qualified  
20 health center, school-based health center, or via telehealth, but shall not include a third-party  
21 telehealth vendor that does not contract with such sites of care to deliver services. A primary care  
22 site of care also does not include urgent care centers or retail pharmacy clinics.

23 ~~(13)~~ (13) "Primary care services" means, for the purposes of reporting required under § 42-  
24 14.5-3(t), professional services rendered by primary care providers at a primary care site of care,  
25 including care management services performed in the context of team-based primary care.

26 (14) "Provider" has the same meaning as defined in §§ 27-18-1.1, 27-19-1, and 27-20-1.

27 ~~(15)~~ (15) "Rate review" means the process of reviewing and reporting of specific trending  
28 factors that influence the cost of service that informs rate setting.

29 ~~(16)~~ (16) "Rate setting" means the process of establishing rates for social and human service  
30 programs that are based on a thorough rate review process.

31 ~~(17)~~ (17) "Social and human service program" means a social, mental health, developmental  
32 disability, child welfare, juvenile justice, prevention services, habilitative, rehabilitative, substance  
33 use disorder treatment, residential care, adult or adolescent day services, vocational, employment  
34 and training, or aging service program or accommodations purchased by the state.

1           ~~(7)~~(18) “Social and human service provider” means a provider of social and human service  
2 programs pursuant to a contract with the state or any subdivision or agency to include, but not be  
3 limited to, the department of children, youth and families (DCYF), the department of behavioral  
4 healthcare, developmental disabilities and hospitals (BHDDH), the department of human services  
5 (DHS), the department of health (DOH), and Medicaid.

6           ~~(8)~~(19) “State government and the provider network” refers to the contractual relationship  
7 between a state agency or subdivision of a state agency and private companies the state contracts  
8 with to provide the network of mandated and discretionary social and human services.

9           (20) "Total healthcare expenditures" means the total medical expense incurred by Rhode  
10 Island residents for all healthcare services for all payers reporting to the office of the health  
11 insurance commissioner, inclusive of prescription drugs, plus their net cost of private health  
12 insurance.

13           (21) "Total medical expense" means the sum of the allowed amount of total claims and  
14 total non-claims spending paid to providers, inclusive of prescription drugs, incurred by Rhode  
15 Island residents for all healthcare services.

16           SECTION 17. Chapter 42-14.5 of the General Laws entitled "The Rhode Island Health  
17 Care Reform Act of 2004 — Health Insurance Oversight" is hereby amended by adding thereto the  
18 following section:

19           **42-14.5-3.2. Health spending accountability and transparency program.**

20           (a) The health insurance commissioner shall establish a health spending accountability and  
21 transparency program with the following goals that are designed to promote affordability and curb  
22 healthcare spending growth in Rhode Island:

23           (1) Understand and create transparency around healthcare costs and the drivers of cost  
24 growth;

25           (2) Create shared accountability for healthcare costs and cost growth among insurers,  
26 providers, and government by measuring performance against a cost growth target tied to one or  
27 more economic indicators; and

28           (3) Lessen the negative impact of rising healthcare costs on Rhode Island residents,  
29 businesses, and government.

30           (b) The health insurance commissioner shall administer the health spending accountability  
31 and transparency program and shall convene and chair the following advisory bodies to provide  
32 input into the implementation of the program:

33           (1) An affordability advisory committee comprised of individuals without direct financial  
34 interests in the healthcare system including, but not limited to, independent health policy experts,

1 consumers or consumer representatives, employers or employer representatives, and  
2 representatives of organized labor. The affordability advisory committee shall consist of eight (8)  
3 members, as follows:

4 (i) Two (2) independent health policy expert members shall be appointed by the governor;

5 (ii) One consumer representative and one employer or organized labor representative shall  
6 be appointed by the president of the senate;

7 (iii) One consumer representative and one employer or organized labor representative shall  
8 be appointed by the speaker of the house;

9 (iv) The secretary of health and human services or their designee; and

10 (v) The health insurance commissioner or their designee;

11 (2) A stakeholder advisory council that includes, but shall not be limited to, representatives  
12 of hospitals, health insurers, providers, and pharmaceutical manufacturers, in addition to  
13 independent health policy experts, consumers or consumer representatives, employers or employer  
14 representatives, and representatives of organized labor, all of whom shall be appointed by the health  
15 insurance commissioner.

16 (c) For calendar years 2026 and 2027, the health insurance commissioner shall establish  
17 the annual healthcare cost growth targets pursuant to the 2023 Compact to Reduce the Growth in  
18 Healthcare Costs while Improving Healthcare Access, Equity, Patient Experience, and Quality in  
19 Rhode Island.

20 (d) Not later than July 1, 2027, and every three (3) years thereafter, the health insurance  
21 commissioner shall establish annual healthcare cost growth targets for the succeeding three (3)  
22 calendar years for payers and large provider entities. In developing the healthcare cost growth  
23 targets, the commissioner shall minimally consider:

24 (1) Historical and forecasted changes in median household income in the state;

25 (2) The growth rate of potential gross state product;

26 (3) The most recent annual report prepared by the health insurance commissioner, pursuant  
27 to subsection (g) of this section;

28 (4) Recommendations from the affordability advisory committee and stakeholder advisory  
29 council established pursuant to subsections (b)(1) and (b)(2) of this section, including any  
30 information and analyses used to inform such recommendations.

31 (e) Not later than July 1, 2027, and every five (5) years thereafter, the health insurance  
32 commissioner, in collaboration with the executive office of health and human services, shall  
33 establish annual all-payer primary care investment targets for the succeeding five (5) calendar  
34 years. In developing the all-payer primary care investment targets, the commissioner shall consider

1 recommendations from the affordability advisory committee and stakeholder advisory council  
2 pursuant to subsections (b)(1) and (b)(2) of this section.

3 (f) The health insurance commissioner shall establish requirements for payers to report data  
4 and other information necessary to calculate and monitor healthcare cost growth; evaluate  
5 performance against the healthcare cost growth target established under subsections (c) and (d) of  
6 this section; evaluate performance against the all-payer primary care investment target established  
7 under subsection (e) of this section; and measure quality, public health, and health equity  
8 performance, as defined by the health insurance commissioner. Such data shall include but not be  
9 limited to:

10 (1) Total and per capita healthcare expenditures;

11 (2) Total and per capita medical expenses;

12 (3) Net cost of private health insurance;

13 (4) Primary care expenditures;

14 (5) Quality performance data from the office of the health insurance commissioner's  
15 aligned measure set, as designated by the health insurance commissioner, with input from a  
16 workgroup with expertise in quality measure alignment convened by the health insurance  
17 commissioner; and

18 (6) Performance on a set of public health and accountability measures, as designated by the  
19 health insurance commissioner, with input from the executive office of health and human services,  
20 the department of health, and a workgroup with expertise in public health convened by the health  
21 insurance commissioner.

22 (g) The health insurance commissioner shall publish an annual report on healthcare  
23 spending and quality in Rhode Island which includes, but is not limited to, the following:

24 (1) Total and per capita healthcare spending trends at the statewide, insurance market,  
25 individual payer, and large provider entity levels, including performance against the cost growth  
26 target at each of these levels;

27 (2) Net cost of private health insurance by insurance market and payer;

28 (3) Primary care spending as a percentage of total medical expenses and annual primary  
29 care spending growth, including progress toward meeting the all-payer primary care investment  
30 target established in subsection (e) of this section;

31 (4) An analysis of the drivers of healthcare spending growth by service category, as well  
32 as the relative contribution of utilization and price on the rate of growth, using data from the All-  
33 Payer Claims Database;

34 (5) Performance on select quality measures from the health insurance commissioner

1 commissioner's aligned measure set, pursuant to subsection (f)(5) of this section;  
2 (6) Performance on a set of public health and accountability measures pursuant to  
3 subsection (f)(6) of this section;  
4 (7) Status of ongoing performance improvement plans, results of performance  
5 improvement plans completed during the prior performance year, and any penalties imposed due  
6 to non-compliance with developing or implementing a performance improvement plan pursuant to  
7 subsection (i) of this section; and  
8 (8) Recommendations for policy changes that may include, but not be limited to, strategies  
9 to improve affordability for Rhode Island residents, control healthcare spending growth while  
10 maintaining high standards for quality health care, and improve the oversight, performance and  
11 efficiency of Rhode Island's healthcare system.  
12 (h)(1) The health insurance commissioner shall convene an annual public hearing  
13 following the release of the annual report required pursuant to subsection (g) of this section. Such  
14 public hearing shall involve an examination of:  
15 (i) The report most recently prepared by the health insurance commissioner pursuant to  
16 subsection (g) of this section;  
17 (ii) The expenditures of provider entities and payers including, but not limited to,  
18 healthcare cost trends, primary care spending as a percentage of total medical expenses, and the  
19 factors contributing to such costs and expenditures; and  
20 (iii) Any other matters that the health insurance commissioner deems relevant for the  
21 purposes of this section.  
22 (2) The health insurance commissioner may require any payer or provider entity that, for  
23 the performance year, is found to have exceeded the healthcare cost growth target or has failed to  
24 meet the all-payer primary care investment target, to participate in such hearing. The health  
25 insurance commissioner may further require any payer, provider entity, or other entity including,  
26 but not limited to, a pharmaceutical manufacturer or pharmacy benefit manager, that is found to  
27 have significantly contributed to healthcare spending growth in the state, as determined by the  
28 commissioner, to participate in such hearing. Each payer, provider entity, or other entity that is  
29 required to participate in such hearing shall provide testimony on issues identified by the health  
30 insurance commissioner and provide additional information on actions taken to reduce such payer's  
31 or entity's contribution to future statewide healthcare spending or to increase such payer's or  
32 provider entity's primary care spending as a percentage of total medical expenses.  
33 (3) The health insurance commissioner shall allow representatives from consumer groups,  
34 employers, organized labor, community organizations, members of the public, and other interested

1 parties to provide testimony as part of the annual public hearing.

2 (i)(1) The health insurance commissioner may require any commercial health insurer or  
3 large provider entity that has commercial market spending growth that exceeds the healthcare cost  
4 growth target in any two (2) out of three (3) performance years to develop and implement a  
5 performance improvement plan. For the purposes of requiring a performance improvement plan, a  
6 large provider entity must have at least one hundred twenty thousand (120,000) attributed member  
7 months across commercial health insurers.

8 (2) A performance improvement plan must:

9 (i) Identify key spending drivers and include concrete strategies and steps a large provider  
10 entity or commercial health insurer will take to address such spending drivers;

11 (ii) Identify an appropriate timeline for implementation, including a timeframe by which  
12 the large provider entity or commercial health insurer will be subject to an evaluation by the health  
13 insurance commissioner; and

14 (iii) Have clear measurements of success. The commissioner may provide guidance,  
15 feedback, and additional recommendations to a commercial health insurer or large provider entity  
16 in developing a performance improvement plan.

17 (3) The health insurance commissioner shall review and approve, modify, or reject all  
18 performance improvement plans.

19 (4) The health insurance commissioner shall monitor implementation throughout the  
20 duration of the performance improvement plan to assess compliance with the performance  
21 improvement plan's terms and shall determine at the conclusion of the performance improvement  
22 plan whether the entity has adequately addressed the targeted spending drivers.

23 (5) Prior to requiring a commercial health insurer or large provider entity to develop or  
24 implement a performance improvement plan pursuant to this subsection, the health insurance  
25 commissioner shall provide the affected entity with:

26 (i) Written notice of the determination that the entity is subject to a performance  
27 improvement plan requirement;

28 (ii) The data, methodology, calculations, and performance measures relied upon by the  
29 commissioner in making such determination; and

30 (iii) A reasonable opportunity to submit written comments, supporting documentation, and  
31 any other information relevant to the determination for consideration by the commissioner.

32 (6) The commissioner shall review and consider any information submitted pursuant to  
33 subsection (5)(iii) of this section prior to issuing a final determination requiring a performance  
34 improvement plan.

1           (7) If the health insurance commissioner determines that the performance improvement  
2 plan does not adequately meet the requirements in subsection (i)(2) of this section, or that an entity  
3 has failed to comply with the terms of the performance improvement plan pursuant to subsection  
4 (i)(4), the commissioner may impose a financial penalty on the commercial health insurer or large  
5 provider entity. The health insurance commissioner shall develop criteria for imposing the financial  
6 penalty based on factors that include, but are not limited to:

7           (i) The degree to which the large provider entity or commercial health insurer exceeded the  
8 target;

9           (ii) The size of the large provider entity or commercial health insurer entity;

10          (iii) The good faith efforts of the large provider entity or commercial health insurer to  
11 address healthcare spending growth; and

12          (iv) The financial condition of the large provider entity or commercial health insurer,  
13 according to criteria adopted by the health insurance commissioner.

14          (8) Prior to the imposition of any financial penalty pursuant to subsection (i)(7) of this  
15 section, the affected commercial health insurer or large provider entity shall be afforded an  
16 administrative hearing conducted pursuant to chapter 35 of title 42. Following such hearing, the  
17 commissioner shall issue a written final decision setting forth findings of fact and conclusions of  
18 law. Any final decision imposing a financial penalty shall be subject to judicial review pursuant to  
19 § 42-35-15.

20          (9) The total cost of the health insurance commissioner's review of a performance  
21 improvement plan pursuant to subsection (i)(3) of this section, monitoring implementation of a  
22 performance improvement plan pursuant to subsection (i)(4) of this section, and determination of  
23 compliance with a performance improvement plan pursuant to subsection (i)(4) of this section shall  
24 be borne by the commercial health insurer or large provider entity subject to the performance  
25 improvement plan, according to parameters defined by the health insurance commissioner.

26          (j) The health insurance commissioner may establish data sharing agreements with the  
27 executive office of health and human services, department of health, and any other identified state  
28 agency to meet the requirements of this section and ensure a comprehensive view of healthcare  
29 spending trends.

30          (k) The health insurance commissioner shall adopt a schedule of civil penalties determined  
31 by the severity of the violation for:

32          (1) Any payer that fails to submit required data, submits incomplete data, or otherwise  
33 obstructs data reporting pursuant to subsection (f) of this section; and

34          (2) Any payer, provider, or other entity that fails to comply with the health insurance

1 [commissioner's request to provide testimony during the annual public hearing pursuant to](#)  
2 [subsection \(h\) of this section.](#)

3 SECTION 18. Title 42 of the General Laws entitled "STATE AFFAIRS AND  
4 GOVERNMENT" is hereby amended by adding thereto the following chapter:

5 [CHAPTER 157.2](#)

6 [RHODE ISLAND MARKETPLACE AFFORDABILITY PROGRAM ACT OF 2026](#)

7 **[42-157.2-1. Short title and purpose.](#)**

8 [\(a\) This chapter shall be known and may be cited as the "Rhode Island Marketplace](#)  
9 [Affordability Program Act of 2026."](#)

10 [\(b\) The purpose of this chapter is to create a state affordability program to reduce health](#)  
11 [insurance premiums for low- and moderate-income consumers enrolled in health insurance](#)  
12 [coverage through the Rhode Island health benefit exchange.](#)

13 **[42-157.2-2. Definitions.](#)**

14 [As used in this chapter:](#)

15 [\(1\) "Exchange" means the Rhode Island health benefit exchange established within the](#)  
16 [department of administration by § 42-157-1.](#)

17 [\(2\) "Health insurance coverage" has the same meaning as set forth in § 27-18.5-2.](#)

18 [\(3\) "Individual market" has the same meaning as set forth in § 27-18.5-2.](#)

19 [\(4\) "Insurer" has the same meaning as set forth in § 42-157-2.](#)

20 [\(5\) "Program" means the Rhode Island individual market affordability program established](#)  
21 [by § 42-157.2-3.](#)

22 [\(6\) "State" means the State of Rhode Island.](#)

23 **[42-157.2-3. Establishment of the Rhode Island individual market affordability](#)**  
24 **[program.](#)**

25 [\(a\) The exchange is authorized to establish and administer a state-based affordability](#)  
26 [program, to be known as the Rhode Island individual market affordability program.](#)

27 [\(b\) The program is intended to mitigate the impact of high and rising healthcare costs for](#)  
28 [low- and middle-income Rhode Islanders who purchase health insurance coverage through the](#)  
29 [exchange.](#)

30 [\(c\) The program may provide state-based subsidies to individuals enrolled in health](#)  
31 [insurance coverage through the exchange to make health insurance coverage more accessible and](#)  
32 [affordable for individuals and households.](#)

33 **[42-157.2-4. General program parameters.](#)**

34 [\(a\) State-based subsidy amounts shall be based on annual affordability percentages.](#)

1 following the methodology established by the exchange under § 42-157.2-5.

2 (b) Any state-based subsidy provided by the program will be remitted by the exchange to  
3 the insurer selected by the eligible enrollee.

4 (c) A state-based subsidy provided by the program shall be provided only to a Rhode Island  
5 resident who is determined eligible by the exchange for the federal premium tax credit authorized  
6 under § 36B of the Internal Revenue Code and enrolled in health insurance coverage through the  
7 exchange.

8 (1) A state-based subsidy may also be provided by the program to a Rhode Island resident  
9 whose household income exceeds the limit set forth under § 36B of the Internal Revenue Code but  
10 meets all other eligibility criteria for the federal premium tax credit authorized under § 36B of the  
11 Internal Revenue Code, and is enrolled in health insurance coverage through the exchange.

12 **42-157.2-5. Adoption of methodology and annual affordability percentages.**

13 (a) Subject to appropriation, the exchange shall adopt by September 30, and may amend,  
14 annual affordability percentages for each upcoming coverage year to implement this chapter.

15 (b) Methodology for determining annual affordability percentages shall be set forth in  
16 regulations promulgated by the exchange, consistent with the purposes of this chapter. The  
17 exchange shall utilize this methodology to develop the annual affordability percentages.

18 (c) Annual affordability percentages, and any amendments thereto, shall be adopted by the  
19 exchange after a duly noticed public meeting with advice from the exchange advisory board  
20 established under § 42-157-7.

21 (1) The affordability percentages adopted for a coverage year shall be based on funds  
22 appropriated for the fiscal year that includes the first six (6) months of that coverage year to the  
23 program for that coverage year and consistent with the parameters specified in § 42-157.2-4.

24 (i) All unexpended or unencumbered balances of appropriations at the end of any fiscal  
25 year shall be reappropriated to the following fiscal year and made immediately available for same  
26 purposes as the former appropriations.

27 (2) The exchange shall provide appropriate opportunities for stakeholders and the public  
28 to consult in the adoption of the affordability percentages.

29 (3) The affordability percentages shall be tailored to maximize impact, targeting premium  
30 assistance to enrollees based on their income and premium burden after accounting for other federal  
31 and state assistance.

32 (i) For the year beginning January 1, 2027, the affordability percentages shall prioritize  
33 households with incomes below two hundred percent (200%) of the federal poverty level.

34 **42-157.2-6. Rules and regulations.**

1           (a) The exchange may promulgate regulations as necessary to carry out the purposes of this  
2 chapter.

3           (b) The requirements of chapter 35 of title 42 (the "administrative procedures act") shall  
4 apply for any rules or regulations established or issued by the exchange pursuant to this chapter,  
5 except for the first implementation year of the program established under this chapter.

6           (1) For the first implementation year, the exchange shall provide opportunities for  
7 stakeholders and the public to provide input. This shall include, but is not limited to:

8           (i) A duly noticed public meeting with advice from the exchange advisory board  
9 established under § 42-157-7;

10           (ii) A thirty (30) day public comment period; and

11           (iii) Presentation by the exchange to the public of accompanying explanatory  
12 documentation outlining any proposed regulatory adoption, any significant changes thereto, and  
13 the rationale for those decisions.

14           **42-157.2-7. Construction.**

15           (a) This chapter shall not be construed to create an entitlement, medical assistance, or  
16 public assistance program of any kind, to appropriate any funds, to require the general assembly to  
17 appropriate any funds, or to increase or decrease taxes owed by a taxpayer.

18           (b) In construing this chapter, the regulations promulgated by the exchange pursuant to §  
19 42-157-14 shall apply to the extent those regulations do not conflict with this chapter or regulations  
20 promulgated by the exchange pursuant to § 42-157.2-6(a).

21           **42-157.2-8. Severability.**

22           The provisions of this chapter are severable, and if any provision hereof shall be held  
23 invalid in any circumstances, any invalidity shall not affect any other provisions or circumstances.

24           SECTION 19. Section 42-166-2 of the General Laws in Chapter 42-166 entitled "The  
25 Ladders to Licensure Program" is hereby amended to read as follows:

26           **42-166-2. Use of appropriated funds.**

27           Any appropriated funds shall be used to provide grants to ~~three (3) or four (4)~~ at least two  
28 (2) grantee partnerships, consisting of multiple private sector health and human services employer  
29 organizations and education grantee partnerships (with at least one focused on behavioral health  
30 and one focused on nursing). Employers will be required to contribute a twenty-five percent (25%)  
31 in-kind match and a ten percent (10%) cash match.

32           SECTION 20. This article shall take effect upon passage.