### 2025 -- S 0055

LC000593

### STATE OF RHODE ISLAND

#### IN GENERAL ASSEMBLY

#### **JANUARY SESSION, A.D. 2025**

#### AN ACT

RELATING TO STATE AFFAIRS AND GOVERNMENT -- THE RHODE ISLAND HEALTH CARE REFORM ACT OF 2004 -- HEALTH INSURANCE OVERSIGHT

<u>Introduced By:</u> Senators Pearson, Lauria, Valverde, DiMario, Ujifusa, Euer, Murray, Thompson, DiPalma, and Gallo

Date Introduced: January 23, 2025

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

SECTION 1. Sections 42-14.5-2.1 and 42-14.5-3 of the General Laws in Chapter 42-14.5

entitled "The Rhode Island Health Care Reform Act of 2004 — Health Insurance Oversight" are

3 hereby amended to read as follows:

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## 42-14.5-2.1. Definitions.

As used in this chapter:

6 (1) "Accountability standards" means measures including service processes, client and

population outcomes, practice standard compliance and fiscal integrity of social and human service

8 providers on the individual contractual level and service type for all state contacts of the state or

9 any subdivision or agency to include, but not limited to, the department of children, youth and

10 families (DCYF), the department of behavioral healthcare, developmental disabilities and hospitals

(BHDDH), the department of human services (DHS), the department of health (DOH), and

Medicaid. This may include mandatory reporting, consolidated, standardized reporting, audits

regardless of organizational tax status, and accountability dashboards of aforementioned state

departments or subdivisions that are regularly shared with the public.

15 (2) "Executive Office of Health and Human Services (EOHHS)" means the department

that serves as "principal agency of the executive branch of state government" (§ 42-7.2-2)

17 responsible for managing the departments and offices of: health (RIDOH), human services (DHS),

healthy aging (OHA), veterans services (VETS), children, youth and families (DCYF), and

| 1  | behavioral healthcare, developmental disabilities and hospitals (BHDDH). EOHHS is also                    |
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| 2  | designated as the single state agency with authority to administer the Medicaid program in Rhode          |
| 3  | Island.   |
| 4  | (3) "Primary care services" means professional services rendered by primary care providers                |
| 5  | at a primary care site of care.   |
| 6  | (3)(4) "Rate review" means the process of reviewing and reporting of specific trending                    |
| 7  | factors that influence the cost of service that informs rate setting.                                     |
| 8  | (4)(5) "Rate setting" means the process of establishing rates for social and human service                |
| 9  | programs that are based on a thorough rate review process.  |
| 10 | (5)(6) "Social and human service program" means a social, mental health, developmental                    |
| 11 | disability, child welfare, juvenile justice, prevention services, habilitative, rehabilitative, substance |
| 12 | use disorder treatment, residential care, adult or adolescent day services, vocational, employment        |
| 13 | and training, or aging service program or accommodations purchased by the state.                          |
| 14 | (6)(7) "Social and human service provider" means a provider of social and human service                   |
| 15 | programs pursuant to a contract with the state or any subdivision or agency to include, but not be        |
| 16 | limited to, the department of children, youth and families (DCYF), the department of behavioral           |
| 17 | healthcare, developmental disabilities and hospitals (BHDDH), the department of human services            |
| 18 | (DHS), the department of health (DOH), and Medicaid.  |
| 19 | (7)(8) "State government and the provider network" refers to the contractual relationship                 |
| 20 | between a state agency or subdivision of a state agency and private companies the state contracts         |
| 21 | with to provide the network of mandated and discretionary social and human services.                      |
| 22 | 42-14.5-3. Powers and duties.   |
| 23 | The health insurance commissioner shall have the following powers and duties:                             |
| 24 | (a) To conduct quarterly public meetings throughout the state, separate and distinct from                 |
| 25 | rate hearings pursuant to § 42-62-13, regarding the rates, services, and operations of insurers           |
| 26 | licensed to provide health insurance in the state; the effects of such rates, services, and operations    |
| 27 | on consumers, medical care providers, patients, and the market environment in which the insurers          |
| 28 | operate; and efforts to bring new health insurers into the Rhode Island market. Notice of not less        |
| 29 | than ten (10) days of the hearing(s) shall go to the general assembly, the governor, the Rhode Island     |
| 30 | Medical Society, the Hospital Association of Rhode Island, the director of health, the attorney           |
| 31 | general, and the chambers of commerce. Public notice shall be posted on the department's website          |
| 32 | and given in the newspaper of general circulation, and to any entity in writing requesting notice.        |
| 33 | (b) To make recommendations to the governor and the house of representatives and senate                   |
| 34 | finance committees regarding healthcare insurance and the regulations, rates, services,                   |

administrative expenses, reserve requirements, and operations of insurers providing health insurance in the state, and to prepare or comment on, upon the request of the governor or chairpersons of the house or senate finance committees, draft legislation to improve the regulation of health insurance. In making the recommendations, the commissioner shall recognize that it is the intent of the legislature that the maximum disclosure be provided regarding the reasonableness of individual administrative expenditures as well as total administrative costs. The commissioner shall make recommendations on the levels of reserves, including consideration of: targeted reserve levels; trends in the increase or decrease of reserve levels; and insurer plans for distributing excess reserves.

(c) To establish a consumer/business/labor/medical advisory council to obtain information and present concerns of consumers, business, and medical providers affected by health insurance decisions. The council shall develop proposals to allow the market for small business health insurance to be affordable and fairer. The council shall be involved in the planning and conduct of the quarterly public meetings in accordance with subsection (a). The advisory council shall develop measures to inform small businesses of an insurance complaint process to ensure that small businesses that experience rate increases in a given year may request and receive a formal review by the department. The advisory council shall assess views of the health provider community relative to insurance rates of reimbursement, billing, and reimbursement procedures, and the insurers' role in promoting efficient and high-quality health care. The advisory council shall issue an annual report of findings and recommendations to the governor and the general assembly and present its findings at hearings before the house and senate finance committees. The advisory council is to be diverse in interests and shall include representatives of community consumer organizations; small businesses, other than those involved in the sale of insurance products; and hospital, medical, and other health provider organizations. Such representatives shall be nominated by their respective organizations. The advisory council shall be co-chaired by the health insurance commissioner and a community consumer organization or small business member to be elected by the full advisory council.

(d) To establish and provide guidance and assistance to a subcommittee ("the professional-provider-health-plan work group") of the advisory council created pursuant to subsection (c), composed of healthcare providers and Rhode Island licensed health plans. This subcommittee shall include in its annual report and presentation before the house and senate finance committees the following information:

(1) A method whereby health plans shall disclose to contracted providers the fee schedules used to provide payment to those providers for services rendered to covered patients;

| I  | (2) A standardized provider application and credentials verification process, for the                  |
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| 2  | purpose of verifying professional qualifications of participating healthcare providers;                |
| 3  | (3) The uniform health plan claim form utilized by participating providers;                            |
| 4  | (4) Methods for health maintenance organizations, as defined by § 27-41-2, and nonprofit               |
| 5  | hospital or medical service corporations, as defined by chapters 19 and 20 of title 27, to make        |
| 6  | facility-specific data and other medical service-specific data available in reasonably consistent      |
| 7  | formats to patients regarding quality and costs. This information would help consumers make            |
| 8  | informed choices regarding the facilities and clinicians or physician practices at which to seek care. |
| 9  | Among the items considered would be the unique health services and other public goods provided         |
| 10 | by facilities and clinicians or physician practices in establishing the most appropriate cost          |
| 11 | comparisons;   |
| 12 | (5) All activities related to contractual disclosure to participating providers of the                 |
| 13 | mechanisms for resolving health plan/provider disputes;  |
| 14 | (6) The uniform process being utilized for confirming, in real time, patient insurance                 |
| 15 | enrollment status, benefits coverage, including copays and deductibles;                                |
| 16 | (7) Information related to temporary credentialing of providers seeking to participate in the          |
| 17 | plan's network and the impact of the activity on health plan accreditation;                            |
| 18 | (8) The feasibility of regular contract renegotiations between plans and the providers in              |
| 19 | their networks; and  |
| 20 | (9) Efforts conducted related to reviewing impact of silent PPOs on physician practices.               |
| 21 | (e) To enforce the provisions of title 27 and title 42 as set forth in § 42-14-5(d).                   |
| 22 | (f) To provide analysis of the Rhode Island affordable health plan reinsurance fund. The               |
| 23 | fund shall be used to effectuate the provisions of §§ 27-18.5-9 and 27-50-17.                          |
| 24 | (g) To analyze the impact of changing the rating guidelines and/or merging the individual              |
| 25 | health insurance market, as defined in chapter 18.5 of title 27, and the small-employer health         |
| 26 | insurance market, as defined in chapter 50 of title 27, in accordance with the following:              |
| 27 | (1) The analysis shall forecast the likely rate increases required to effect the changes               |
| 28 | recommended pursuant to the preceding subsection (g) in the direct-pay market and small-employer       |
| 29 | health insurance market over the next five (5) years, based on the current rating structure and        |
| 30 | current products.  |
| 31 | (2) The analysis shall include examining the impact of merging the individual and small-               |
| 32 | employer markets on premiums charged to individuals and small-employer groups.                         |
| 33 | (3) The analysis shall include examining the impact on rates in each of the individual and             |
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small-employer health insurance markets and the number of insureds in the context of possible

changes to the rating guidelines used for small-employer groups, including: community rating principles; expanding small-employer rate bonds beyond the current range; increasing the employer group size in the small-group market; and/or adding rating factors for broker and/or tobacco use.

- (4) The analysis shall include examining the adequacy of current statutory and regulatory oversight of the rating process and factors employed by the participants in the proposed, new merged market.
- (5) The analysis shall include assessment of possible reinsurance mechanisms and/or federal high-risk pool structures and funding to support the health insurance market in Rhode Island by reducing the risk of adverse selection and the incremental insurance premiums charged for this risk, and/or by making health insurance affordable for a selected at-risk population.
- (6) The health insurance commissioner shall work with an insurance market merger task force to assist with the analysis. The task force shall be chaired by the health insurance commissioner and shall include, but not be limited to, representatives of the general assembly, the business community, small-employer carriers as defined in § 27-50-3, carriers offering coverage in the individual market in Rhode Island, health insurance brokers, and members of the general public.
- (7) For the purposes of conducting this analysis, the commissioner may contract with an outside organization with expertise in fiscal analysis of the private insurance market. In conducting its study, the organization shall, to the extent possible, obtain and use actual health plan data. Said data shall be subject to state and federal laws and regulations governing confidentiality of health care and proprietary information.
- (8) The task force shall meet as necessary and include its findings in the annual report, and the commissioner shall include the information in the annual presentation before the house and senate finance committees.
- (h) To establish and convene a workgroup representing healthcare providers and health insurers for the purpose of coordinating the development of processes, guidelines, and standards to streamline healthcare administration that are to be adopted by payors and providers of healthcare services operating in the state. This workgroup shall include representatives with expertise who would contribute to the streamlining of healthcare administration and who are selected from hospitals, physician practices, community behavioral health organizations, each health insurer, and other affected entities. The workgroup shall also include at least one designee each from the Rhode Island Medical Society, Rhode Island Council of Community Mental Health Organizations, the Rhode Island Health Center Association, and the Hospital Association of Rhode Island. In any year that the workgroup meets and submits recommendations to the office of the health insurance commissioner, the office of the health insurance commissioner shall submit such recommendations

| 1  | to the health and human services committees of the Rhode Island house of representatives and the      |
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| 2  | Rhode Island senate prior to the implementation of any such recommendations and subsequently          |
| 3  | shall submit a report to the general assembly by June 30, 2024. The report shall include the          |
| 4  | recommendations the commissioner may implement, with supporting rationale. The workgroup              |
| 5  | shall consider and make recommendations for:  |
| 6  | (1) Establishing a consistent standard for electronic eligibility and coverage verification           |
| 7  | Such standard shall:  |
| 8  | (i) Include standards for eligibility inquiry and response and, wherever possible, be                 |
| 9  | consistent with the standards adopted by nationally recognized organizations, such as the Centers     |
| 0  | for Medicare & Medicaid Services;   |
| 1  | (ii) Enable providers and payors to exchange eligibility requests and responses on a system-          |
| 2  | to-system basis or using a payor-supported web browser;   |
| .3 | (iii) Provide reasonably detailed information on a consumer's eligibility for healthcare              |
| 4  | coverage; scope of benefits; limitations and exclusions provided under that coverage; cost-sharing    |
| .5 | requirements for specific services at the specific time of the inquiry; current deductible amounts;   |
| .6 | accumulated or limited benefits; out-of-pocket maximums; any maximum policy amounts; and              |
| .7 | other information required for the provider to collect the patient's portion of the bill;             |
| .8 | (iv) Reflect the necessary limitations imposed on payors by the originator of the eligibility         |
| 9  | and benefits information;   |
| 20 | (v) Recommend a standard or common process to protect all providers from the costs of                 |
| 21 | services to patients who are ineligible for insurance coverage in circumstances where a payor         |
| 22 | provides eligibility verification based on best information available to the payor at the date of the |
| 23 | request of eligibility.   |
| 24 | (2) Developing implementation guidelines and promoting adoption of the guidelines for:                |
| 25 | (i) The use of the National Correct Coding Initiative code-edit policy by payors and                  |
| 26 | providers in the state;   |
| 27 | (ii) Publishing any variations from codes and mutually exclusive codes by payors in a                 |
| 28 | manner that makes for simple retrieval and implementation by providers;                               |
| 29 | (iii) Use of Health Insurance Portability and Accountability Act standard group codes,                |
| 80 | reason codes, and remark codes by payors in electronic remittances sent to providers;                 |
| 81 | (iv) Uniformity in the processing of claims by payors; and the processing of corrections to           |
| 32 | claims by providers and payors;   |
| 3  | (v) A standard payor-denial review process for providers when they request a                          |

reconsideration of a denial of a claim that results from differences in clinical edits where no single,

- (vi) Nothing in this section, nor in the guidelines developed, shall inhibit an individual payor's ability to employ, and not disclose to providers, temporary code edits for the purpose of detecting and deterring fraudulent billing activities. The guidelines shall require that each payor disclose to the provider its adjudication decision on a claim that was denied or adjusted based on the application of such edits and that the provider have access to the payor's review and appeal process to challenge the payor's adjudication decision.
- (vii) Nothing in this subsection shall be construed to modify the rights or obligations of payors or providers with respect to procedures relating to the investigation, reporting, appeal, or prosecution under applicable law of potentially fraudulent billing activities.
- (3) Developing and promoting widespread adoption by payors and providers of guidelines to:
- (i) Ensure payors do not automatically deny claims for services when extenuating circumstances make it impossible for the provider to obtain a preauthorization before services are performed or notify a payor within an appropriate standardized timeline of a patient's admission;
- (ii) Require payors to use common and consistent processes and time frames when responding to provider requests for medical management approvals. Whenever possible, such time frames shall be consistent with those established by leading national organizations and be based upon the acuity of the patient's need for care or treatment. For the purposes of this section, medical management includes prior authorization of services, preauthorization of services, precertification of services, post-service review, medical-necessity review, and benefits advisory;
- (iii) Develop, maintain, and promote widespread adoption of a single, common website where providers can obtain payors' preauthorization, benefits advisory, and preadmission requirements;
- (iv) Establish guidelines for payors to develop and maintain a website that providers can use to request a preauthorization, including a prospective clinical necessity review; receive an authorization number; and transmit an admission notification;
- (v) Develop and implement the use of programs that implement selective prior authorization requirements, based on stratification of healthcare providers' performance and adherence to evidence-based medicine with the input of contracted healthcare providers and/or provider organizations. Such criteria shall be transparent and easily accessible to contracted providers. Such selective prior authorization programs shall be available when healthcare providers participate directly with the insurer in risk-based payment contracts and may be available to

| 1  | providers who do not participate in risk-based contracts;   |
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| 2  | (vi) Require the review of medical services, including behavioral health services, and                |
| 3  | prescription drugs, subject to prior authorization on at least an annual basis, with the input of     |
| 4  | contracted healthcare providers and/or provider organizations. Any changes to the list of medical     |
| 5  | services, including behavioral health services, and prescription drugs requiring prior authorization, |
| 6  | shall be shared via provider-accessible websites;   |
| 7  | (vii) Improve communication channels between health plans, healthcare providers, and                  |
| 8  | patients by:  |
| 9  | (A) Requiring transparency and easy accessibility of prior authorization requirements,                |
| 10 | criteria, rationale, and program changes to contracted healthcare providers and patients/health plan  |
| 11 | enrollees which may be satisfied by posting to provider-accessible and member-accessible              |
| 12 | websites; and   |
| 13 | (B) Supporting:   |
| 14 | (I) Timely submission by healthcare providers of the complete information necessary to                |
| 15 | make a prior authorization determination, as early in the process as possible; and                    |
| 16 | (II) Timely notification of prior authorization determinations by health plans to impacted            |
| 17 | health plan enrollees, and healthcare providers, including, but not limited to, ordering providers,   |
| 18 | and/or rendering providers, and dispensing pharmacists which may be satisfied by posting to           |
| 19 | provider-accessible websites or similar electronic portals or services;                               |
| 20 | (viii) Increase and strengthen continuity of patient care by:   |
| 21 | (A) Defining protections for continuity of care during a transition period for patients               |
| 22 | undergoing an active course of treatment, when there is a formulary or treatment coverage change      |
| 23 | or change of health plan that may disrupt their current course of treatment and when the treating     |
| 24 | physician determines that a transition may place the patient at risk; and for prescription medication |
| 25 | by allowing a grace period of coverage to allow consideration of referred health plan options or      |
| 26 | establishment of medical necessity of the current course of treatment;                                |
| 27 | (B) Requiring continuity of care for medical services, including behavioral health services,          |
| 28 | and prescription medications for patients on appropriate, chronic, stable therapy through             |
| 29 | minimizing repetitive prior authorization requirements; and which for prescription medication shall   |
| 30 | be allowed only on an annual review, with exception for labeled limitation, to establish continued    |
| 31 | benefit of treatment; and   |
| 32 | (C) Requiring communication between healthcare providers, health plans, and patients to               |

- 1 (D) Continuity of care for formulary or drug coverage shall distinguish between FDA 2 designated interchangeable products and proprietary or marketed versions of a medication; 3 (ix) Encourage healthcare providers and/or provider organizations and health plans to 4 accelerate use of electronic prior authorization technology, including adoption of national standards 5 where applicable; and (x) For the purposes of subsections (h)(3)(v) through (h)(3)(x) of this section, the 6 7 workgroup meeting may be conducted in part or whole through electronic methods. 8 (4) To provide a report to the house and senate, on or before January 1, 2017, with 9 recommendations for establishing guidelines and regulations for systems that give patients 10 electronic access to their claims information, particularly to information regarding their obligations 11 to pay for received medical services, pursuant to 45 C.F.R. § 164.524. 12 (5) No provision of this subsection (h) shall preclude the ongoing work of the office of 13 health insurance commissioner's administrative simplification task force, which includes meetings 14 with key stakeholders in order to improve, and provide recommendations regarding, the prior 15 authorization process. 16 (i) To issue an anti-cancer medication report. Not later than June 30, 2014, and annually 17 thereafter, the office of the health insurance commissioner (OHIC) shall provide the senate 18 committee on health and human services, and the house committee on corporations, with: (1) 19 Information on the availability in the commercial market of coverage for anti-cancer medication 20 options; (2) For the state employee's health benefit plan, the costs of various cancer-treatment 21 options; (3) The changes in drug prices over the prior thirty-six (36) months; and (4) Member 22 utilization and cost-sharing expense. 23 (j) To monitor the adequacy of each health plan's compliance with the provisions of the 24 federal Mental Health Parity Act, including a review of related claims processing and reimbursement procedures. Findings, recommendations, and assessments shall be made available 25 26 to the public. 27 (k) To monitor the transition from fee-for-service and toward global and other alternative 28 payment methodologies for the payment for healthcare services. Alternative payment 29 methodologies should be assessed for their likelihood to promote access to affordable health 30 insurance, health outcomes, and performance.
  - (1) To report annually, no later than July 1, 2014, then biannually thereafter, on hospital payment variation, including findings and recommendations, subject to available resources.

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(m) Notwithstanding any provision of the general or public laws or regulation to the contrary, provide a report with findings and recommendations to the president of the senate and the

| 1  | speaker of the house, on or before April 1, 2014, including, but not limited to, the following       |
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| 2  | information:   |
| 3  | (1) The impact of the current, mandated healthcare benefits as defined in §§ 27-18-48.1,             |
| 4  | 27-18-60, 27-18-62, 27-18-64, similar provisions in chapters 19, 20 and 41 of title 27, and §§ 27-   |
| 5  | 18-3(c), 27-38.2-1 et seq., or others as determined by the commissioner, on the cost of health       |
| 6  | insurance for fully insured employers, subject to available resources;                               |
| 7  | (2) Current provider and insurer mandates that are unnecessary and/or duplicative due to             |
| 8  | the existing standards of care and/or delivery of services in the healthcare system;                 |
| 9  | (3) A state-by-state comparison of health insurance mandates and the extent to which                 |
| 10 | Rhode Island mandates exceed other states benefits; and  |
| 11 | (4) Recommendations for amendments to existing mandated benefits based on the findings               |
| 12 | in (m)(1), (m)(2), and (m)(3) above.   |
| 13 | (n) On or before July 1, 2014, the office of the health insurance commissioner, in                   |
| 14 | collaboration with the director of health and lieutenant governor's office, shall submit a report to |
| 15 | the general assembly and the governor to inform the design of accountable care organizations         |
| 16 | (ACOs) in Rhode Island as unique structures for comprehensive healthcare delivery and value-         |
| 17 | based payment arrangements, that shall include, but not be limited to:                               |
| 18 | (1) Utilization review;  |
| 19 | (2) Contracting; and   |
| 20 | (3) Licensing and regulation.  |
| 21 | (o) On or before February 3, 2015, the office of the health insurance commissioner shall             |
| 22 | submit a report to the general assembly and the governor that describes, analyzes, and proposes      |
| 23 | recommendations to improve compliance of insurers with the provisions of § 27-18-76 with regard      |
| 24 | to patients with mental health and substance use disorders.  |
| 25 | (p) To work to ensure the health insurance coverage of behavioral health care under the              |
| 26 | same terms and conditions as other health care, and to integrate behavioral health parity            |
| 27 | requirements into the office of the health insurance commissioner insurance oversight and            |
| 28 | healthcare transformation efforts.   |
| 29 | (q) To work with other state agencies to seek delivery system improvements that enhance              |
| 30 | access to a continuum of mental health and substance use disorder treatment in the state; and        |
| 31 | integrate that treatment with primary and other medical care to the fullest extent possible.         |
| 32 | (r) To direct insurers toward policies and practices that address the behavioral health needs        |
| 33 | of the public and greater integration of physical and behavioral healthcare delivery.                |

(s) The office of the health insurance commissioner shall conduct an analysis of the impact

1 of the provisions of § 27-38.2-1(i) on health insurance premiums and access in Rhode Island and 2 submit a report of its findings to the general assembly on or before June 1, 2023. 3 (t) To undertake the analyses, reports, and studies contained in this section: (1) The office shall hire the necessary staff and prepare a request for proposal for a qualified 4 5 and competent firm or firms to undertake the following analyses, reports, and studies: 6 (i) The firm shall undertake a comprehensive review of all social and human service 7 programs having a contract with or licensed by the state or any subdivision of the department of 8 children, youth and families (DCYF), the department of behavioral healthcare, developmental 9 disabilities and hospitals (BHDDH), the department of human services (DHS), the department of 10 health (DOH), and Medicaid for the purposes of: 11 (A) Establishing a baseline of the eligibility factors for receiving services; 12 (B) Establishing a baseline of the service offering through each agency for those 13 determined eligible; 14 (C) Establishing a baseline understanding of reimbursement rates for all social and human 15 service programs including rates currently being paid, the date of the last increase, and a proposed 16 model that the state may use to conduct future studies and analyses; 17 (D) Ensuring accurate and adequate reimbursement to social and human service providers that facilitate the availability of high-quality services to individuals receiving home and 18 19 community-based long-term services and supports provided by social and human service providers; 20 (E) Ensuring the general assembly is provided accurate financial projections on social and 21 human service program costs, demand for services, and workforce needs to ensure access to entitled 22 beneficiaries and services; 23 (F) Establishing a baseline and determining the relationship between state government and 24 the provider network including functions, responsibilities, and duties; 25 (G) Determining a set of measures and accountability standards to be used by EOHHS and 26 the general assembly to measure the outcomes of the provision of services including budgetary 27 reporting requirements, transparency portals, and other methods; and 28 (H) Reporting the findings of human services analyses and reports to the speaker of the 29 house, senate president, chairs of the house and senate finance committees, chairs of the house and 30 senate health and human services committees, and the governor. 31 (2) The analyses, reports, and studies required pursuant to this section shall be 32 accomplished and published as follows and shall provide: 33 (i) An assessment and detailed reporting on all social and human service program rates to 34 be completed by January 1, 2023, including rates currently being paid and the date of the last

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- 2 (ii) An assessment and detailed reporting on eligibility standards and processes of all 3 mandatory and discretionary social and human service programs to be completed by January 1,
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- 5 (iii) An assessment and detailed reporting on utilization trends from the period of January
- 6 1, 2017, through December 31, 2021, for social and human service programs to be completed by
- 7 January 1, 2023;
- 8 (iv) An assessment and detailed reporting on the structure of the state government as it
  9 relates to the provision of services by social and human service providers including eligibility and
  10 functions of the provider network to be completed by January 1, 2023;
  - (v) An assessment and detailed reporting on accountability standards for services for social and human service programs to be completed by January 1, 2023;
  - (vi) An assessment and detailed reporting by April 1, 2023, on all professional licensed and unlicensed personnel requirements for established rates for social and human service programs pursuant to a contract or established fee schedule;
  - (vii) An assessment and reporting on access to social and human service programs, to include any wait lists and length of time on wait lists, in each service category by April 1, 2023;
  - (viii) An assessment and reporting of national and regional Medicaid rates in comparison to Rhode Island social and human service provider rates by April 1, 2023;
- 20 (ix) An assessment and reporting on usual and customary rates paid by private insurers and 21 private pay for similar social and human service providers, both nationally and regionally, by April 22 1, 2023; and
  - (x) Completion of the development of an assessment and review process that includes the following components: eligibility; scope of services; relationship of social and human service provider and the state; national and regional rate comparisons and accountability standards that result in recommended rate adjustments; and this process shall be completed by September 1, 2023, and conducted biennially hereafter. On and after September 1, 2025, all biennial reports shall include a review and recommendations of rates for primary care services. The biennial rate setting shall be consistent with payment requirements established in § 1902(a)(30)(A) of the Social Security Act, 42 U.S.C. § 1396a(a)(30)(A), and all federal and state law, regulations, and quality and safety standards. The results and findings of this process shall be transparent, and public meetings shall be conducted to allow providers, recipients, and other interested parties an opportunity to ask questions and provide comment beginning in September 2023 and biennially thereafter.

|          | (3) In fulfillment | of the respo | onsibilities | defined i   | n subsectior | (t), the | e office | of the | healtl |
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| insuranc | ce commissioner s  | hall consult | with the E   | executive ( | Office of He | alth and | l Huma   | n Serv | ices.  |

(u) Annually, each department (namely, EOHHS, DCYF, DOH, DHS, and BHDDH) shall include the corresponding components of the assessment and review (i.e., eligibility; scope of services; relationship of social and human service provider and the state; and national and regional rate comparisons and accountability standards including any changes or substantive issues between biennial reviews) including the recommended rates from the most recent assessment and review with their annual budget submission to the office of management and budget and provide a detailed explanation and impact statement if any rate variances exist between submitted recommended budget and the corresponding recommended rate from the most recent assessment and review process starting October 1, 2023, and biennially thereafter.

(v) The general assembly shall appropriate adequate funding as it deems necessary to undertake the analyses, reports, and studies contained in this section relating to the powers and duties of the office of the health insurance commissioner.

SECTION 2. This act shall take effect upon passage.

LC000593

## **EXPLANATION**

#### BY THE LEGISLATIVE COUNCIL

OF

## AN ACT

# RELATING TO STATE AFFAIRS AND GOVERNMENT -- THE RHODE ISLAND HEALTH CARE REFORM ACT OF 2004 -- HEALTH INSURANCE OVERSIGHT

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This act would include the definition of "primary care services" and requires that all biennial reports shall include a review and recommendation of rates for primary care services on and after September 1, 2025.

This act would take effect upon passage.

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