It is enacted by the General Assembly as follows:

SECTION 1. Title 42 of the General Laws entitled "STATE AFFAIRS AND GOVERNMENT" is hereby amended by adding thereto the following chapter:

CHAPTER 155
THE RHODE ISLAND HEALTH BENEFITS EXCHANGE ACT

42-155-1. Short title. – This chapter shall be known and may be cited as "The Rhode Island Health Benefits Exchange Act."

42-155-2. Definitions. – As used in this chapter, the following words and terms shall have the following meanings, unless the context indicates another or different meaning or intent:

(1) "Exchange" means the Rhode Island health benefits exchange, a division in the executive department established by executive order number 11-09 dated September 19, 2011, issued pursuant to the provisions of the federal Patient Protection and Affordable Care Act (Pub. L. 111-148), as amended by the federal Health care and Education Reconciliation Act of 2010 (Pub. L. 111-152), and any amendments to, or regulations or guidance issued under, those acts.

(2) "Executive order" means executive order number 11-09 dated September 19, 2011.

(3) "Unified health infrastructure project" means the integrated technology program to support the exchange.

42-155-3. No state operation of health benefits exchange. – (a) On and after January 1, 2015, no agency, department, or political subdivision of the state of Rhode Island, nor any private
entity contracted with an arm of any state agency, shall collect or expend money or funds from
any source to further plan, create, participate in or enable a state-based exchange for health
insurance, or contract with any private entity to do so, including, but not limited to, the Rhode
Island health benefits exchange, known under the name "HealthSourceRI", and the unified health
infrastructure project.

(b) On or before December 31, 2014, the governor shall, and is hereby authorized and
directed, to take such administrative actions as are necessary to transfer all management and
operation of the Rhode Island health benefits exchange to the U. S. Department of Health and
Human Services and the U. S. Centers for Medicare and Medicaid Services.

(c) The governor is further authorized and directed to coordinate with the appropriate
federal agencies, as required, to ensure:

(1) That health insurance coverage obtained through the Rhode Island health benefits
exchange is transferred to the management and control of the U. S. Department of Health and
Human Services and the U. S. Centers for Medicare and Medicaid Services; and

(2) That individuals, families or businesses enrolled for health insurance through the
Rhode Island benefits exchange shall retain such coverage without interruption on essentially the
same terms as agreed upon in their original enrollment with an insurer through the exchange.

SECTION 2. This act shall take effect upon passage.
This act would provide that no agency, department, or political subdivision of the state would collect or expend money from any source to further create or enable the Rhode Island health benefits exchange after December 31, 2014. The governor would be directed to transfer the management and operation of the exchange to the U.S. Department of Health and Human Services and the U.S. Centers for Medicare and Medicaid Services, on or before December 31, 2014.

This act would take effect upon passage.