

2019 -- H 5401

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

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A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- THE HEALTH CARE SERVICES
FUNDING PLAN ACT

Introduced By: Representatives Bennett, Edwards, Solomon, and Diaz

Date Introduced: February 14, 2019

Referred To: House Finance

(Dept. of Health)

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-7.4-2 of the General Laws in Chapter 42-7.4 entitled "The
2 Health Care Services Funding Plan Act" is hereby amended to read as follows:

3 **42-7.4-2. Definitions.**

4 The following words and phrases as used in this chapter shall have the following
5 meaning:

6 (1) "Secretary" means the secretary of health and human services.

7 (2)(i) "Insurer" means all persons offering, administering, and/or insuring healthcare
8 services, including, but not limited to:

9 (A) Policies of accident and sickness insurance, as defined by chapter 18 of title 27:

10 (B) Nonprofit hospital or medical-service plans, as defined by chapters 19 and 20 of title
11 27;

12 (C) Any person whose primary function is to provide diagnostic, therapeutic, or
13 preventive services to a defined population on the basis of a periodic premium;

14 (D) All domestic, foreign, or alien insurance companies, mutual associations and
15 organizations;

16 (E) Health maintenance organizations, as defined by chapter 41 of title 27;

17 (F) All persons providing health benefits coverage on a self-insurance basis;

18 (G) All third-party administrators described in chapter 20.7 of title 27; and

1 (H) All persons providing health benefit coverage under Title XIX of the Social Security
2 Act (Medicaid) as a Medicaid managed care organization offering managed Medicaid.

3 (ii) "Insurer" shall not include any nonprofit dental service corporation as defined in § 27-
4 20.1-2, nor any insurer offering only those coverages described in § 42-7.4-14.

5 (3)(i) "Contribution enrollee" means an individual residing in this state, with respect to
6 whom an insurer administers, provides, pays for, insures, or covers health-care services, unless
7 excepted by this section.

8 (ii) "Contribution enrollee" shall not include an individual whose healthcare services are
9 paid or reimbursed by Part A or Part B of the Medicare program, a Medicare supplemental policy
10 as defined in section 1882(g)(1) of the Social Security Act, 42 U.S.C. § 1395ss(g)(1), or Medicare
11 managed care policy, the federal employees' health benefit program, ~~Ficare, CHAMPUS~~, the
12 Veterans' healthcare program, the Indian health service program, or any local governmental
13 corporation, district, or agency providing health benefits coverage on a self-insured basis;

14 (iii) Delayed applicability for state employees, retirees, and dependents and not-for-profit
15 healthcare corporations. An individual whose healthcare services are paid or reimbursed by the
16 state of Rhode Island pursuant to chapter 12 of title 36 or a not-for-profit healthcare corporation
17 that controls or operates hospitals licensed under chapter 17 of title 23 or a not-for-profit
18 healthcare corporation that controls or operates hospitals licensed under chapter 17 of title 23, and
19 facilities and programs providing rehabilitation, psychological support, and social guidance to
20 individuals who are alcoholic, drug abusers, mentally ill or who are persons with developmental
21 disabilities or cognitive disabilities such as brain injury, licensed under chapter 24 of title 40.1
22 shall not be treated as a "contribution enrollee" until July 1, 2016.

23 (4) "Person" means any individual, corporation, company, association, partnership,
24 limited liability company, firm, state governmental corporations, districts, and agencies, joint
25 stock associations, trusts, and the legal successor thereof.

26 (5) "Healthcare services funding contribution" means per capita amount each contributing
27 insurer must contribute to support the programs funded by the method established under this
28 section, with respect to each contribution enrollee; provided, however, that, with respect to an
29 insurer that is a Medicaid managed care organization offering managed Medicaid, the healthcare
30 funding services contribution for any contribution enrollee whose healthcare services are paid or
31 reimbursed under Title XIX of the Social Security Act (Medicaid) shall not include the children's
32 health services funding requirement described in § 42-12-29.

1 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- THE HEALTH CARE SERVICES
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- 1 This act would require Tricare to pay the healthcare services funding contributions for
- 2 their contribution enrollees.
- 3 This act would take effect upon passage.

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