

2024 -- H 7204

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

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A N A C T

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

Introduced By: Representatives Shallcross Smith, Ajello, McEntee, Cortvriend, Fenton-  
Fung, and Fogarty

Date Introduced: January 17, 2024

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-7.4-3 of the General Laws in Chapter 42-7.4 entitled "The  
2 Healthcare Services Funding Plan Act" is hereby amended to read as follows:

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

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

7 (1) Beginning ~~January 1, 2016~~ July 1, 2024, the secretary shall set the healthcare services  
8 funding contribution each fiscal year in an amount equal to: (i) The child immunization funding  
9 requirement described in § 23-1-46; plus (ii) The adult immunization funding requirement  
10 described in § 23-1-46; plus (iii) The children's health services funding requirement described in §  
11 42-12-29; plus (iv) The psychiatry resource network funding requirement described in § 23-1-46.1  
12 and all as divided by: ~~(iv)~~(v) The number of contribution enrollees of all insurers.

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

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

1 (c) The secretary shall create a process to facilitate the transition to the healthcare services  
2 funding contribution method that: (i) assures adequate funding beginning July 1, 2016, (ii) reflects  
3 that funding via the healthcare services funding contribution method initially will be for only a  
4 portion of the state's fiscal year, and (iii) avoids duplicate liability for any insurer that made a  
5 payment under the premium assessment method in effect prior to January 1, 2016, for a period for  
6 which it would also be liable for a contribution under the healthcare services funding contribution  
7 method as described in this chapter.

8 SECTION 2. Chapter 23-1 of the General Laws entitled "Department of Health" is hereby  
9 amended by adding thereto the following section:

10 **23-1-46.1. Psychiatry resource network account (Effective July 1, 2024).**

11 (a) There is created within the general fund a restricted receipt account to be known as the  
12 "PRN account." All money in the account shall be utilized by the department of health to effectuate  
13 coverage for the following services: Existing Rhode Island lines including the PediPRN and  
14 MomsPRN information lines together with any additional information line, referral service, or  
15 hotline which is available to providers or residents in the state, and which is funded pursuant to  
16 regulation adopted by the director of the department of health. Amounts collected pursuant to § 42-  
17 7.4-3(a)(1)(iv) shall be deposited in the "PRN account." The funds shall be used solely for the  
18 purposes of the "PRN account," and no other.

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

- 21 (1) Projected by the department of health for the services in subsection (a) of this section;  
22 plus  
23 (2) A ten percent (10%) contingency for unexpected expenses; and after  
24 (3) Deduction for any projected carryover of excess funds from prior assessments.

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

30 (d) The "PRN account" shall be exempt from the indirect costs recovery provisions of §  
31 35-4-27.

32 SECTION 3. Section 35-4-27 of the General Laws in Chapter 35-4 entitled "State Funds"  
33 is hereby amended to read as follows:

34 **35-4-27. Indirect cost recoveries on restricted receipt accounts.**

1 Indirect cost recoveries of ten percent (10%) of cash receipts shall be transferred from all  
2 restricted-receipt accounts, to be recorded as general revenues in the general fund. However, there  
3 shall be no transfer from cash receipts with restrictions received exclusively: (1) From contributions  
4 from nonprofit charitable organizations; (2) From the assessment of indirect cost-recovery rates on  
5 federal grant funds; or (3) Through transfers from state agencies to the department of administration  
6 for the payment of debt service. These indirect cost recoveries shall be applied to all accounts,  
7 unless prohibited by federal law or regulation, court order, or court settlement. The following  
8 restricted receipt accounts shall not be subject to the provisions of this section:

- 9 Executive Office of Health and Human Services
- 10 Organ Transplant Fund
- 11 HIV Care Grant Drug Rebates
- 12 Health System Transformation Project
- 13 Rhode Island Statewide Opioid Abatement Account
- 14 HCBS Support-ARPA
- 15 HCBS Admin Support-ARPA
- 16 Department of Human Services
- 17 Veterans' home — Restricted account
- 18 Veterans' home — Resident benefits
- 19 Pharmaceutical Rebates Account
- 20 Demand Side Management Grants
- 21 Veteran's Cemetery Memorial Fund
- 22 Donations — New Veterans' Home Construction
- 23 Department of Health
- 24 Pandemic medications and equipment account
- 25 Miscellaneous Donations/Grants from Non-Profits
- 26 State Loan Repayment Match
- 27 Healthcare Information Technology
- 28 [Healthcare services funding accounts for the psychiatry resource network \(PRN\)](#)
- 29 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals
- 30 Eleanor Slater non-Medicaid third-party payor account
- 31 Hospital Medicare Part D Receipts
- 32 RICLAS Group Home Operations
- 33 Commission on the Deaf and Hard of Hearing
- 34 Emergency and public communication access account

1 Department of Environmental Management  
2 National heritage revolving fund  
3 Environmental response fund II  
4 Underground storage tanks registration fees  
5 De Coppet Estate Fund  
6 Rhode Island Historical Preservation and Heritage Commission  
7 Historic preservation revolving loan fund  
8 Historic Preservation loan fund — Interest revenue  
9 Department of Public Safety  
10 E-911 Uniform Emergency Telephone System  
11 Forfeited property — Retained  
12 Forfeitures — Federal  
13 Forfeited property — Gambling  
14 Donation — Polygraph and Law Enforcement Training  
15 Rhode Island State Firefighter’s League Training Account  
16 Fire Academy Training Fees Account  
17 Attorney General  
18 Forfeiture of property  
19 Federal forfeitures  
20 Attorney General multi-state account  
21 Forfeited property — Gambling  
22 Department of Administration  
23 OER Reconciliation Funding  
24 Health Insurance Market Integrity Fund  
25 RI Health Benefits Exchange  
26 Information Technology restricted receipt account  
27 Restore and replacement — Insurance coverage  
28 Convention Center Authority rental payments  
29 Investment Receipts — TANS  
30 OPEB System Restricted Receipt Account  
31 Car Rental Tax/Surcharge-Warwick Share  
32 Grants Management Administration  
33 RGGI-Executive Climate Change Coordinating Council Projects  
34 Executive Office of Commerce

1 Housing Resources Commission Restricted Account  
2 Housing Production Fund  
3 Department of Revenue  
4 DMV Modernization Project  
5 Jobs Tax Credit Redemption Fund  
6 Legislature  
7 Audit of federal assisted programs  
8 Department of Children, Youth and Families  
9 Children's Trust Accounts — SSI  
10 Military Staff  
11 RI Military Family Relief Fund  
12 RI National Guard Counterdrug Program  
13 Treasury  
14 Admin. Expenses — State Retirement System  
15 Retirement — Treasury Investment Options  
16 Defined Contribution — Administration - RR  
17 Violent Crimes Compensation — Refunds  
18 Treasury Research Fellowship  
19 Business Regulation  
20 Banking Division Reimbursement Account  
21 Office of the Health Insurance Commissioner Reimbursement Account  
22 Securities Division Reimbursement Account  
23 Commercial Licensing and Racing and Athletics Division Reimbursement Account  
24 Insurance Division Reimbursement Account  
25 Historic Preservation Tax Credit Account  
26 Marijuana Trust Fund  
27 Social Equity Assistance Fund  
28 Judiciary  
29 Arbitration Fund Restricted Receipt Account  
30 Third-Party Grants  
31 RI Judiciary Technology Surcharge Account  
32 Department of Elementary and Secondary Education  
33 Statewide Student Transportation Services Account  
34 School for the Deaf Fee-for-Service Account

- 1 School for the Deaf — School Breakfast and Lunch Program
- 2 Davies Career and Technical School Local Education Aid Account
- 3 Davies — National School Breakfast & Lunch Program
- 4 School Construction Services
- 5 Office of the Postsecondary Commissioner
- 6 Higher Education and Industry Center
- 7 IGT STEM Scholarships
- 8 Department of Labor and Training
- 9 Job Development Fund
- 10 Rhode Island Council on the Arts
- 11 Governors' Portrait Donation Fund
- 12 Statewide records management system account
- 13 SECTION 4. This act shall take effect on July 1, 2024.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

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

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1           This act would amend Rhode Island's existing healthcare services funding plan act by  
2 adding an account relating to a new psychiatry resource network to fund Rhode Island's present  
3 PediPRN and MomsPRN, as well as similar programs which may be added by regulation in the  
4 future. It also adds an assessment to those previously authorized by the healthcare services funding  
5 plan act for purposes of funding this new account.

6           This act would take effect on July 1, 2024.

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