

1 review and evaluation of a mandated health benefit proposal, before such proposal is enacted by
2 the general assembly.

3 **27-67-3. Definitions.** – For purposes of this chapter:

4 (1) “Appropriate committee” or “committee” shall mean the committee of the Rhode
5 Island senate or house of representatives to which mandated benefit legislation has been referred;

6 (2) “Health care provider” or “provider” shall have the same meaning as the meaning
7 contained in section 23-17.13-2(I);

8 (3) “Health care service” or “service” shall have the same meaning as the meaning
9 contained in section 23-17.13-2(G);

10 (4) “Health plan” or “plan” shall have the same meaning as the meaning contained in
11 section 23-17.13-2(H);

12 (5) “Mandated health benefit” or “mandated benefit” means coverage required by law to
13 be provided or offered by a health plan to: (a) cover a specific health care service or services; (b)
14 cover treatment of a specific condition or conditions; or (c) contract, pay, or reimburse specific
15 categories of health care providers for specific services.

16 **27-64-4. Mandated health benefit review.** -- No committee shall consider or act upon
17 any legislation enacting, amending, or expanding a mandated health benefit except as follows:

18 (1) Every entity, organization, or person that seeks legislation enacting a mandated health
19 benefit shall submit to the appropriate committee a mandated benefit assessment report analyzing
20 the social impact, financial impact, and health care service efficacy of the benefit in strict
21 adherence to the criteria enumerated in section 27-67-5;

22 (2) The chair of the appropriate committee may request the Rhode Island department of
23 health and the Rhode Island department of business regulation to review and evaluate the
24 legislation and the mandated benefit assessment report using the criteria set forth in section 27-
25 67-5;

26 (3) Absent exigent circumstances, which must be clearly defined in the act, no legislation
27 enacting, amending, or expanding a mandated health benefit shall become effective until not less
28 than one hundred and eighty (180) days from the date of passage.

29 **27-67-5. Mandated health benefit assessment report.** – (a) The following criteria shall
30 be used by the general assembly and the appropriate committee to assess the impact of a proposed
31 mandated health benefit:

32 (1) The social impact:

33 (i) The extent to which the benefit is generally utilized by a significant portion of the
34 population;

- 1 (ii) The extent to which the benefit is already generally available;
- 2 (iii) If the benefit is not generally available, the extent to which its unavailability has
3 resulted in persons not receiving needed service;
- 4 (iv) If the benefit is not generally available, the extent to which its unavailability has
5 resulted in unreasonable financial hardship;
- 6 (v) The level of public demand for the benefit; and
- 7 (vi) The level of interest of employers, collective bargaining agents, and others in
8 negotiating privately for inclusion of this benefit in group contracts.
- 9 (2) The financial impact:
- 10 (i) The extent to which the benefit will increase or decrease the cost of treatment or
11 service;
- 12 (ii) The extent to which the coverage will increase the appropriate use of the benefit or
13 service;
- 14 (iii) The extent to which the benefit will be a substitute for a more expensive benefit or
15 service;
- 16 (iv) The extent to which the benefit will increase or decrease the administrative expenses
17 of health plans and the premium and administrative expenses of policyholders;
- 18 (v) The impact of this benefit on the total cost of health care services and on premiums
19 for health coverage;
- 20 (vi) The fiscal impact of this benefit on the state of Rhode Island, including the cost for
21 state-purchased health care for state employees as well as other coverage purchased by the state
22 including, but not limited to, the RIte Care and RIte Share programs; and
- 23 (vii) The impact of this benefit on affordability and access to coverage.
- 24 (3) Evidence of health care service efficacy:
- 25 (i) If a mandated benefit of a specific service is sought, the extent to which there has been
26 conducted professionally accepted, controlled trials demonstrating the health consequences of
27 that service compared to no service or an alternative service;
- 28 (ii) If a mandated benefit of a category of health care provider is sought, the extent to
29 which there has been conducted professionally accepted, controlled trials demonstrating the
30 health consequences achieved by the mandated benefit of this category of health care provider;
31 and
- 32 (iii) The extent to which the mandated benefit will enhance the general health status of
33 the state's residents.
- 34 (b) The general assembly, the appropriate committee, and the departments of health and

1 business regulation shall consider the availability of relevant information in assessing the
2 completeness of the proposal.

3 (c) The general assembly, the appropriate committee, and the department of health and
4 business regulation may establish, where appropriate, ad hoc panels composed of experts in the
5 field, representatives of health plans, consumers, providers, and purchasers to assist in the
6 proposal review process. Ad hoc panel members shall serve without compensation.

7 **27-67-6. Severability.** – If any provision of this chapter or the application thereof to any
8 person or circumstance is held invalid, such invalidity shall not affect other provisions or
9 applications of the chapter, which can be given effect without the invalid provision or application,
10 and to this end the provisions of this chapter are declared to be severable.

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

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LC02199
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO INSURANCE -- MANDATED HEALTH BENEFITS

1 This act would establish a process for the review and evaluation of all proposed mandated
2 health benefits to assist the general assembly in determining whether mandating a particular
3 coverage is in the public interest.

4 This act would take effect upon passage.

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