

2012 -- H 8056

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

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A N A C T

RELATING TO HUMAN SERVICES -- THE HEALTHY RHODE ISLAND PROGRAM

Introduced By: Representatives Ferri, Cimini, Keable, E Coderre, and Messier

Date Introduced: April 10, 2012

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 40 of the General Laws entitled "HUMAN SERVICES" is hereby
2 amended by adding thereto the following chapter:

3 CHAPTER 8.11

4 THE HEALTHY RHODE ISLAND PROGRAM

5 **40-8.11-1. Legislative findings.** – The general assembly finds that:

6 (1) It is in the best interest of Rhode Islanders to have affordable access to health
7 insurance and to facilitate policies that make affordable health coverage accessible for as many
8 Rhode Islanders as possible;

9 (2) Under the Affordable Care Act (ACA), most Rhode Islanders will need to have health
10 insurance coverage;

11 (3) One hundred forty thousand (140,000) Rhode Islanders are currently uninsured and
12 up to thirty-one thousand (31,000) Rhode Islanders between one hundred thirty-three percent
13 (133%) federal poverty level (FPL) and two hundred percent (200%) FPL will need to access
14 affordable insurance in the year 2014;

15 (4) These individuals are most likely able to afford health insurance through the Healthy
16 Rhode Island Program established herein; and

17 (5) Section 1331 of the ACA provides states with additional flexibility in order to
18 increase affordability of health insurance for its residents with incomes between one hundred
19 thirty-three percent (133%) FPL and two hundred percent (200%) FPL.

1 **40-8.11-2. Purpose.** – It is the purpose of the chapter to establish a “Healthy Rhode
2 Island Program,” a basic health program option pursuant to section 1331 of the federal patient
3 protection and affordable care act (ACA).

4 **40-8.11-3. Definitions.** – As used in this chapter:

5 (1) “Basic Health Program” means the program authorized by section 1331 of ACA.

6 (2) “Eligible individual” shall have the same meaning as set forth in subdivision (e) of
7 section 1331 of ACA.

8 (3) “EOHHS” means the executive office of health and human services.

9 (4) “Essential health benefits” shall have the same meaning as set forth in section 1302 of
10 ACA.

11 (5) “Fund” means the healthy Rhode Island program trust fund established by section 6.

12 (6) “Health Insurance Exchange” or “Health Benefits Exchange” shall mean the Rhode
13 Island health insurance exchange.

14 (7) “Health plan” means a private health insurer licensed in Rhode Island meeting the
15 requirements established by EEOHS as a qualified health plan to contract to provide services for
16 eligible individuals for the healthy Rhode Island program.

17 (8) “Healthy Rhode Island Program” means the Rhode Island program established
18 pursuant to the authority of section 1331 of ACA.

19 (9) “Affordable Care Act” or “ACA” means public law 111-148, as amended by the
20 federal healthcare and education reconciliation act of 2010 (public law 111-152), and any
21 amendments to, or regulations or guidance issued under, those acts.

22 **40-8.11-4. Administration of program.** – (a) The healthy Rhode Island program is
23 hereby created and shall be administered by EOHHS.

24 (b) EOHHS shall enter into a contract with the United States secretary of health and
25 human services to implement the healthy Rhode Island program, a basic health program, to
26 provide coverage to eligible individuals.

27 (c) EOHHS shall permit enrollment in the healthy Rhode Island program by the date that
28 the health insurance exchange opens for enrollment, and shall begin providing coverage on
29 January 1, 2014.

30 **40-8.11-5. Healthy Rhode Island trust fund.** – The healthy Rhode Island program trust
31 fund is hereby created in the state treasury for the purpose of administration of this chapter. All
32 federal funds received pursuant to section 1331 of ACA shall be placed in the healthy Rhode
33 Island program trust fund. All moneys in the fund shall be continuously appropriated without
34 regard to fiscal year for the purposes of this part. Any moneys in the fund that are unexpended or

1 unencumbered at the end of a fiscal year may be carried forward to the next succeeding fiscal
2 year. EOHHS is authorized to seek appropriations from the general fund in the form of loans to
3 the healthy Rhode Island program trust fund.

4 All general revenues that would otherwise have been spent on parents currently enrolled
5 in the Rite Care or Rite Share programs shall be appropriated for the healthy Rhode Island
6 program trust fund.

7 **40-8.11-6. Eligibility and enrollment process.** – (a) EOHHS shall administer the
8 healthy Rhode Island program in conjunction with the Medicaid and children’s health insurance
9 programs, and shall provide an eligibility and enrollment process that coordinates enrollment for
10 family members in families where a child is eligible for a Medicaid or children’s health insurance
11 program administered by EOHHS and other family members are eligible for the healthy Rhode
12 Island program.

13 (b) To the extent permitted by federal law and EOHHS policy, EOHHS shall continue
14 administering the Rite Share Program, and run Rite Share in conjunction with the Healthy Rhode
15 Island Program.

16 (c) EOHHS shall coordinate with the health benefits exchange to assure the eligibility
17 system required to administer Medicaid and children’s health insurance programs and the healthy
18 Rhode Island program are integrated to share the cost of development, and streamline eligibility
19 procedures.

20 (d) EOHHS shall determine, through negotiation with participating health plans, premium
21 and cost-sharing amounts. However, the amount of premium and cost-sharing for all health
22 programs administered through EOHHS for one family shall not exceed five percent (5%) of
23 family income. Premium and cost-sharing amounts for individuals enrolled in the healthy Rhode
24 Island program, likewise, shall not exceed five percent (5%) of income.

25 (e) EOHHS shall develop a system of uniform invoicing and administration of plans for
26 families with members enrolled in both the healthy Rhode Island program and another Medicaid
27 or children’s health insurance program administered by EOHHS.

28 (f) EOHHS shall collect premiums and pay contracted health plans actuarially sound
29 rates.

30 (g) EOHHS may authorize expenditures from the fund to pay program expenses that
31 exceed eligible individual premium contributions and to administer healthy Rhode Island
32 program as necessary.

33 (h) EOHHS shall maintain enrollment and expenditures to ensure that expenditures do
34 not exceed amounts available in the fund, and if sufficient funds are not available to cover the

1 estimated cost of program expenditures, EOHHS shall institute appropriate measures to reduce
2 costs.

3 (i) EOHHS may issue rules and regulations, as necessary.

4 (j) EOHHS may exercise all powers reasonably necessary to carry out the powers and
5 responsibilities expressly granted or imposed by this part and by section 1331 of ACA.

6 (k) In implementing this part, eligibility for coverage under, and the benefits, premiums,
7 and cost sharing in, the healthy Rhode Island program shall meet the requirements of section
8 1331 of ACA. In addition to the essential health benefits package required by section 1302 of
9 ACA, FQHC services, dental services at a level determined by EOHHS, and any other benefits to
10 be offered to healthy Rhode Island program participants shall be determined by EOHHS.

11 (l) EOHHS shall do the following amend existing contracts with MCOs to allow the
12 parents of children enrolled in RItE Care to enroll in the same plan as their child or children
13 through the healthy Rhode Island program, health plans to participate in all Medicaid and
14 children's health insurance programs administered by EOHHS, as may be required by EOHHS.

15 **40-8.11-7. Risk mitigation programs.** – To the extent permitted by federal law, and
16 consistent with policies established by EOHHS and or the health insurance exchange, the healthy
17 Rhode Island program may be a full participant in any risk mitigation programs or strategies
18 initiated under the authority of section 1343 of the ACA.

19 **40-8.11-8. Application acceptance process.** – To the extent permitted by federal law,
20 applications for healthy Rhode Island programs shall be accepted in coordination with the
21 Medicaid and children's health insurance programs administered by EOHHS. To the extent
22 EOHHS and other state policy allows, applications shall be made through the Rhode Island health
23 insurance exchange, which may determine a methodology by which to cover administrative costs
24 of the exchange for serving this function.

25 **40-8.11-9. Program funding.** – (a) EOHHS shall ensure that the establishment,
26 operation, and administrative functions of healthy Rhode Island program do not exceed the
27 combination of federal funds, private donations, premiums paid by eligible individuals, and other
28 non-general Fund moneys not specified in this chapter and otherwise available for this purpose.

29 (b) In the event that EOHHS reasonably expects that the cost of healthy Rhode Island
30 program will exceed the available funds, coverage for eligible individuals shall continue until the
31 annual redetermination of each eligible individual, after which time EOHHS shall immediately
32 transfer the eligible individual to coverage in the state's health insurance exchange. To the extent
33 permitted by federal law, EOHHS shall contract with the federal government to allow federal
34 funds made available under paragraph (e) of subdivision (d) of section 1331 of ACA, relating to

1 [ninety-five percent \(95%\) of the premium tax credits under section 36B of the Internal Revenue](#)
2 [Code of 1986, and the cost-sharing reduction under section 1402, to be used for the costs of](#)
3 [EOHHS in implementing and administering this part.](#)

4 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 HUMAN SERVICES -- THE HEALTHY RHODE ISLAND PROGRAM

- 1 This act would create the healthy Rhode Island program which applies the federal health
- 2 program codified in section 1331 of ACA to Rhode Island.
- 3 This act would take effect upon passage.

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