

**2012 -- S 2888 SUBSTITUTE A**

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LC02069/SUB A  
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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 INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

Introduced By: Senator Rhoda E. Perry

Date Introduced: April 12, 2012

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 40-8.4-14 of the General Laws in Chapter 40-8.4 entitled "Health  
2 Care For Families" is hereby amended to read as follows:

3           **40-8.4-14. Permanent joint committee on health care oversight.** -- (a) The legislature  
4 hereby finds and declares that: (1) access to affordable, quality health and long-term care is of  
5 concern for all Rhode Islanders; (2) the complexities of the health insurance and health care  
6 delivery systems result in inefficiencies, confusion and additional costs for consumers and other  
7 participants in the health care system; (3) reform to the health insurance and health care delivery  
8 systems is achievable only through an ongoing, focused, directed, and informed effort; and (4)  
9 steps taken to reduce the numbers of uninsured Rhode Islanders, enhance the quality of care,  
10 contain costs, assure accessibility to services, and promote healthy lifestyles should be monitored,  
11 adjusted or expanded as needed. Therefore, there is hereby created a permanent legislative  
12 committee to monitor, study, report and make recommendations on all areas of health care  
13 provision, insurance, liability, licensing, cost and delivery of services, and the adequacy, efficacy  
14 and efficiency of statutes, rules, regulations, guidelines, practices, and programs related to health  
15 care, long-term care, or health insurance coverage in Rhode Island.

16           (b) The committee consists of twelve (12) members of the general assembly: six (6) of  
17 whom shall be members of the house of representatives, to include the chair or deputy chair of the  
18 committee on finance, the chair or vice chair of the committee on corporations, the chair or vice  
19 chair of the committee on health, education and welfare; and one of whom shall be from the

1 minority party, to be appointed by, and to serve at the discretion of, the speaker of the house of  
2 representatives; and six (6) of whom shall be from the senate, to include the chair or vice chair of  
3 the committee on finance, the chair or vice chair of the committee on commerce, housing and  
4 municipal government, the chair or vice chair of the committee on health and human services;  
5 and one of whom from the minority party, to be appointed by, and to serve at the discretion of,  
6 the president of the senate.

7 (c) The committee shall have co-chairpersons, one appointed by the speaker of the house  
8 of representatives and one by the president of the senate.

9 (d) The committee may review or study any matter related to the provision of health care  
10 services and long-term care that it considers of significance to the citizens of Rhode Island,  
11 including the availability of health care, the quality of health care, the effectiveness and efficiency  
12 of managed care systems, the efficiency and the operation of state health care programs, and the  
13 availability of improved processes or new technologies to achieve more effective and timely  
14 resolution of disputes, better communication, speedier, more reliable and less costly  
15 administrative processes, claims, payments, and other matters involving the interaction among  
16 any or all of government, employers, consumers of health care, providers, health care facilities,  
17 insurers and others. The committee may request information from any health care provider, health  
18 care facility, insurer or others. The committee may request and shall receive from any  
19 instrumentality of the state, including the department of human services, the department of  
20 business regulation, the department of health, the department of mental health, retardation, and  
21 hospitals, the department of elderly affairs, and the long-term care coordinating council, or any  
22 other governmental advisory body or commission, including, but not limited to, the governor's  
23 advisory council on health, such information and assistance as it deems necessary for the proper  
24 execution of its powers and duties under this section, including the annual report of the governor's  
25 advisory council on health. The committee will undertake a comprehensive study of the state's  
26 regulatory structure for health insurance including the roles, relevance, impact and coordination  
27 of current state laws and agencies involved in insurance oversight. This study will include any  
28 necessary recommendations for the restructuring of the state's laws and regulatory bodies. Said  
29 recommendations will be made to the speaker of the house and the president of the senate on or  
30 before March 1, 2005.

31 (e) In addition to the notification regarding regulations required under section 40-8.4-  
32 10(b), the department of human services shall file with the permanent joint committee on health  
33 care oversight a detailed plan for the implementation of the programs created under this chapter  
34 by August 1, 2000.

1 (f) The committee shall have the power to hold hearings, shall meet at least quarterly,  
2 may make recommendations to the general assembly, state agencies, private industry or any other  
3 entity, and shall report to the general assembly on its findings and recommendations as it  
4 determines appropriate.

5 (g) The Office of the Health Insurance Commissioner and the Executive Office of Health  
6 and Human Services shall issue a series of reports to the Joint Committee on or before October 1  
7 of 2012 on state implementation options related to the US Patient Protection and Affordable Care  
8 Act of 2010 as amended by the Health Care and Education Reconciliation Act of 2010 and any  
9 further amendments to or regulations or guidance issued thereunder (“ACA”). These reports shall  
10 analyze the state options and make recommendations to the Committee for legislative action  
11 regarding the following topics:

12 (i) The feasibility of instituting a basic health program pursuant to Section 131 of the  
13 ACA, including a proposed plan for implementation;

14 (ii) The impact of eliminating gender as a rating factor, limiting variation in community  
15 rates based on age, and limiting waiting periods for coverage, as required under the Act;

16 (iii)The impact of merging the individual and small group insurance markets on rates and  
17 coverage, including a proposed plan for implementation;

18 (iv) The feasibility of requiring insurance product consistency inside and outside of a  
19 state health insurance exchange, including an assessment of coverage and rate impacts; and

20 (v) The substantially equivalent utilization coverage limits that the legislature may  
21 substitute for the current dollar coverage limits on numerous state health insurance mandates, to  
22 conform with the Act.

23 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 INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

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1           This act would require the office of the health insurance commissioner and the executive  
2 office of health and human services to issue a series of reports to the joint committee on health  
3 care oversight on state implementation options related to the “US Patient Protection and  
4 affordable Care Act of 2010, as amended by the Health Care and Education Reconsolidation Act  
5 of 2010.”

6           This act would take effect upon passage.

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