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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO HEALTH AND SAFETY - RHODE ISLAND COORDINATED HEALTH
PLANNING ACT OF 2006

Introduced By: Representatives Ferri, Tanzi, McNamara, Cimini, and Bennett

Date Introduced: February 28, 2013

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. The title of Chapter 23-81 of the General Laws entitled "Rhode Island
2 Coordinated Health Planning Act of 2006" is hereby amended to read as follows:

3 ~~CHAPTER 23-81~~

4 ~~Rhode Island Coordinated Health Planning Act of 2006~~

5 CHAPTER 23-81

6 RHODE ISLAND HEALTH IMPROVEMENT PLANNING ACT OF 2013

7 SECTION 2. Sections 23-81-1, 23-81-2, 23-81-3.1, 23-81-4, 23-81-5 and 23-81-6 of the
8 General Laws in Chapter 23-81 entitled "Rhode Island Coordinated Health Planning Act of 2006"
9 are hereby amended to read as follows:

10 **23-81-1. Short title.** -- This chapter shall be known as the "Rhode Island ~~Coordinated~~
11 ~~Health Planning Act of 2006~~ Health Improvement Planning Act of 2013."

12 **23-81-2. Legislative findings.** -- It is hereby found and declared:

13 (a) ~~The vast majority of Rhode Islanders believe that quality~~ Quality, affordable health
14 care should be available to all in our state;

15 (b) Our current health care crisis affects all facets of Rhode Island's economy, with a
16 particular burden on small business owners, young people, and those approaching retirement;

17 (c) A majority of Rhode Islanders believe that the state government has a significant role
18 to play in solving this health care crisis;

1 (d) The current state health care infrastructure is fragmented with an array of state
2 departments and offices carrying out health care planning, along with a myriad of private efforts,
3 all with a lack of coordination;

4 (e) ~~Because an essential component of health planning is resource allocation, there is a~~
5 ~~need to professionalize the health services council and revitalize the certificate of need process~~
6 An essential component of health planning is the rational allocation of resources to balance the
7 supply and demand of healthcare services. Thus there is a need to revitalize the certificate of need
8 process so that it is based on a unified state healthcare plan that carefully considers the healthcare
9 needs of all Rhode Islanders, and drives the decisions that healthcare regulatory structures make
10 about the availability, affordability and accessibility of quality healthcare;

11 (f) Recognizing that many departments of state government are involved in the
12 collection of data and information related to health status, health risks, health care, health care
13 outcomes, health care insurance, consumer behavior and trends, and that accurate and accessible,
14 collection and ~~housing~~ analysis of this information is necessary for the general assembly to enact
15 useful ~~health care policy~~ population health improvement and healthcare policies;

16 (g) Rhode Island's small size makes us the perfect laboratory to create a unified health
17 care system, planned and coordinated with a functioning public/private partnership, with broad
18 representation of all of the health care stakeholders;

19 (h) The general assembly finds that the people of this state have a fundamental interest in
20 the establishment of a comprehensive strategic health care planning process and the preparation,
21 maintenance, and implementation of plans to improve the quality, accessibility, portability, and
22 affordability of health care in Rhode Island; that the continued growth, viability and development
23 of the health care infrastructure by the private and public sectors requires effective planning by
24 the state; and that state and local plans and programs must be properly coordinated with the
25 planning requirements and programs of the federal government; and

26 (i) The coordinated health planning process should create usable and dynamic guidance
27 that helps design a health care system and improves the health of Rhode Islanders.

28 (j) Recognizing the broad input and effort from government, industry and consumer
29 participants in the creation of the 2007 department of health report "Coordinated Health Planning
30 in Rhode Island," the general assembly further adopts the following findings of the report:

31 (1) The healthcare system has not and will not transform optimally or effectively without
32 a robust health planning process that features collaboration and coordination across all public and
33 private sector participants.

34 (2) Additional authorities are needed for a fully effective health planning process.

1 (3) The state does not currently have sufficient capacity to conduct a fully effective health
2 planning process. Existing capacity is limited to conducting isolated health planning studies that
3 are single-issue and not coordinated with a comprehensive plan.

4 ~~**23-81-3.1. Establishment of health care planning and accountability advisory**~~
5 ~~**council.-- Establishment of the Rhode Island health planning authority. -- Contingent upon**~~
6 ~~**funding:**~~

7 ~~(a) The health care planning and accountability advisory council shall be appointed by~~
8 ~~the secretary of the executive office of health and human services and the health insurance~~
9 ~~commissioner, no later than September 30, 2011, to develop and promote recommendations on~~
10 ~~the health care system in the form of health planning documents described in subsection 23-81-~~
11 ~~4(a).~~

12 ~~(b) The secretary of the executive office of health and human services and the health~~
13 ~~insurance commissioner shall serve as co-chairs of the health care planning council.~~

14 ~~(c) The department of health, in coordination with the executive office of health and~~
15 ~~human services and the office of the health insurance commissioner, shall be the principal staff~~
16 ~~agency of the council to develop analysis of the health care system for use by the council,~~
17 ~~including, but not limited to, health planning studies and health plan documents; making~~
18 ~~recommendations for the council to consider for adoption, modification and promotion; and~~
19 ~~ensuring the continuous and efficient functioning of the health care planning council.~~

20 ~~(d) The health care planning council shall consist of, but not be limited to, the following:~~

21 ~~(1) Five (5) consumer representatives. A consumer is defined as someone who does not~~
22 ~~directly or through a spouse or partner receive any of his/her livelihood from the health care~~
23 ~~system. Consumers may be nominated from the labor unions in Rhode Island; the health care~~
24 ~~consumer advocacy organizations in Rhode Island, the business community; and organizations~~
25 ~~representing the minority community who have an understanding of the linguistic and cultural~~
26 ~~barriers to accessing health care in Rhode Island;~~

27 ~~(2) One hospital CEO nominated from among the hospitals in Rhode Island;~~

28 ~~(3) One physician nominated from among the primary care specialty societies in Rhode~~
29 ~~Island;~~

30 ~~(4) One physician nominated from among the specialty physician organizations in Rhode~~
31 ~~Island;~~

32 ~~(5) One nurse or allied health professional nominated from among their state trade~~
33 ~~organizations in Rhode Island;~~

34 ~~(6) One practicing nursing home administrator, nominated by a long term care provider~~

1 ~~organization in Rhode Island;~~

2 ~~(7) One provider from among the community mental health centers in Rhode Island;~~

3 ~~(8) One representative from among the community health centers of Rhode Island;~~

4 ~~(9) One person from a health professional learning institution located in Rhode Island;~~

5 ~~(10) Director of the Department of Health;~~

6 ~~(11) Director of the department of human services or designee;~~

7 ~~(12) CEOs of each health insurance company that administers the health insurance of ten~~

8 ~~percent (10%) or more of insured Rhode Islanders;~~

9 ~~(13) The speaker of the house or designee;~~

10 ~~(14) The house minority leader or designee;~~

11 ~~(15) The president of the senate or designee;~~

12 ~~(16) The senate minority leader or designee; and~~

13 ~~(17) The health care advocate of the department of the attorney general.~~

14 (a) There is hereby established a Rhode Island health planning authority.

15 (b) The authority shall be composed of members with expertise, experience and

16 knowledge in health planning and the implementation of a broad range of evidence-based

17 interventions supporting and promoting population health at the state and community levels.

18 (c) The members of the authority shall be appointed by the governor and shall represent

19 Rhode Island's demographic diversity and government and private sectors.

20 (d) The Rhode Island health planning authority shall consist of, but not be limited to:

21 (1) Five (5) consumer representatives. A consumer is defined as someone who does not,

22 directly or through a spouse/partner, receive any of his/her livelihood from the healthcare system.

23 Consumers may be nominated from among the labor unions in Rhode Island; the healthcare

24 consumer advocacy organizations in Rhode Island; the business community; and organizations

25 representing the minority community who have an understanding of the linguistic and cultural

26 barriers to accessing healthcare in Rhode Island;

27 (2) One hospital CEO nominated from among the hospitals in Rhode Island;

28 (3) One physician nominated from among the primary care specialty societies in Rhode

29 Island;

30 (4) One physician nominated from among specialty physician organizations in Rhode

31 Island;

32 (5) One nurse or allied professional nominated from among nursing organizations in

33 Rhode Island;

34 (6) One practicing long-term care administrator, nominated from among the long-term

1 care provider organizations in Rhode Island;

2 (7) One provider from among the community mental health centers in Rhode Island;

3 (8) One provider from among the community health centers in Rhode Island;

4 (9) One person from a school or program for health professionals in Rhode Island;

5 (10) The health insurance commissioner, serving ex officio;

6 (11) The executive secretary of health and human services, serving ex officio; and

7 (12) The CEO of each health insurance company that administers the health insurance of
8 ten percent (10%) or more of insured lives in Rhode Island, serving ex officio.

9 (e) The authority shall elect a non-governmental chairperson from its members;

10 (f) The members of the authority shall serve staggered terms with one-third (1/3) of the
11 members appointed for an initial term of one year, one-third (1/3) of the members appointed for an
12 initial term of two (2) years, and one-third (1/3) of the members appointed for an initial term of
13 three (3) years. After these initial appointments all appointments shall be for a term of three (3)
14 years.

15 (g) The members of the authority shall serve no more than two (2) consecutive terms of
16 three (3) years each.

17 ~~**23-81-4. Powers of the health care planning and accountability advisory council.--**~~

18 **Powers of the Rhode Island health planning authority. --** Powers of the ~~council~~ authority
19 shall include, but not be limited to the following:

20 (a) The authority to provide leadership, direction and oversight for the development and
21 implementation of the Rhode Island population health improvement plan. The goal of the plan is
22 to drive excellence in population health management and serve as the foundation for a healthcare
23 system that is affordable, accessible, and delivers high quality outcomes and health promotion
24 services in order to pursue the complete physical, mental and social well-being of Rhode
25 Islanders.

26 ~~(a)~~(b) The authority to develop and promote studies, advisory opinions and to
27 recommend a unified health plan on the state's health care delivery and financing system,
28 including but not limited to:

29 (1) Ongoing assessments of the state's health care needs and health care system capacity
30 that are used to determine the most appropriate capacity of and allocation of health care
31 providers, services, including transportation services, and equipment and other resources, to meet
32 Rhode Island's health care needs efficiently and affordably. These assessments shall be used to
33 ~~advise~~ direct the "determination of need for new health care equipment and new institutional
34 health services" or "certificate of need" process through the health services council;

1 (2) The establishment of Rhode Island's long range health care goals and values, and the
2 recommendation of innovative models of health care delivery, that should be encouraged in
3 Rhode Island;

4 (3) Health care payment models that reward improved health outcomes;

5 (4) Measurements of quality and appropriate use of health care services that are designed
6 to evaluate the impact of the health planning process;

7 (5) Plans for promoting the appropriate role of technology in improving the availability
8 of health information across the health care system, while promoting practices that ensure the
9 confidentiality and security of health records; and

10 (6) Recommendations of legislation and other actions that achieve accountability and
11 adherence in the health care community and in the state agencies of state government to the
12 ~~council's~~ authority's plans and ~~recommendations-findings~~.

13 ~~(b)~~(c) Convene meetings of the ~~council~~ authority no less than every sixty (60) days,
14 which shall be subject to the open meetings laws and public records laws of the state, and shall
15 include a process for the public to place items on the ~~council's~~ authority's agenda.

16 ~~(e) Appoint advisory committees as needed for technical assistance throughout the~~
17 ~~process.~~

18 (d) Appoint such permanent or ad hoc advisory committees, technical task forces and
19 statewide stakeholder coalitions, as the authority considers necessary to aid and advise in the
20 performance of its functions and as needed for technical assistance throughout the planning
21 process.

22 ~~(d)~~(e) Modify recommendations in order to reflect changing health care systems needs.

23 ~~(e)~~(f) Promote responsiveness to recommendations among all state agencies that provide
24 health service programs, not limited to the five (5) state agencies coordinated by the executive
25 office of the health and human services.

26 ~~(f)~~(g) Coordinate the review of existing data sources from state agencies and the private
27 sector that are useful to developing a unified health plan.

28 ~~(g)~~(h) Formulating, testing, and selecting policies and standards that will achieve desired
29 objectives.

30 ~~(h)~~(i) Provide an annual report each July, after the convening of the ~~council~~ authority, to
31 the governor and general assembly on implementation of the plan adopted by the ~~council~~
32 authority. This annual report shall:

33 (1) ~~Present the strategic recommendations, updated annually~~ Present the strategic
34 recommendations, which shall be updated annually and shall be known as the Rhode Island

1 [strategic plan for population health improvement and healthcare reform](#);

2 (2) Assess the implementation of strategic recommendations in the health care market;

3 (3) Compare and analyze the difference between the guidance and the reality;

4 (4) Recommend to the governor and general assembly legislative or regulatory revisions

5 necessary to achieve the long-term goals and values adopted by the ~~council~~ [authority](#) as part of its

6 strategic recommendations, and assess the powers needed by the ~~council~~ [authority](#) or

7 governmental entities of the state deemed necessary and appropriate to carry out the

8 responsibilities of the ~~council~~ [authority](#). ~~The initial priority of the council shall be an assessment~~

9 ~~of the needs of the state with regard to hospital services and to present recommendations, if any,~~

10 ~~for modifications to the Hospital Conversion Act and the Certificate of Need Program to execute~~

11 ~~the strategic recommendations of the council. The council shall provide an initial report and~~

12 ~~recommendations to the governor and general assembly on or before March 1, 2013.~~

13 (5) Include the request for a hearing before the appropriate committees of the general

14 assembly.

15 (6) Include a response letter from each state agency that is affected by the state health

16 plan describing the actions taken and planned [in order](#) to implement the ~~plans~~ [plan's](#)

17 recommendations.

18 [\(j\) Collaborate with the staff of the office of health planning to perform the functions of](#)

19 [the health planning process](#);

20 [\(k\) Provide oversight of the permanent or ad hoc advisory and technical task forces and](#)

21 [stakeholder coalition created pursuant to this chapter](#);

22 [\(l\) Monitor the progress of the milestones set forth in the Rhode Island strategic plan for](#)

23 [population health improvement and healthcare reform](#);

24 [\(m\) Evaluate the outcomes and efforts of the operating departments, other agencies of the](#)

25 [executive branch, and political subdivision of the state in the implementation of the Rhode Island](#)

26 [strategic plan for population health improvement and healthcare reform in achieving the](#)

27 [established goals and objectives](#);

28 [\(n\) Develop new goals and objectives or refine the established goals and objectives of the](#)

29 [Rhode Island strategic plan for population health improvement and healthcare reform in](#)

30 [accordance with the changing and emerging population health and community needs](#);

31 [\(o\) Develop new strategies or refine strategies to achieve the long-term goals and values](#)

32 [of the Rhode Island strategic plan for population health improvement and healthcare reform](#).

33 ~~**23-81-5. Implementation of the council recommendations.**~~ **Establishment of the**

34 **office of health planning.** -- ~~In order to promote effective implementation of the unified health~~

1 ~~plan, the council shall recommend to the governor, the general assembly, and other state agencies~~
2 ~~actions that may be taken to promote and ensure implementation of the council's policy and~~
3 ~~program guidance. The secretary of the executive office of health and human services and the~~
4 ~~health insurance commissioner, as co chairs, of the council, shall use the powers of their offices~~
5 ~~to implement the recommendations adopted by the council, as deemed appropriate, or as required~~
6 ~~by the governor or general assembly. The secretary shall coordinate the implementation of the~~
7 ~~recommended actions by the state agencies within the executive office of health and human~~
8 ~~services.~~

9 (a) There is hereby established within the department of health the office of health
10 planning. The office of health planning shall serve the staff functions necessary to support to the
11 work of the Rhode Island health planning authority's development of the population health
12 improvement plan and the strategic plan for population health improvement and healthcare
13 reform.

14 (b) The office of health planning shall be the principal staff agency of the authority to
15 develop analysis of the population health and healthcare information for use by the authority,
16 including, but not limited to, health planning studies and health plan documents; making
17 recommendations for the authority to consider for adoption, modification and promotion; and
18 ensuring the continuous and efficient functioning of the health planning authority.

19 (c) The office of health planning shall have a sufficient number of qualified professional
20 staff to perform the staff functions of the health planning authority.

21 (d) The office of health planning shall maintain records (which shall consist of files of
22 complete copies) of all plans, recommendations, rules, and modifications or amendments thereto
23 adopted or issued by the health planning authority.

24 **23-81-6. Funding.** ~~-- The executive office of health and human services may provide~~
25 ~~funding to carry out the requirements of this chapter.~~ As recommended by the 2007 department of
26 health report on coordinated health planning, the general assembly shall appropriate a minimum
27 of one million two hundred fifty thousand dollars (\$1,250,000) per year to fund the office of
28 health planning for the sole purpose of conducting and supporting statewide health improvement
29 planning with the Rhode Island health planning authority.

30 SECTION 3. Chapter 23-81 of the General Laws entitled "Rhode Island Coordinated
31 Health Planning Act of 2006" is hereby amended by adding thereto the following section:

32 **23-81-7. Definitions.** ~~--~~ (a) "High quality, affordable healthcare" refers to a system of
33 healthcare that:

34 (1) Delivers healthcare according to latest scientific evidence, using current evidence-

1 based guidelines where available;

2 (2) Improves the quality, efficiency, and accessibility of healthcare services;

3 (3) Improves affordability by ensuring efficient utilization of healthcare providers and
4 services;

5 (4) Partners with the consumer in managing his/her healthcare;

6 (5) Orients the system towards person-centered care, with family involvement as
7 appropriate;

8 (6) Responds to the healthcare needs of the community, in terms of access and cultural
9 and linguistic competence; and

10 (7) Improves the health status of the population.

11 (b) "Affordable" means costs are consistent with the affordability standards set by the
12 office of the health insurance commissioner, including:

13 (1) Emphasis on primary care, prevention and wellness;

14 (2) Use of least cost most effective setting for care;

15 (3) Use of evidence-based medicine; and

16 (4) Active management of chronic diseases.

17 SECTION 4. This act shall take effect upon passage.

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LC01745
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO HEALTH AND SAFETY - RHODE ISLAND COORDINATED HEALTH
PLANNING ACT OF 2006

1 This act would amend existing law to adopt the findings of the 2007 department of health
2 report "Coordinated Health Planning in Rhode Island" in order to, among other things, establish a
3 Rhode Island health planning authority.

4 This act would take effect upon passage.

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