

2014 -- S 2484

=====  
LC004801  
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

—————  
A N A C T

AN ACT RELATING TO HEALTH AND SAFETY -- EQUITABLE FUNDING FOR  
ESSENTIAL HEALTH SERVICES

Introduced By: Senator Walter S.Felag

Date Introduced: February 27, 2014

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 23-1-46 of the General Laws in Chapter 23-1 entitled "Department  
2 of Health" is hereby amended to read as follows:

3 **23-1-46. Insurers.** -- (a) ~~Beginning in the fiscal year 2007, each insurer licensed or~~  
4 ~~regulated pursuant to the provisions of chapters 18, 19, 20, and 41 of title 27 shall be assessed a~~  
5 ~~child immunization assessment and an adult immunization assessment for the purposes set forth~~  
6 ~~in this section. The department of health shall make available to each insurer, upon its request,~~  
7 ~~information regarding the department of health's immunization programs and the costs related to~~  
8 ~~the program. Further, the department of health shall submit to the general assembly an annual~~  
9 ~~report on the immunization programs and cost related to the programs, on or before February 1 of~~  
10 ~~each year. Annual assessments shall be based on direct premiums written in the year prior to the~~  
11 ~~assessment and for the child immunization program shall not include any Medicare Supplement~~  
12 ~~Policy (as defined in section 27-18.2-1(g)), Medicaid or Medicare premiums. Adult influenza~~  
13 ~~immunization program annual assessments shall include contributions related to the program~~  
14 ~~costs from Medicare, Medicaid and Medicare Managed Care. As to accident and sickness~~  
15 ~~insurance, the direct premium written shall include, but is not limited to, group, blanket, and~~  
16 ~~individual policies. Those insurers assessed greater than ten thousand dollars (\$10,000) for the~~  
17 ~~year shall be assessed four (4) quarterly payments of twenty five percent (25%) of their total~~  
18 ~~assessment. Beginning July 1, 2001, the annual rate of assessment shall be determined by the~~

1 ~~director of health in concurrence with the primary payors, those being insurers assessed at greater~~  
2 ~~than ten thousand dollars (\$10,000) for the previous year. This rate shall be calculated by the~~  
3 ~~projected costs for the Advisory Committee on Immunization Practices (ACIP) recommended~~  
4 ~~and state mandated vaccines after the federal share has been determined by the Centers for~~  
5 ~~Disease Control and Prevention. The primary payors shall be informed of any recommended~~  
6 ~~change in rates at least six (6) months in advance, and rates shall be adjusted no more frequently~~  
7 ~~than one time annually. For the childhood vaccine program the director of the department of~~  
8 ~~health shall deposit these amounts in~~

9 Beginning July 1, 2015, a portion of the amount collected pursuant to § 42-7.4-3, up to  
10 the actual amount expended or projected to be expended by the state for vaccines for children that  
11 are recommended by the Advisory Committee on Immunization Practices (ACIP), the American  
12 Academy of Pediatrics (AAP), and/or mandated by state law, less the federal share determined by  
13 the Centers for Disease Control and Prevention, less any amount collected in excess of the prior  
14 year's funding requirement as indicated in subsection (b) (the "child immunization funding  
15 requirement") shall be deposited into the "childhood immunization account" described in § 23-1-  
16 45(a). These assessments funds shall be used solely for the purposes of the "childhood  
17 immunization programs" described in §23-1-44, and no other. For the adult immunization  
18 program the director of the department of health shall deposit these amounts in the "adult  
19 immunization account". Beginning July 1, 2015, a portion of the amount collected from the  
20 healthcare services funding method described in § 42-7.4-3, up to the actual amount expended or  
21 projected to be expended by the state for adult immunizations recommended by ACIP and/or  
22 mandated by state law, less the federal share determined by the Centers for Disease Control and  
23 Prevention, less any amount collected in excess of the prior year's funding requirement as  
24 indicated in subsection (b) (the "adult immunization funding requirement") shall be deposited into  
25 the "adult immunization account" described in § 23-1-45(c). These funds shall be used solely for  
26 the purposes of the "adult immunization programs" described in § 23-1-44 and no other.

27 (b) The department of health shall submit to the general assembly an annual report on the  
28 immunization programs and costs related to the programs, on or before February 1 of each year.  
29 Any funds collected in excess of funds needed to carry-out ACIP recommendations, taking into  
30 account a reasonable annual carry forward surplus, shall be deducted from the subsequent year's  
31 assessments: funding requirements.

32 SECTION 2. Section 42-12-29 of the General Laws in Chapter 42-12 entitled  
33 "Department of Human Services" is hereby amended to read as follows:

34 **42-12-29. Children's health account.** -- (a) There is created within the general fund a

1 restricted receipt account to be known as the "children's health account". All money in the  
2 account shall be utilized by the department of human services to effectuate coverage for the  
3 following service categories: (1) home health services, which include pediatric private duty  
4 nursing and certified nursing assistant services; (2) comprehensive, evaluation, diagnosis,  
5 assessment, referral and evaluation (CEDARR) services, which include CEDARR family center  
6 services, home based therapeutic services, personal assistance services and supports (PASS) and  
7 kids connect services and (3) child and adolescent treatment services (CAITS). All money  
8 received pursuant to this section shall be deposited in the children's health account. The general  
9 treasurer is authorized and directed to draw his or her orders on the account upon receipt of  
10 properly authenticated vouchers from the department of human services.

11 (b) ~~Beginning in the fiscal year 2007, each insurer licensed or regulated pursuant to the~~  
12 ~~provisions of chapters 18, 19, 20, and 41 of title 27 shall be assessed for the purposes set forth in~~  
13 ~~this section. The department of human services shall make available to each insurer, upon its~~  
14 ~~request, information regarding the department of human services child health program and the~~  
15 ~~costs related to the program. Further, the department of human services shall submit to the~~  
16 ~~general assembly an annual report on the program and cost related to the program, on or before~~  
17 ~~February 1 of each year. Annual assessments shall be based on direct premiums written in the~~  
18 ~~year prior to the assessment and shall not include any Medicare Supplement Policy (as defined in~~  
19 ~~section 27-18-2.1(g)), Medicare managed care, Medicare, Federal Employees Health Plan,~~  
20 ~~Medicaid/Rite Care or dental premiums. As to accident and sickness insurance, the direct~~  
21 ~~premium written shall include, but is not limited to, group, blanket, and individual policies. Those~~  
22 ~~insurers assessed greater than five hundred thousand dollars (\$500,000) for the year shall be~~  
23 ~~assessed four (4) quarterly payments of twenty five percent (25%) of their total assessment.~~  
24 ~~Beginning July 1, 2006, the annual rate of assessment shall be determined by the director of~~  
25 ~~human services in concurrence with the primary payors, those being insurers likely to be assessed~~  
26 ~~at greater than five hundred thousand dollars (\$500,000). The director of the department of~~  
27 ~~human services shall deposit that amount~~ Beginning July 1, 2015, a portion of the amount  
28 collected pursuant to § 42-7.4-3, up to the actual amount expended or projected to be expended  
29 by the state for the services described in § 42-12-29(a), less any amount collected in excess of the  
30 prior year's funding requirement as indicated in § 42-12-29(c), but in no event more than the limit  
31 set forth in § 42-12-29(d) (the "child health services funding requirement"), shall be deposited in  
32 the "children's health account". The ~~assessment funds~~ assessment funds shall be used solely for the purposes of the  
33 "children's health account", and no other.

34 (c) The department of human services shall submit to the general assembly an annual

1 report on the program and costs related to the program, on or before February 1 of each year. The  
2 department shall make available to each insurer required to make a contribution pursuant to § 42-  
3 7.4-3, upon its request, detailed information regarding the children's health programs described in  
4 subsection (a) and the costs related to those programs. Any funds collected in excess of funds  
5 needed to carry out the programs shall be deducted from the subsequent year's ~~assessment.~~  
6 funding requirements.

7 (d) The total ~~annual assessment on all insurers~~ amount required to be deposited into the  
8 children's health account shall be equivalent to the amount paid by the department of human  
9 services for all services, as listed in subsection (a), but not to exceed seven thousand five hundred  
10 dollars (\$7,500) per child per service per year.

11 (e) The children's health account shall be exempt from the indirect cost recovery  
12 provisions of section 35-4-27 of the general laws.

13 SECTION 3. Section 44-17-1 of the General Laws in Chapter 44-17 entitled "Taxation of  
14 Insurance Companies" is hereby amended to read as follows:

15 **44-17-1. Companies required to file -- Payment of tax -- Retaliatory rates.** -- Every  
16 domestic, foreign, or alien insurance company, mutual association, organization, or other insurer,  
17 including ~~any health maintenance organization, as defined in section 27-41-1,~~ any medical  
18 malpractice insurance joint underwriters association as defined in section 42-14.1-1, and any  
19 nonprofit dental service corporation as defined in section 27-20.1-2, ~~and any nonprofit hospital or~~  
20 ~~medical service corporation, as defined in chapters 27-19 and 27-20, except companies mentioned~~  
21 ~~in section 44-17-6, and organizations defined in § 27-25-1,~~ transacting business in this state, shall,  
22 on or before March 1 in each year, file with the tax administrator, in the form that he or she may  
23 prescribe, a return under oath or affirmation signed by a duly authorized officer or agent of the  
24 company, containing information that may be deemed necessary for the determination of the tax  
25 imposed by this chapter, and shall at the same time pay an annual tax to the tax administrator of  
26 two percent (2%) of the gross premiums on contracts of insurance, ~~except for ocean marine~~  
27 ~~insurance, as referred to in section 44-17-6,~~ covering property and risks within the state, written  
28 during the calendar year ending December 31st next preceding, but in the case of foreign or alien  
29 companies, except as provided in section 27-2-17(d) the tax is not less in amount than is imposed  
30 by the laws of the state or country under which the companies are organized upon like companies  
31 incorporated in this state or upon its agents, if doing business to the same extent in the state or  
32 country. Provided, however, that this section shall not apply to companies mentioned in or ocean  
33 marine insurance as referred to in § 44-17-6; and provided, further, that this section shall not  
34 apply to organizations defined in § 27-25-1, health maintenance organizations as defined in § 27-

1 [41-2, nonprofit hospital or medical service corporations as defined in chapters 19 and 20 of title](#)  
2 [27, or insurers as defined in § 42-62-4, except to the extent of gross premium on contracts for](#)  
3 [dental services.](#)

4 SECTION 4. Transition period. The department of taxation shall create a process to  
5 facilitate the transition to the contribution and avoid overlapping tax liability. An entity that paid  
6 a premium tax or made an estimated tax payment pursuant to § 44-17-1 for a time period during  
7 which it would also be liable for a contribution described in § 42-7.4-3(a)(2), shall receive credit  
8 against its contribution liability in an amount equal to any premium tax paid for that period.

9 SECTION 5. Title 42 of the General Laws entitled "STATE AFFAIRS AND  
10 GOVERNMENT" is hereby amended by adding thereto the following chapter:

11 [CHAPTER 7.4](#)

12 [THE HEALTHCARE SERVICES FUNDING PLAN ACT](#)

13 **[42-7.4-1. Short title. -- The Healthcare services funding plan act. --](#)** [This chapter shall](#)  
14 [be known and may be cited as "The Healthcare Services Funding Plan Act."](#)

15 **[42-7.4-2. Definitions. --](#)** [The following words and phrases as used in this chapter shall](#)  
16 [have the following meaning:](#)

17 [\(1\) "Secretary" means the secretary of health and human services.](#)

18 [\(2\)\(i\) "Insurer" means all persons offering, administering, and/or insuring healthcare](#)  
19 [services, including, but not limited to:](#)

20 [\(A\) Policies of accident and sickness insurance, as defined by chapter 18 of title 27;](#)

21 [\(B\) Nonprofit hospital or medical service plans, as defined by chapters 19 and 20 of title](#)  
22 [27;](#)

23 [\(C\) Any person whose primary function is to provide diagnostic, therapeutic, or](#)  
24 [preventive services to a defined population on the basis of a periodic premium;](#)

25 [\(D\) All domestic, foreign, or alien insurance companies, mutual associations and](#)  
26 [organizations;](#)

27 [\(E\) Health maintenance organizations, as defined by chapter 41 of title 27;](#)

28 [\(F\) All persons providing health benefits coverage on a self-insurance basis;](#)

29 [\(G\) All third-party administrators described in chapter 20.7 of title 27; and](#)

30 [\(H\) All persons providing health benefit coverage under Title XIX of the Social Security](#)  
31 [Act \(Medicaid\) as a Medicaid managed care organization offering managed Medicaid and the](#)  
32 [state's Medicaid fee-for-service plan.](#)

33 [\(ii\) "Insurer" shall not include any nonprofit dental service corporation as defined in § 27-](#)  
34 [20.1-2, nor any insurer offering only those coverages described in §42-7.4-14.](#)

1 (3)(i) "Contribution enrollee" means an individual residing in this state, with respect to  
2 whom an insurer administers, provides, pays for, insures, or covers health care services, unless  
3 excepted by this section.

4 (ii) "Contribution enrollee" shall not include an individual whose healthcare services are  
5 paid or reimbursed by Part A or Part B of the Medicare program, a Medicare supplemental policy  
6 as defined in section 1882(g)(1) of the Social Security Act, 42 U.S.C. 1395ss(g)(1), or Medicare  
7 managed care policy, the federal employees' health benefit program, Tricare, CHAMPUS, the  
8 Veterans' healthcare program, the Indian health service program, or any local governmental  
9 corporation, district, or agency providing health benefits coverage on a self-insured basis.

10 (4) "Person" means any individual, corporation, company, association, partnership,  
11 limited liability company, firm, state governmental corporations, districts, and agencies, joint  
12 stock associations, trusts, and the legal successor thereof.

13 (5) "Healthcare services funding contribution" means per capita amount each contributing  
14 insurer must contribute to support the programs funded by the method established under this  
15 section, with respect to each contribution enrollee.

16 **42-7.4-3. Imposition of healthcare services funding contribution.** -- (a) Each insurer is  
17 required to pay the healthcare services funding contribution for each contribution enrollee of the  
18 insurer at the time the contribution is calculated and paid, at the rate set forth in this section.

19 (1) Beginning July 1, 2015, the secretary shall set the healthcare services funding  
20 contribution each fiscal year in an amount equal to: (i) The child immunization funding  
21 requirement described in § 23-1-46; plus (ii) The adult immunization funding requirement  
22 described in § 23-1-46; plus (iii) The children's health services funding requirement described in  
23 § 42-12-29; and all as divided by (iv) The number of contribution enrollees of all insurers.

24 (2) Beginning January 1, 2016, the secretary shall set the healthcare services funding  
25 contribution each fiscal year in an amount equal to: (i) The child immunization funding  
26 requirement described in § 23-1-46; plus (ii) The adult immunization funding requirement  
27 described in § 23-1-46; plus (iii) The children's health services funding requirement described in  
28 § 42-12-29; plus (iv) An amount, calculated by the division of taxation, and reported to the  
29 secretary, equivalent to the amount of tax revenue described in § 44-17-1, excluding gross  
30 premiums for dental services contracts, that would have imposed on health maintenance  
31 organizations as defined in § 27-41-1, nonprofit hospital or medical service corporations as  
32 defined in chapters 19 and 20 of title 27, and insurers as defined in § 42-62-4, during the calendar  
33 year ending December 31, 2013; and all divided by (v) The number of contribution enrollees of  
34 all insurers.

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

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

7           **42-7.4-4. Returns and payment.** -- (a) Subject to subsection (b), every insurer required  
8 to make a contribution shall, on or before the last day of July, October, January and April of each  
9 year, make a return to the secretary together with payment of the quarterly healthcare services  
10 funding contribution for the preceding three (3) month period.

11           (b)(1) Upon request of the director of the department of health or the director of the  
12 department of taxation, the secretary shall develop a process whereby an insurer required to make  
13 the contribution may be directed to make estimated payments for the related portion(s) of the  
14 liability arising under § 42-7.4-3(a) and the secretary shall make that pre-paid amount available to  
15 the department of health or the department of taxation, as requested.

16           (2) Unless requested to make an estimated payment as described in subsection (b)(1)  
17 above, any insurer required to make the contribution that can substantiate that the insurer's  
18 contribution liability would average less than twenty-five thousand dollars (\$25,000) per month  
19 may file returns and remit payment annually on or before the last day of June each year; provided,  
20 however, that the insurer shall be required to make quarterly payments if the secretary determines  
21 that:

22           (i) The insurer has become delinquent in either the filing of the return or the payment of  
23 the healthcare services funding contribution due thereon; or

24           (ii) The liability of the insurer exceeds seventy-five thousand dollars (\$75,000) in  
25 healthcare services funding contribution per quarter for any two (2) subsequent quarters.

26           (c) All returns shall be signed by the insurer required to make the contribution, or by its  
27 authorized representative, subject to the pains and penalties of perjury.

28           (d) If a return shows an overpayment of the contribution due, the secretary shall refund or  
29 credit the overpayment to the insurer required to make the contribution, or the insurer may deduct  
30 the overpayment from the next quarterly or annual return.

31           (e) The secretary, for good cause shown, may extend the time within which an insurer is  
32 required to file a return, and if the return is filed during the period of extension no penalty or late  
33 filing charge may be imposed for failure to file the return at the time required by this section, but  
34 the insurer shall be liable for interest as prescribed in this section. Failure to file the return during

1 the period for the extension shall void the extension.

2 **42-7.4-5. Set-off for delinquent payment.** -- If an insurer required to make the  
3 contribution pursuant to this chapter shall fail to pay a contribution within thirty (30) days of its  
4 due date, the secretary may request any agency of state government making payments to the  
5 insurer to set-off the amount of the delinquency against any payment or amount due the insurer  
6 from the agency of state government and remit the sum to the secretary. Upon receipt of the setoff  
7 request from the secretary, any agency of state government is authorized and empowered to set-  
8 off the amount of the delinquency against any payment or amounts due the insurer. The amount  
9 of set-off shall be credited against the contribution due from the insurer.

10 **42-7.4-6. Assessment on available information -- Interest on delinquencies --**  
11 **Penalties -- Collection powers.** -- If any insurer shall fail to file a return within the time required  
12 by this chapter, or shall file an insufficient or incorrect return, or shall not pay the contribution  
13 imposed by this section when it is due, the secretary shall assess the contribution upon the  
14 information as may be available, which shall be payable upon demand and shall bear interest at  
15 the annual rate provided by § 44-1-7, from the date when the contribution should have been paid.  
16 If the failure is due, in whole or part, to negligence or intentional disregard of the provisions of  
17 this section, a penalty of ten percent (10%) of the amount of the determination shall be added to  
18 the contribution. The secretary shall collect the contribution with interest. The secretary may  
19 request any agency to assist in collection, including the tax administrator, who may collect the  
20 contribution with interest in the same manner and with the same powers as are prescribed for  
21 collection of taxes in title 44.

22 **42-7.4-7. Claims for refund -- Hearing upon denial.** -- (a) Any insurer required to pay  
23 the contribution may file a claim for refund with the secretary at any time within two (2) years  
24 after the contribution has been paid. If the secretary shall determine that the contribution has been  
25 overpaid, he or she shall make a refund with ten percent (10%) interest from the date of  
26 overpayment.

27 (b) Any insurer whose claim for refund has been denied may, within thirty (30) days from  
28 the date of the mailing by the secretary of the notice of the decision, request a hearing and the  
29 secretary shall, as soon as practicable, set a time and place for the hearing and shall notify the  
30 person.

31 **42-7.4-8. Hearing by secretary on application.** -- Any insurer aggrieved by the action  
32 of the secretary in determining the amount of any contribution or penalty imposed under the  
33 provisions of this chapter may apply to the secretary, within thirty (30) days after the notice of the  
34 action is mailed to it, for a hearing relative to the contribution or penalty. The secretary shall fix a



1 time and place for the hearing and shall so notify the person. Upon the hearing the secretary shall  
2 correct manifest errors, if any, disclosed at the hearing and thereupon assess and collect the  
3 amount lawfully due together with any penalty or interest thereon.

4 **42-7.4-9. Appeals.** -- Appeals from administrative orders or decisions made pursuant to  
5 any provisions of this chapter shall be pursued pursuant to chapter 35 of title 42. The right to  
6 appeal under this section shall be expressly made conditional upon prepayment of all  
7 contribution, interest, and penalties unless the insurer demonstrates to the satisfaction of the court  
8 that the insurer has a reasonable probability of success on the merits and is unable to prepay all  
9 contribution, interest, and penalties, considering not only the insurer's own financial resources  
10 but also the ability of the insurer to borrow the required funds. If the court, after appeal, holds that  
11 the insurer is entitled to a refund, the insurer shall also be paid interest on the amount at the rate  
12 provided in § 44-1-7.1 of the Rhode Island general laws, as amended.

13 **42-7.4-10. Records.** -- Every insurer required to make the contribution shall:

14 (1) Keep records as may be necessary to determine the amount of its liability under this  
15 section;

16 (2) Preserve those records for a period of three (3) years following the date of filing of  
17 any return required by this section, or until any litigation or prosecution under this section is  
18 finally determined; and

19 (3) Make those records available for inspection by the secretary or his/her authorized  
20 agents, upon demand, at reasonable times during regular business hours.

21 **42-7.4-11. Method of payment and deposit of contribution.** -- (a) The payments  
22 required by this chapter may be made by electronic transfer of monies to the general treasurer.

23 (b) The general treasurer shall take all steps necessary to facilitate the transfer of monies  
24 to:

25 (1) The "childhood immunization account" described in § 23-1-45(a) in the amount  
26 described in § 23-1-46(a);

27 (2) To the "adult immunization account" described in § 23-1-45(c) in the amount  
28 described in § 23-1-46(a);

29 (3) To the "children's health account" described in § 42-12-29(a) in the amount described  
30 in § 42-12-29(b);

31 (4) To the general fund in the amount described in § 42-7.4-3(a); and

32 (5) Any remainder of the payments shall be proportionally distributed to those accounts  
33 and credited against the next year's healthcare services funding contribution.

34 (c) The general treasurer shall provide the secretary with a record of any monies

1 transferred and deposited.

2 **42-7.4-12. Rules and regulations.** -- The secretary is authorized to make and promulgate  
3 rules, regulations, and procedures not inconsistent with state law and fiscal procedures as he or  
4 she deems necessary for the proper administration of this healthcare services funding plan act and  
5 to carry out the provisions, policies, and purposes of this chapter including, but not limited to,  
6 data it must collect from insurers for the correct computation of the healthcare services funding  
7 contribution, collaboration with other state agencies for collecting necessary information, and the  
8 form of the return and the data that it must contain for the correct computation of the healthcare  
9 services funding contribution..

10 **42-7.4-13. Allocation.** -- An insurer required to make a healthcare services funding  
11 contribution may pass on the cost of that contribution in the cost of its services, such as its  
12 premium rates (for insurers), without being required to specifically allocate those costs to  
13 individuals or populations that actually incurred the contribution.

14 **42-7.4-14. Excluded coverage from the healthcare services funding plan act.** -- (a) In  
15 addition to any exclusion and exemption contained elsewhere in this chapter, this chapter shall  
16 not apply to insurance coverage providing benefits for, nor shall an individual be deemed a  
17 contribution enrollee solely by virtue of receiving benefits for the following:

- 18 (1) Hospital confinement indemnity;
- 19 (2) Disability income;
- 20 (3) Accident only;
- 21 (4) Long-term care;
- 22 (5) Medicare supplement;
- 23 (6) Limited benefit health;
- 24 (7) Specified disease indemnity;
- 25 (8) Sickness or bodily injury or death by accident or both; and
- 26 (9) Other limited benefit policies.

27 **42-7.4-15. Oversight.** -- The health insurance commissioner shall validate, through the  
28 rate review and approval process, that the rates filed for fully insured groups and individuals,  
29 pursuant to chapter 18.5, 18.6 or 50 of title 27, reflect the transition to the funding method  
30 described in this section.

1           SECTION 6. Sections 1 and 2 of this act shall take effect July 1, 2015, sections 3 and 4  
2 of this act shall take effect January 1, 2016, and the remaining sections of this act shall take effect  
3 upon passage.

=====  
LC004801  
=====

EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

AN ACT RELATING TO HEALTH AND SAFETY -- EQUITABLE FUNDING FOR  
ESSENTIAL HEALTH SERVICES

\*\*\*

1           This act would phase-in a replacement of the current immunization and children's  
2 healthcare services assessments and premium tax with a healthcare services funding plan. The act  
3 includes a number of calculations for making contributions and distributions. The act would  
4 provide that health insurers would be required to make a healthcare services funding contribution  
5 in an amount calculated by taking several funding requirements and dividing by the number of  
6 contribution enrollees of all insurers. Finally, the act would include a process for insurers to have  
7 a hearing and appeal regarding the amount established for the contribution.

8           Sections 1 and 2 of this act would take effect July 1, 2015, sections 3 and 4 of this act  
9 would take effect January 1, 2016, and the remaining sections of this act would take effect upon  
10 passage.

=====  
LC004801  
=====