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## ARTICLE 28

### RELATING TO HEALTH REFORM ASSESSMENT

SECTION 1. Section 42-7.2-5 of the General Laws in Chapter 42-7.2 entitled “Office of Health and Human Services” is hereby amended to read as follows:

**42-7.2-5. Duties of the secretary.** – The secretary shall be subject to the direction and supervision of the governor for the oversight, coordination and cohesive direction of state administered health and human services and in ensuring the laws are faithfully executed, notwithstanding any law to the contrary. In this capacity, the Secretary of Health and Human Services shall be authorized to:

(1) Coordinate the administration and financing of health care benefits, human services and programs including those authorized by the Global Consumer Choice Compact Waiver and, as applicable, the Medicaid State Plan under Title XIX of the US Social Security Act. However, nothing in this section shall be construed as transferring to the secretary the powers, duties or functions conferred upon the departments by Rhode Island public and general laws for the administration of federal/state programs financed in whole or in part with Medicaid funds or the administrative responsibility for the preparation and submission of any state plans, state plan amendments, or authorized federal waiver applications, once approved by the secretary.

(2) Serve as the governor's chief advisor and liaison to federal policymakers on Medicaid reform issues as well as the principal point of contact in the state on any such related matters.

(3) Review and ensure the coordination of any Global Consumer Choice Compact Waiver requests and renewals as well as any initiatives and proposals requiring amendments to the Medicaid state plan or category two (II) or three (III) changes, as described in the special terms and conditions of the Global Consumer Choice Compact Waiver with the potential to affect the scope, amount or duration of publicly-funded health care services, provider payments or reimbursements, or access to or the availability of benefits and services as provided by Rhode Island general and public laws. The secretary shall consider whether any such changes are legally and fiscally sound and consistent with the state's policy and budget priorities. The secretary shall also assess whether a proposed change is capable of obtaining the necessary approvals from federal officials and achieving the expected positive consumer outcomes. Department directors shall, within the timelines specified, provide any information and resources the secretary deems

1 necessary in order to perform the reviews authorized in this section;

2 (4) Beginning in 2006, prepare and submit to the governor, the chairpersons of the house  
3 and senate finance committees, the caseload estimating conference, and to the joint legislative  
4 committee for health care oversight, by no later than March 15 of each year, a comprehensive  
5 overview of all Medicaid expenditures outcomes, and utilization rates. The overview shall  
6 include, but not be limited to, the following information:

7 (i) Expenditures under Titles XIX an XXI of the Social Security Act, as amended;

8 (ii) Expenditures, outcomes and utilization rates by population and sub-population served  
9 (e.g. families with children, children with disabilities, children in foster care, children receiving  
10 adoption assistance, adults with disabilities, and the elderly);

11 (iii) Expenditures, outcomes and utilization rates by each state department or other  
12 municipal or public entity receiving federal reimbursement under Titles XIX and XXI of the  
13 Social Security Act, as amended; and

14 (iv) Expenditures, outcomes and utilization rates by type of service and/or service  
15 provider.

16 The directors of the departments, as well as local governments and school departments,  
17 shall assist and cooperate with the secretary in fulfilling this responsibility by providing whatever  
18 resources, information and support shall be necessary.

19 (5) Resolve administrative, jurisdictional, operational, program, or policy conflicts  
20 among departments and their executive staffs and make necessary recommendations to the  
21 governor.

22 (6) Assure continued progress toward improving the quality, the economy, the  
23 accountability and the efficiency of state-administered health and human services. In this  
24 capacity, the secretary shall:

25 (i) Direct implementation of reforms in the human resources practices of the departments  
26 that streamline and upgrade services, achieve greater economies of scale and establish the  
27 coordinated system of the staff education, cross-training, and career development services  
28 necessary to recruit and retain a highly-skilled, responsive, and engaged health and human  
29 services workforce;

30 (ii) Encourage the departments to utilize consumer-centered approaches to service design  
31 and delivery that expand their capacity to respond efficiently and responsibly to the diverse and  
32 changing needs of the people and communities they serve;

33 (iii) Develop all opportunities to maximize resources by leveraging the state's purchasing  
34 power, centralizing fiscal service functions related to budget, finance, and procurement,

1 centralizing communication, policy analysis and planning, and information systems and data  
2 management, pursuing alternative funding sources through grants, awards and partnerships and  
3 securing all available federal financial participation for programs and services provided through  
4 the departments;

5 (iv) Improve the coordination and efficiency of health and human services legal functions  
6 by centralizing adjudicative and legal services and overseeing their timely and judicious  
7 administration;

8 (v) Facilitate the rebalancing of the long term system by creating an assessment and  
9 coordination organization or unit for the expressed purpose of developing and implementing  
10 procedures across departments that ensure that the appropriate publicly-funded health services are  
11 provided at the right time and in the most appropriate and least restrictive setting; and

12 (vi) Strengthen health and human services program integrity, quality control and  
13 collections, and recovery activities by consolidating functions within the office in a single unit  
14 that ensures all affected parties pay their fair share of the cost of services and are aware of  
15 alternative financing.

16 (vii) Broaden access to publicly funded food and nutrition services by consolidating  
17 agency programs and initiatives to eliminate duplication and overlap and improve the availability  
18 and quality of services; and

19 (viii) Assure protective services are available to vulnerable elders and adults with  
20 developmental and other disabilities by reorganizing existing services, establishing new services  
21 where gaps exist and centralizing administrative responsibility for oversight of all related  
22 initiatives and programs.

23 (7) Prepare and integrate comprehensive budgets for the health and human services  
24 departments and any other functions and duties assigned to the office. The budgets shall be  
25 submitted to the state budget office by the secretary, for consideration by the governor, on behalf  
26 of the state's health and human services in accordance with the provisions set forth in § 35-3-4 of  
27 the Rhode Island general laws.

28 [\(8\) Impose a health reform assessment across all health insurance carriers as defined by](#)  
29 [27-18-1.1 offering health plans as defined by 27-18-1.1 in the small employer health insurance](#)  
30 [market as defined in chapter 50 of title 27 and the individual health insurance market as defined](#)  
31 [in chapter 18.5 of title 27.](#)

32 [\(i\) The assessment shall be administered as follows:](#)

33 [\(A\) The secretary shall determine separate rates for products offered in the small](#)  
34 [employer market and products offered in the individual health insurance market.](#)

1           (1) The total assessment imposed by the secretary shall be equal to the budget for the  
2 Rhode Island health benefits exchange for the applicable fiscal year(s).

3           (2) The amount assessed upon each market shall be in proportion to the anticipated  
4 enrollment for that market in the upcoming coverage year on the Rhode Island health benefits  
5 exchange.

6           (3) The assessment in each market shall be expressed as a percentage of premium.

7           (4) The percentage of premium assessed in each market shall be based upon the total  
8 premium dollars expected to be collected in the upcoming coverage year by health insurance  
9 carriers in that market.

10          (5) For products with a coverage start date of January 1, 2016 the secretary shall  
11 determine the rates no later than fifteen (15) days following the passage of this statute. The  
12 secretary may in determining the rate of assessment for coverage year 2016 consider any  
13 anticipated operating expenses to be incurred by the Rhode Island health benefits exchange prior  
14 to January 1, 2016 and may grant requests by the agency to use assessment funds in advance to  
15 cover such costs.

16          (6) For products with a coverage start date of January 1, 2017 the secretary shall  
17 determine the rates by January 1, 2016.

18          (B) Every health insurance carrier assessed under this section shall, on or before the last  
19 day of July, October, January and April of each year, make a payment to the secretary for the  
20 quarter ending on that day.

21          (C) The assessment set forth herein shall be in addition to any other fees or assessments  
22 imposed upon health insurance carriers by law.

23          (ii) For all coverage years beginning January 1, 2018 or later, the assessment rate shall be  
24 announced by the secretary no later than the first day of the preceding year.

25          (iii) Payments made by health insurance carriers under this section may be made by  
26 electronic transfer of monies to the general treasurer. The general treasurer shall take all steps  
27 necessary to facilitate the transfer of monies to the department of administration to be drawn upon  
28 solely for the purposes of supporting the ongoing operations of the Rhode Island health benefits  
29 exchange. All funds shall be deposited into a restricted receipt account entitled the Rhode Island  
30 health benefits exchange within the department of administration. The restricted receipt account  
31 shall be exempt from the indirect cost recovery assessment established pursuant to § 35-4-27.

32          (iv) The secretary shall administer the assessment in such a way as will ensure that a  
33 request by the Rhode Island health benefits exchange for advance use of assessment funds to  
34 cover operating expenses incurred in preceding fiscal year may be granted.

1 (v) Should any health insurance carrier fall more than thirty (30) days in arrears with  
2 respect to assessment payments due to the secretary under this section the secretary may request  
3 the Rhode Island health benefits exchange to set-off the amount of the delinquency against any  
4 payments due to that health insurance carrier and remit such sums to the secretary. The health  
5 benefits exchange is authorized and empowered to set-off amounts due under this section against  
6 any payments due to health insurance carriers.

7 (vi) All health insurance carriers assessed under this section may fairly pass on the cost of  
8 the assessment in the form of the premium rates it offers in the markets implicated by the health  
9 reform assessment.

10 ~~(8)~~(9) Utilize objective data to evaluate health and human services policy goals, resource  
11 use and outcome evaluation and to perform short and long-term policy planning and  
12 development.

13 ~~(9)~~(10) Establishment of an integrated approach to interdepartmental information and  
14 data management that complements and furthers the goals of the CHOICES initiative and that  
15 will facilitate the transition to consumer-centered system of state administered health and human  
16 services.

17 ~~(10)~~(11) At the direction of the governor or the general assembly, conduct independent  
18 reviews of state-administered health and human services programs, policies and related agency  
19 actions and activities and assist the department directors in identifying strategies to address any  
20 issues or areas of concern that may emerge thereof. The department directors shall provide any  
21 information and assistance deemed necessary by the secretary when undertaking such  
22 independent reviews.

23 ~~(11)~~(12) Provide regular and timely reports to the governor and make recommendations  
24 with respect to the state's health and human services agenda.

25 ~~(12)~~(13) Employ such personnel and contract for such consulting services as may be  
26 required to perform the powers and duties lawfully conferred upon the secretary.

27 ~~(13)~~(14) Implement the provisions of any general or public law or regulation related to  
28 the disclosure, confidentiality and privacy of any information or records, in the possession or  
29 under the control of the executive office or the departments assigned to the executive office, that  
30 may be developed or acquired for purposes directly connected with the secretary's duties set forth  
31 herein.

32 ~~(14)~~(15) Hold the director of each health and human services department accountable for  
33 their administrative, fiscal and program actions in the conduct of the respective powers and duties  
34 of their agencies.

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SECTION 2. This article shall take effect as of July 1, 2015.