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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

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A N A C T

RELATING TO INSURANCE -- INSURANCE COVERAGE FOR MENTAL ILLNESS AND
SUBSTANCE ABUSE

Introduced By: Senators Miller, DiPalma, DiMario, Valverde, Murray, and Lauria

Date Introduced: January 18, 2023

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 27-38.2 of the General Laws entitled "Insurance Coverage for Mental
2 Illness and Substance Abuse" is hereby amended by adding thereto the following section:

3 **27-38.2-7. Reimbursement rate parity for mental health and substance use disorders.**

4 (a) Every individual or group health insurance contract, plan or policy delivered, issued for
5 delivery or renewed in this state on or after January 1, 2024, shall increase the rate of reimbursement
6 for each in-network behavioral health care service that is reimbursed below the median commercial
7 reimbursement rate set by the office of the health insurance commissioner. The rate will increase
8 annually to no less than the median commercial reimbursement rate set by the office of the health
9 insurance commissioner on or before July 1, 2029.

10 (1) Median commercial insurance rates for each in-network behavioral health care service
11 shall be determined by the office of the health insurance commissioner.

12 (2) For rates lower than the median commercial reimbursement rate, incremental increases
13 towards the median commercial reimbursement rate must take place on an annual basis at a rate
14 determined by the office of the health insurance commissioner.

15 (3) Reimbursement rates that are at or above the median commercial reimbursement rate
16 for an in-network behavioral health care services shall not be decreased by a health insurer.

17 (b) Each health insurer shall collect and provide any information and data to the office of
18 the health insurance commissioner in a form and frequency acceptable to the office that is deemed

1 necessary to uphold the requirements of this section.

2 (c) The office of the health insurance commissioner shall monitor how reimbursement rate
3 increases described in this section affect patient access to behavioral health care services, including,
4 but not limited to, any changes related to behavioral health network adequacy. On or before July 1,
5 2025, and on or before each July 1 thereafter, the office of the health insurance commissioner shall
6 report any changes to behavioral health care access and network adequacy to the general assembly
7 in writing.

8 (1) "Network", as used in this section, shall have the same meaning as is defined and used
9 in chapter 18.8 of this title.

10 (d) The office of the health insurance commissioner may promulgate such rules and
11 regulations as are necessary and proper to effectuate the purpose and for the efficient administration
12 and enforcement of this section.

13 (1) Should the office of the health insurance commissioner find that a health insurer is not
14 in compliance with the requirements found in this section, the office of the health insurance
15 commissioner's authority shall include, but not be limited to, requiring a health insurer to complete
16 a corrective action plan.

17 SECTION 2. Chapter 42-7.2 of the General Laws entitled "Office of Health and Human
18 Services" is hereby amended by adding thereto the following section:

19 **42-7.2-21. Reimbursement rate parity for mental health and substance use disorder.**

20 (a) Effective January 1, 2024, Rhode Island Medicaid and its contracted managed care
21 entities shall increase the rate of reimbursement for each in-network behavioral health care service
22 that is reimbursed below the median commercial reimbursement rate set by the office of the health
23 insurance commissioner. The rate will increase annually to no less than the median commercial
24 reimbursement rate set by the office of the health insurance commissioner on or before July 1,
25 2029.

26 (1) Median commercial insurance rates for each in-network behavioral health care service,
27 as determined by the office of the health insurance commissioner in accordance with § 27-38.2-7,
28 shall be shared with the executive office of health and human services in accordance with § 42-7.2-
29 14.

30 (2) For rates lower than the median commercial reimbursement rate determined in
31 accordance with subsection (a)(1) of this section, incremental increases towards the median
32 commercial reimbursement rate set by the office of health and human services must take place on
33 an annual basis at a rate determined by the executive office of health and human services.

34 (3) Reimbursement rates that are at or above the median commercial reimbursement rate

1 for an in-network behavioral health care services shall not be decreased by Rhode Island Medicaid
2 or its contracted managed care entities.

3 (b) Each of Rhode Island Medicaid’s contracted managed care entities shall collect and
4 provide any information and data to the executive office of health and human services in a form
5 and frequency acceptable to the office that is deemed necessary to uphold the requirements of this
6 section.

7 (c) The executive office of health and human services shall monitor how reimbursement
8 rate increases described in this section affect patient access to behavioral health care services
9 including, but not limited to, any changes related to behavioral health network adequacy. On or
10 before July 1, 2025, and on or before each July 1 thereafter, the executive office of health and
11 human services shall report any changes to behavioral health care access and network adequacy to
12 the general assembly in writing.

13 (d) The executive office of health and human services is directed to ensure that federal
14 financial participation is used to the maximum extent allowable to provide coverage pursuant to
15 this section, and that state-only funds will be used only if federal financial participation is not
16 available.

17 (e) The executive office of health and human services may promulgate such rules and
18 regulations as are necessary and proper to effectuate the purpose and for the efficient administration
19 and enforcement of this section.

20 (1) Should the executive office of health and human services find that Rhode Island
21 Medicaid’s contracted managed care entities are not in compliance with the requirements found in
22 this section, the executive office of health and human services authority shall include, but not be
23 limited to, requiring a contracted managed care entity to complete a corrective action plan.

24 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO INSURANCE -- INSURANCE COVERAGE FOR MENTAL ILLNESS AND
SUBSTANCE ABUSE

1 This act would increase the rate of reimbursement for in-network behavioral health care
2 services below the median commercial reimbursement rate. In addition Rhode Island Medicaid
3 shall also increase the rate of reimbursement.

4 This act would take effect upon passage.

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