

2023 -- S 0581

LC000929

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- OFFICE OF HEALTH AND HUMAN SERVICES

Introduced By: Senators Ujifusa, Murray, Miller, Bell, Lauria, Zurier, Mack, Acosta, DiMario, and Valverde

Date Introduced: March 07, 2023

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-7.2-16 of the General Laws in Chapter 42-7.2 entitled "Office of
2 Health and Human Services" is hereby amended to read as follows:

3 **42-7.2-16. Medicaid System Reform 2008.**

4 (a) The executive office of health and human services, in conjunction with the department
5 of human services, the department of children, youth and families, the department of health and the
6 department of behavioral healthcare, developmental disabilities and hospitals, is authorized to
7 design options that further the reforms in Medicaid initiated in 2008 to ensure that the program:
8 utilizes competitive and value based purchasing to maximize the available service options,
9 promotes accountability and transparency, and encourages and rewards healthy outcomes,
10 independence, and responsible choices; promotes efficiencies and the coordination of services
11 across all health and human services agencies; and ensures the state will have a fiscally sound
12 source of publicly-financed health care for Rhode Islanders in need.

13 (b) Principles and goals. In developing and implementing this system of reform, the
14 executive office of health and human services and the four (4) health and human services
15 departments shall pursue the following principles and goals:

16 (1) Empower consumers to make reasoned and cost-effective choices about their health by
17 providing them with the information and array of service options they need and offering rewards
18 for healthy decisions;

1 (2) Encourage personal responsibility by assuring the information available to beneficiaries
2 is easy to understand and accurate, provide that a fiscal intermediary is provided when necessary,
3 and adequate access to needed services;

4 (3) When appropriate, promote community-based care solutions by transitioning
5 beneficiaries from institutional settings back into the community and by providing the needed
6 assistance and supports to beneficiaries requiring long-term care or residential services who wish
7 to remain, or are better served in the community;

8 (4) Enable consumers to receive individualized health care that is outcome-oriented,
9 focused on prevention, disease management, recovery and maintaining independence;

10 (5) Promote competition between healthcare providers to ensure best value purchasing, to
11 leverage resources and to create opportunities for improving service quality and performance;

12 (6) Redesign purchasing and payment methods to assure fiscal accountability and
13 encourage and to reward service quality and cost-effectiveness by tying reimbursements to
14 evidence-based performance measures and standards, including those related to patient satisfaction;
15 and

16 (7) Continually improve technology to take advantage of recent innovations and advances
17 that help decision makers, consumers and providers to make informed and cost-effective decisions
18 regarding health care.

19 (c) The executive office of health and human services shall annually submit a report to the
20 governor and the general assembly describing the status of the administration and implementation
21 of the Medicaid Section 1115 demonstration waiver.

22 (d) The executive office of health and human services shall not enter into managed care
23 organization (MCO) contracts that permit managed care organizations to contract with pharmacy
24 benefit managers (PBM).

25 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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HUMAN SERVICES

1 This act would prohibit the executive office of health and human services from entering
2 into manage care organization (MCO) contracts that permit managed care organizations to contract
3 with pharmacy benefit managers (PBM).

4 This act would take effect upon passage.

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