

2010 -- S 2424

LC00815

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2010

A N A C T

RELATING TO INSURANCE

Introduced By: Senator C Levesque

Date Introduced: February 11, 2010

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 27 of the General Laws entitled "INSURANCE" is hereby amended
2 by adding thereto the following chapter:

3 CHAPTER 73

4 RITE CARE BUY-IN

5 **27-73-1. Definitions.** – As used in this chapter:

6 (1) "Insurer" means any health insurer (including a group health plan, as defined in
7 section 607(1) of the Employee Retirement Income Security Act of 1974, 29 U.S.C. section
8 1167(1)), a health maintenance organization as defined in section 27-41-2, a qualified health
9 maintenance organization as referred to in section 42-62-9, a nonprofit hospital service
10 corporation as defined in section 27-19-1, a nonprofit medical service corporation as defined in
11 section 27-20-1, a nonprofit dental service corporation as defined in section 27-20.1-1, a
12 nonprofit optometric service corporation as defined in section 27-20.2-1, self insured plans,
13 pharmacy benefit managers (PBM), and other parties that are by statute, contract or agreement,
14 legally responsible for payment of a claim for a health care item of service doing business in the
15 state, a domestic insurance company subject to chapter 1 of this title, and a foreign insurance
16 company subject to chapter 2 of this title.

17 (2) "Qualifying individual" means an individual who is eligible to purchase group health
18 benefits under the Consolidated Omnibus Budget Reconciliation Act (COBRA) or who would
19 have been eligible to purchase group health benefits under the Consolidated Omnibus Budget

1 Reconciliation Act (COBRA) had they elected to purchase coverage during the opt-in period.

2 (3) "Qualifying health plan" means the health benefit plan provided to eligible individuals
3 through the department of human services established under chapter 8.4 of title 40 or chapter 12.3
4 of title 42.

5 **27-73-2. Buy-in.** – (a) Any insurer that, through an agreement or contract with the state,
6 provides a qualifying health plan through the department of human services shall allow any
7 qualifying individual to purchase the qualifying health plan. The insurer may set the premium at
8 no more than one hundred five percent (105%) of the rate paid by the department of human
9 services. The insurer may implement cost-sharing and co-pays at a level no greater than the
10 maximum cost-sharing and co-pay levels set by the department of human services for qualifying
11 health plans.

12 (b) A qualifying individual shall also be eligible to purchase the qualifying health plan for
13 dependent children in accordance with chapter 18 of this title. A qualifying health plan may be
14 purchased for dependent children even if it is not purchased for the qualifying individual.

15 **27-73-3. Limitations and disqualification.** – A qualifying individual may purchase the
16 qualifying health plan for no more than eighteen (18) consecutive months and shall no longer be
17 eligible if an event occurs that would cause that individual to no longer be eligible to purchase
18 group health benefits under the Consolidated Omnibus Budget Reconciliation Act (COBRA).

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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1 This act would allow a qualifying individual and/or dependent children to purchase health
2 insurance from an insurer contracting with the state for no more than eighteen consecutive
3 months.

4 This act would take effect upon passage.

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