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S T A T E O F R H O D E I S L A N D

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

Introduced By: Senators Bissaillon, DiMario, Lauria, LaMountain, Pearson, Miller, and Euer
Date Introduced: March 05, 2024

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

SECTION 1. Section 27-18-54 of the General Laws in Chapter 27-18 entitled "Accident and Sickness Insurance Policies" is hereby amended to read as follows:

27-18-54. Health insurance rates.

No insurance company organized as a stock or mutual corporation which merges or consolidates with, acquires ownership or control or possession of twenty percent (20%) or greater of the operating assets of, or otherwise acquires control of a non-profit hospital service corporation organized under chapter 19 of this title, a non-profit medical service corporation organized under chapter 20 of this title or a health maintenance organization organized under chapter 41 of this title may: (1) file with any state agency for review or approval any proposed rate to be used by the company in the state, ~~or~~ (2) charge to any party in the state any rate or premium, which takes into account or reflects in any manner the value of any contribution, distribution or allocation the company expends or incurs in establishing or funding a charitable foundation organized to maintain or account for the assets of a non-profit hospital service corporation, non-profit medical service corporation or health maintenance organization, or (3) pay a rate that is less than the approved Medicaid rate set by the executive office of health and human services. For any rate that is to be charged to policy holders, regardless of whether the rate is subject to approval by a state agency under this or another chapter, the company shall at least thirty (30) days before implementing the rate submit under oath to the commissioner of insurance an accounting that documents the cost structure on which the rate is based and demonstrates the company’s compliance with this section.

SECTION 2. Section 27-19-30.1 of the General Laws in Chapter 27-19 entitled "Nonprofit Hospital Service Corporations" is hereby amended to read as follows:

27-19-30.1. Health insurance rates.

No insurance company organized as a stock or mutual corporation that merges or consolidates with, acquires ownership or control or possession of twenty percent (20%) or greater of the operating assets of, or otherwise acquires control of a nonprofit hospital service corporation organized under this chapter, a nonprofit medical service corporation organized under chapter 20 of this title, or a health maintenance organization organized under chapter 41 of this title, may: (1) File with any state agency for review or approval any proposed rate to be used by the company in the state, ~~or~~ (2) Charge to any party in the state any rate or premium that takes into account or reflects in any manner the value of any contribution, distribution, or allocation the company expends or incurs in establishing or funding a charitable foundation organized to maintain or otherwise account for the assets of a nonprofit hospital service corporation, nonprofit medical service corporation, or health maintenance organization, or (3) pay a rate that is less than the approved Medicaid rate set by the executive office of health and human services. For any rate that is to be charged to policyholders, regardless of whether the rate is subject to approval by a state agency under this or another chapter, the company shall at least thirty (30) days before implementing the rate submit under oath to the commissioner of insurance an accounting that documents the cost structure on which the rate is based and demonstrates the company's compliance with this section.

SECTION 3. Section 27-20-25.2 of the General Laws in Chapter 27-20 entitled "Nonprofit Medical Service Corporations" is hereby amended to read as follows:

27-20-25.2. Health insurance rates.

No insurance company organized as a stock or mutual corporation that merges or consolidates with; acquires ownership or control or possession of twenty percent (20%) or greater of the operating assets of; or acquires control of a nonprofit hospital service corporation organized under chapter 19 of this title, a nonprofit medical service corporation organized under this chapter, or a health maintenance organization organized under chapter 41 of this title may: (1) File with any state agency for review or approval any proposed rate to be used by the company in the state, ~~or~~ (2) Charge to any party in the state any rate or premium, that takes into account or reflects in any manner the value of any contribution, distribution, or allocation the company expends or incurs in establishing or funding a charitable foundation organized to maintain or account for the assets of a nonprofit hospital service corporation, nonprofit medical service corporation, or health maintenance organization, or (3) pay a rate that is less than the approved Medicaid rate set by the

executive office of health and human services. For any rate that is to be charged to policyholders, regardless of whether this rate is subject to approval by a state agency under this or another chapter, the company shall at least thirty (30) days before implementing the rate submit under oath to the commissioner of insurance an accounting that documents the cost structure on which the rate is based and demonstrates the company's compliance with this section.

SECTION 4. Section 27-38.2-1 of the General Laws in Chapter 27-38.2 entitled "Insurance Coverage for Mental Illness and Substance Use Disorders" is hereby amended to read as follows:

27-38.2-1. Coverage for treatment of mental health and substance use disorders.

(a) A group health plan and an individual or group health insurance plan shall provide coverage for the treatment of mental health and substance use disorders under the same terms and conditions as that coverage is provided for other illnesses and diseases.

(b) Coverage for the treatment of mental health and substance use disorders shall not impose any annual or lifetime dollar limitation.

(c) Financial requirements and quantitative treatment limitations on coverage for the treatment of mental health and substance use disorders shall be no more restrictive than the predominant financial requirements applied to substantially all coverage for medical conditions in each treatment classification.

(d) Coverage shall not impose non-quantitative treatment limitations for the treatment of mental health and substance use disorders unless the processes, strategies, evidentiary standards, or other factors used in applying the non-quantitative treatment limitation, as written and in operation, are comparable to, and are applied no more stringently than, the processes, strategies, evidentiary standards, or other factors used in applying the limitation with respect to medical/surgical benefits in the classification.

(e) The following classifications shall be used to apply the coverage requirements of this chapter: (1) Inpatient, in-network; (2) Inpatient, out-of-network; (3) Outpatient, in-network; (4) Outpatient, out-of-network; (5) Emergency care; and (6) Prescription drugs.

(f) Medication-assisted treatment or medication-assisted maintenance services of substance use disorders, opioid overdoses, and chronic addiction, including methadone, buprenorphine, naltrexone, or other clinically appropriate medications, is included within the appropriate classification based on the site of the service.

(g) Payors shall rely upon the criteria of the American Society of Addiction Medicine when developing coverage for levels of care for substance use disorder treatment.

(h) Patients with substance use disorders shall have access to evidence-based, non-opioid treatment for pain, therefore coverage shall apply to medically necessary chiropractic care and

osteopathic manipulative treatment performed by an individual licensed under § 5-37-2.

(i) Parity of cost-sharing requirements. Regardless of the professional license of the provider of care, if that care is consistent with the provider's scope of practice and the health plan's credentialing and contracting provisions, cost sharing for behavioral health counseling visits and medication maintenance visits shall be consistent with the cost sharing applied to primary care office visits.

(j) A group health plan and an individual or group health insurance plan shall reimburse providers of mental health and substance use disorders licensed under § 40.1-1-13 at rates of reimbursement equal to, or greater than, the Medicaid rate schedule as established by the executive office of health and human services.

SECTION 5. Section 27-41-27.2 of the General Laws in Chapter 27-41 entitled "Health Maintenance Organizations" is hereby amended to read as follows:

27-41-27.2. Health insurance rates.

No insurance company organized as a stock or mutual corporation that merges or consolidates with, acquires ownership or control or possession of twenty percent (20%) or greater of the operating assets of, or acquires control of a nonprofit hospital service corporation organized under chapter 19 of this title, a nonprofit medical service corporation organized under chapter 20 of this title, or a health maintenance organization organized under chapter 41 of this title: (1) May file with any state agency for review or approval any proposed rate to be used by the company in the state, ~~or~~ (2) May charge to any party in the state any rate or premium, that takes into account or reflects in any manner the value of any contribution, distribution, or allocation the company expends or incurs in establishing or funding a charitable foundation organized to maintain or account for the assets of a nonprofit hospital service corporation, nonprofit medical service corporation, or health maintenance organization, or (3) pay a rate that is less than the approved Medicaid rate set by the executive office of health and human services. For any rate that is to be charged to policyholders, regardless of whether this rate is subject to approval by a state agency under this or another chapter, the company shall at least thirty (30) days before implementing the rate submit under oath to the commissioner of insurance an accounting that documents the cost structure on which the rate is based and demonstrates the company's compliance with this section.

SECTION 6. Chapter 40-8 of the General Laws entitled "Medical Assistance" is hereby amended by adding thereto the following section:

40-8-33. Payments for treatment of mental health and substance use disorders.

The executive office of health and human services, its subordinate agencies and contractors, including managed care organizations, shall reimburse providers of mental health and

substance use disorders licensed under § 40.1-1-13 at rates of reimbursement equal to, or greater than, the Medicaid rate schedule as established by the executive office of health and human services.

SECTION 7. This act shall take effect on January 1, 2025.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

A N A C T

RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES

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This act would prohibit insurance companies from paying a rate that is less than the approved Medicaid rate set by the executive office of health and human services.

This act would take effect on January 1, 2025.

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