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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

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A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- THE HEALTHCARE SERVICES
FUNDING PLAN ACT

Introduced By: Senators DiMario, Cano, Lawson, Valverde, Miller, Pearson, Lauria,
Bissaillon, Euer, and Murray

Date Introduced: January 12, 2024

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-7.4-3 of the General Laws in Chapter 42-7.4 entitled "The
2 Healthcare Services Funding Plan Act" is hereby amended to read as follows:

3 **42-7.4-3. Imposition of healthcare services funding contribution.**

4 (a) Each insurer is required to pay the healthcare services funding contribution for each
5 contribution enrollee of the insurer at the time the contribution is calculated and paid, at the rate set
6 forth in this section.

7 (1) Beginning ~~January 1, 2016~~ [July 1, 2024](#), the secretary shall set the healthcare services
8 funding contribution each fiscal year in an amount equal to: (i) The child immunization funding
9 requirement described in § 23-1-46; plus (ii) The adult immunization funding requirement
10 described in § 23-1-46; plus (iii) The children's health services funding requirement described in §
11 42-12-29; [plus \(iv\) The psychiatry resource network funding requirement described in § 23-1-46.1](#)
12 and all as divided by: ~~(iv)~~[\(v\)](#) The number of contribution enrollees of all insurers.

13 (2) The contribution set forth herein shall be in addition to any other fees or assessments
14 upon the insurer allowable by law.

15 (b) The contribution shall be paid by the insurer; provided, however, a person providing
16 health benefits coverage on a self-insurance basis that uses the services of a third-party
17 administrator shall not be required to make a contribution for a contribution enrollee where the
18 contribution on that enrollee has been or will be made by the third-party administrator.

1 (c) The secretary shall create a process to facilitate the transition to the healthcare services
2 funding contribution method that: (i) assures adequate funding beginning July 1, 2016, (ii) reflects
3 that funding via the healthcare services funding contribution method initially will be for only a
4 portion of the state's fiscal year, and (iii) avoids duplicate liability for any insurer that made a
5 payment under the premium assessment method in effect prior to January 1, 2016, for a period for
6 which it would also be liable for a contribution under the healthcare services funding contribution
7 method as described in this chapter.

8 SECTION 2. Chapter 23-1 of the General Laws entitled "Department of Health" is hereby
9 amended by adding thereto the following section:

10 **23-1-46.1. Psychiatry resource network account (Effective July 1, 2024).**

11 (a) There is created within the general fund a restricted receipt account to be known as the
12 "PRN account." All money in the account shall be utilized by the department of health to effectuate
13 coverage for the following services: Existing Rhode Island lines including the PediPRN and
14 MomsPRN information lines together with any additional information line, referral service, or
15 hotline which is available to providers or residents in the state, and which is funded pursuant to
16 regulation adopted by the director of the department of health. Amounts collected pursuant to § 42-
17 7.4-3(a)(1)(iv) shall be deposited in the "PRN account." The funds shall be used solely for the
18 purposes of the "PRN account," and no other.

19 (b) Each year's psychiatry resource network funding requirement in § 42-7.4-3(a)(1)(iv)
20 shall be the amount:

- 21 (1) Projected by the department of health for the services in subsection (a) of this section;
22 plus
23 (2) A ten percent (10%) contingency for unexpected expenses; and after
24 (3) Deduction for any projected carryover of excess funds from prior assessments.

25 (c) The department of health shall submit to the general assembly an annual report on the
26 program and costs related to the program, on or before February 1 of each year. The department
27 shall make available to each insurer required to make a contribution pursuant to § 42-7.4-3, upon
28 its request, detailed information regarding the programs described in subsection (a) of this section
29 and the costs related to those programs.

30 (d) The "PRN account" shall be exempt from the indirect costs recovery provisions of §
31 35-4-27.

32 SECTION 3. Section 35-4-27 of the General Laws in Chapter 35-4 entitled "State Funds"
33 is hereby amended to read as follows:

34 **35-4-27. Indirect cost recoveries on restricted receipt accounts.**

1 Indirect cost recoveries of ten percent (10%) of cash receipts shall be transferred from all
2 restricted-receipt accounts, to be recorded as general revenues in the general fund. However, there
3 shall be no transfer from cash receipts with restrictions received exclusively: (1) From contributions
4 from nonprofit charitable organizations; (2) From the assessment of indirect cost-recovery rates on
5 federal grant funds; or (3) Through transfers from state agencies to the department of administration
6 for the payment of debt service. These indirect cost recoveries shall be applied to all accounts,
7 unless prohibited by federal law or regulation, court order, or court settlement. The following
8 restricted receipt accounts shall not be subject to the provisions of this section:

9 Executive Office of Health and Human Services
10 Organ Transplant Fund
11 HIV Care Grant Drug Rebates
12 Health System Transformation Project
13 Rhode Island Statewide Opioid Abatement Account
14 HCBS Support-ARPA
15 HCBS Admin Support-ARPA
16 Department of Human Services
17 Veterans' home — Restricted account
18 Veterans' home — Resident benefits
19 Pharmaceutical Rebates Account
20 Demand Side Management Grants
21 Veteran's Cemetery Memorial Fund
22 Donations — New Veterans' Home Construction
23 Department of Health
24 Pandemic medications and equipment account
25 Miscellaneous Donations/Grants from Non-Profits
26 State Loan Repayment Match
27 Healthcare Information Technology
28 [Healthcare services funding accounts for the psychiatry resource network \(PRN\)](#)
29 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals
30 Eleanor Slater non-Medicaid third-party payor account
31 Hospital Medicare Part D Receipts
32 RICLAS Group Home Operations
33 Commission on the Deaf and Hard of Hearing
34 Emergency and public communication access account

1 Department of Environmental Management
2 National heritage revolving fund
3 Environmental response fund II
4 Underground storage tanks registration fees
5 De Coppet Estate Fund
6 Rhode Island Historical Preservation and Heritage Commission
7 Historic preservation revolving loan fund
8 Historic Preservation loan fund — Interest revenue
9 Department of Public Safety
10 E-911 Uniform Emergency Telephone System
11 Forfeited property — Retained
12 Forfeitures — Federal
13 Forfeited property — Gambling
14 Donation — Polygraph and Law Enforcement Training
15 Rhode Island State Firefighter’s League Training Account
16 Fire Academy Training Fees Account
17 Attorney General
18 Forfeiture of property
19 Federal forfeitures
20 Attorney General multi-state account
21 Forfeited property — Gambling
22 Department of Administration
23 OER Reconciliation Funding
24 Health Insurance Market Integrity Fund
25 RI Health Benefits Exchange
26 Information Technology restricted receipt account
27 Restore and replacement — Insurance coverage
28 Convention Center Authority rental payments
29 Investment Receipts — TANS
30 OPEB System Restricted Receipt Account
31 Car Rental Tax/Surcharge-Warwick Share
32 Grants Management Administration
33 RGGI-Executive Climate Change Coordinating Council Projects
34 Executive Office of Commerce

1 Housing Resources Commission Restricted Account
2 Housing Production Fund
3 Department of Revenue
4 DMV Modernization Project
5 Jobs Tax Credit Redemption Fund
6 Legislature
7 Audit of federal assisted programs
8 Department of Children, Youth and Families
9 Children's Trust Accounts — SSI
10 Military Staff
11 RI Military Family Relief Fund
12 RI National Guard Counterdrug Program
13 Treasury
14 Admin. Expenses — State Retirement System
15 Retirement — Treasury Investment Options
16 Defined Contribution — Administration - RR
17 Violent Crimes Compensation — Refunds
18 Treasury Research Fellowship
19 Business Regulation
20 Banking Division Reimbursement Account
21 Office of the Health Insurance Commissioner Reimbursement Account
22 Securities Division Reimbursement Account
23 Commercial Licensing and Racing and Athletics Division Reimbursement Account
24 Insurance Division Reimbursement Account
25 Historic Preservation Tax Credit Account
26 Marijuana Trust Fund
27 Social Equity Assistance Fund
28 Judiciary
29 Arbitration Fund Restricted Receipt Account
30 Third-Party Grants
31 RI Judiciary Technology Surcharge Account
32 Department of Elementary and Secondary Education
33 Statewide Student Transportation Services Account
34 School for the Deaf Fee-for-Service Account

- 1 School for the Deaf — School Breakfast and Lunch Program
- 2 Davies Career and Technical School Local Education Aid Account
- 3 Davies — National School Breakfast & Lunch Program
- 4 School Construction Services
- 5 Office of the Postsecondary Commissioner
- 6 Higher Education and Industry Center
- 7 IGT STEM Scholarships
- 8 Department of Labor and Training
- 9 Job Development Fund
- 10 Rhode Island Council on the Arts
- 11 Governors' Portrait Donation Fund
- 12 Statewide records management system account
- 13 SECTION 4. This act shall take effect on July 1, 2024.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- THE HEALTHCARE SERVICES
FUNDING PLAN ACT

1 This act would amend Rhode Island's existing healthcare services funding plan act by
2 adding an account relating to a new psychiatry resource network to fund Rhode Island's present
3 PediPRN and MomsPRN, as well as similar programs which may be added by regulation in the
4 future. It also adds an assessment to those previously authorized by the healthcare services funding
5 plan act for purposes of funding this new account.

6 This act would take effect on July 1, 2024.

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