

Rhode Island

Rhode Island Insurance Commission
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Summary of Important Regulations

MEWA Regulations	No
TPA Regulations	No
Stop-Loss Regulations	No
UR Regulations	Yes

NAIC Model Laws and Regulation

<u>Name of Model Law/Regulation</u>	<u>Model/Similar</u>	<u>Related</u>
Health Insurance Reserves Model Regulation	R.I. Regs. R 27-86-001 to 27-86-007	None
Comprehensive Health Ins. Cost Containment Model Act	None	None
Standardized Health Claims Form Model Regulation	None	None
Small Employer Health Insurance Availability Model Law	R.I. Gen. Laws §§ 27-50-1 to 27-50-17	None
Model Regulation To Eliminate Unfair Sex Discrimination	None	None
Health Information Privacy Model Law	None	None
Preferred Provider Arrangements Model Law	None	None
Utilization Review Model Law	None	R.I. Gen. Laws §§ 23-17.12-1 to 23-17.12-17
Managed Care Plan Network Adequacy Model Law	None	R.I. Gen. Laws §§ 23-17.13-1 to 23-17.13-5
Third Party Administrator Law	None	None

Health Examination Benefits Availability Law	None	R.I. Gen. Laws §§ 27-38.1-1 to 29-38.1-3
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NAIC Model Laws and Regulation

<u>Name of Model Law/Regulation</u>	<u>Model/Similar</u>	<u>Related</u>
Accident and Sickness Insurance Minimum Standards Model Law	None	None
Agents and Brokers Licensing Model Law	See pg 218-15	None
MEWA Licensing Model Law	None	None
Managing General Agents Law	R.I. Gen. Laws §§ 27-51-1 to 27-51-9	None
Health Maintenance Organization Model Law	R.I. Gen. Laws §§ 27-41-1 to 27-41-34	None
Insurance Information and Privacy Protection Law	None	None
Unfair Trade Practices Law	R.I. Gen. Laws §§ 27-29-1 to 27-29-13	None
Model Regulation on Unfair Discrimination in Life and Health Insurance on the Basics of Physical or Mental Impairment	None	R.I. Gen. Laws § 27-2-23
Model Regulation on Unfair Discrimination in Life and Health Insurance on the Basics of	None	None

Total or Partial Blindness

NAIC Model Laws and Regulation

<u>Name of Model Law/Regulation</u>	<u>Model/Similar</u>	<u>Related</u>
Unfair Discrimination against Subjects of Domestic Abuse in Health Benefit Plans Model Law	R.I. Gen. Laws §§ 27-59-1 to 27-59-7; §§ 27-60-1 to 27-60-7	None
Unfair Claims Settlement Practices Law	R.I. Gen. Laws §§ 29-9.1-1 to 29-9.1-9	None
Improper Termination Practices Law	None	None
Employee Leasing Registration Model Law	None	None
Private Employer Workers' Compensation Group Self-Insurance Model Law	None	R..I. Regs. R. 27-33-001 to 27-33-013
Public Employee Workers' Compensation Group Self-Insurance Model Law	None	None
Twenty Four Hour Coverage Pilot Project Model Law	None	None

State-Mandates

Benefits That Must Be Covered

- Alcoholism treatment
- Blood lead screening
- Breast reconstruction
- Cervical cancer screening (pap smear)
- Clinical trials
- Diabetic supplies, education
- Drug abuse treatment
- Infertility services and/or invitro fertilization
- Mammography screening
- Maternity care
- Mental health, parity
- Minimum mastectomy stays
- Minimum maternity stays
- Newborn sickle cell testing
- Off-label drug use
- Well child care

Benefits That Must Be Offered

- Home health care
- Second opinions (non-Blue Cross plans only)

Persons Who Must Be Allowed Coverage

- Continuation/dependents
- Conversion to non-group
- Newborns

Providers Who Must Be Covered

- Chiropractors
- Dentists
- Licensed Health Professionals
- Marriage/Family Therapists
- Nurse (Anesthetists)
- Nurse Midwives

- Nurse Practitioners
- Nurse Psychiatric
- Optometrists
- Osteopaths
- Podiatrists
- Professional Counselors
- Psychologists
- Social Workers

Coordination of Benefits

- | | |
|----------------------------|-----|
| • Birthday Rule? | Yes |
| • Divorced/Separated Rule? | Yes |
| • Joint Custody Rule? | Yes |
| • Active v. Inactive Rule? | Yes |
| • Longer v. Shorter Rule? | Yes |
| • Managed Care Rule? | No |
| • COBRA Rule? | No |
| • Preservation Rule? | No |

Patient's Bill of Rights Legislation

None

High Risk Health Pool

None

External Grievance System

Yes – all health care plans

Basis of Filing Grievance

Medical necessity and appropriateness of medical treatment

Status of Decision of Grievance Panel

Binding on both parties

Prompt Payment of Health Claim Requirement

Yes – 40 day regular claim and 30 day electronic claim

Miscellaneous

- Test for metabolic disease and for sickle cell disease.
- Benefits for pediatric prevention care. The benefit plans may impose copayment charges, but the copayment amounts may not be greater than copayment charges imposed for other physician office visits.
- Mammograms and pap smears according to guidelines published by the American cancer Society.
- If pregnancy-related benefits are covered, medically necessary expenses in the diagnosis and treatment of infertility to the extent that the contract also reimburses tests or procedures used in

diagnosing or treating conditions other than infertility, the test may not be excluded from reimbursement when provided with the diagnosis and treatment of infertility. A participant copayment not to exceed 20% may be required for programs and procedures whose sole purpose is to treat infertility. *Infertility* is defined as the condition of an otherwise presumably healthy married individual unable to conceive or produce conception during the period of one year.

- Rhode Island also provides that group health insurance contracts delivered or issued for delivery in the state may not cover induced abortions, except where the life of the mother would be endangered if the fetus were carried to term, or where the pregnancy resulted from rape or incest, except by an optional rider for which an additional premium must be paid. However, the law has been held to be an unconstitutional burden on the right of abortion, since it placed an impermissible financial obstacle on private funding sources for women desiring to terminate pregnancy during the first trimester.
- Rhode Island law requires individual and group medical coverage expense policies to provide coverage for new cancer therapies still under investigation if certain requirements are met.

MEWA Regulation

Rhode Island does not directly regulate MEWAs.

TPA Regulations

Rhode Island does not directly regulate TPAs.

Stop-Loss Regulation

No regulation is reported.

Utilization Review Regulations

Agency Responsible	Dept. of Health
Requirements	Certification
Exemptions	None
Waivers	Not required if UARC-approved. This waiver does not apply to mental or Substance abuse.

Miscellaneous

Registration of Self-Funded Plans

A self-funded plan must register with the state Insurance Department. If the plan cannot show that it is subject to the jurisdiction of some other state or federal agency, it must meet certain solvency requirements and

must comply with the insurance code.¹

Small Group Reform

Firms with 25 or fewer employees that have not made any group health or medical insurance plan or HMO plan available to their employees or otherwise insured or reimbursed medical expenses for at least two years may subscribe with an insurer providing a managed health care system for a basic health plan. The basic health plan is exempt from some mandatory benefits.²

Employee who are eligible for the basic health plan if they are not presently covered by any health insurance for the preceding three-month period, except for unemployed persons who have been directly paying for their own health insurance for the preceding three months, persons covered by Medicaid, or individuals who have been paying for health through a prior employer's health insurance program. Enrollees must be under the age of 65 and not otherwise for Medicare.

A health benefit plan issued to an employer of not more than 50 eligible employees, the majority of who, are employed with Rhode Island, must be renewable for all eligible employees or dependents at the option of the employer, except where there is a nonpayment of premium, fraud, or misrepresentation, noncompliance with the insurer's minimum participation or employer contribution requirements, repeated misuse of a provider network, or the insurer elects to discontinue all small employer plans issued to the state. An employee is an eligible employee if such employee works on a full-time permanent basis and has a normal workweek of 30 hours or more.

MSA Legislation

No action.

State Premium Taxes

Commercial insurers are taxed at 2%; Blue Cross and HMOs pay no tax.

Continuation of Coverage and Conversion of Benefits

Rhode Island law requires group health policies to allow continued coverage for up to 10 months (or for a period of equal to the employee's service if that period is shorter than 10 months) to covered employees, spouses (or surviving spouses), and their dependent children if they lose coverage because of the employee's involuntary layoff or death.³

Rhode Island law specifies that individuals who lose their continuation coverage following divorce because their former spouses remarry must be allowed to convert coverage to an individual policy within 30 days.

Small Employer Plans

Employers with 25 or fewer employees that have not made any group health or medical insurance plan or HMO plan available to their employees, or otherwise insured, or reimbursed medical expenses for at least two years, may subscribe with an insurer providing a managed health care system for a basic health plan. The basic health plan is exempt from all mandatory benefits that insurers are required to provide under other state laws, but must include, at a minimum:

- Inpatient hospital care, up to 20 days per year.
- Outpatient hospital care including surgery and anesthesia, preadmission testing, radiation therapy, and chemotherapy, but not limited to these.

- Emergency room care and emergency admissions to a hospital, excluding care for conditions that are not life threatening.
- Physician care and well-baby exams, up to six visits in the child's first year; childhood immunizations until age 8, excluding the cost of biologicals used for vaccinations.
- Physician office visits or community health center visits for primary or sick care, up to four visits per year and laboratory fees, surgery and anesthesia, diagnostic X-rays, and physicians care in a hospital inpatient or outpatient setting.
- Maternity care including prenatal office visits, hospital care for mother and child, and newborn nursery care.
- Newborn metabolic and sickle cell screening, mammography, and pap tests.
- Psychiatric care and substance abuse up to 20 outpatient visits per year. Inpatient psychiatric care and inpatient substance abuse care are included in the 20 general inpatient hospital care days permitted. The lifetime substance abuse benefit is a maximum of 45 inpatient days.
- Home nursing care instead of, or to reduce the length of, hospital stays up to 20 visits per year.

Basic health care benefits may include deductibles and copayments. Any basic health plan policy provided according to the law is exempt from all other mandatory benefits and coverages required by the law.

Employees are eligible for the basic health plan if they are not presently covered by any health insurance and have not been covered by health insurance for the preceding three-month period, except for unemployed persons who have been directly paying for their own health insurance for the preceding three months, persons covered by Medicaid, or individuals who have been paying for health insurance through a prior employer's health insurance program. Enrollees must be under the age of 65 and not otherwise eligible for Medicare.

Endnotes

¹ R.I. Gen. Laws §§ 27-42-1 *et seq.*

² R.I. Gen. Laws §§ 27-18.301 to 27-18.3013

³ R.I. Gen. Laws § 27-19.1-1.