

2016 -- S 2828 SUBSTITUTE A

LC005469/SUB A

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

A N A C T

RELATING TO INSURANCE -- THE MEDICAL BILLING INNOVATION ACT OF 2016

Introduced By: Senator Gayle L. Goldin

Date Introduced: March 23, 2016

Referred To: Senate Health & Human Services

(by request)

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 20.12

4 THE MEDICAL BILLING INNOVATION ACT OF 2016

5 **27-20.12-1. Short title.** -- This act shall be known and may be cited as the "Medical  
6 Billing Innovation Act of 2016".

7 **27-20.12-2. Purpose.** -- The purpose of this chapter is to:

8 (1) Ensure that consumers of health care products and services have real-time access to  
9 their health insurance claim information electronically so that they can manage their health care  
10 expenses using computer software;

11 (2) Facilitate innovation in Rhode Island by providing the foundation necessary for  
12 development of technologies that allow consumers greater understanding and control of their  
13 health care-related expenses; and

14 (3) Increase patient accountability and participation by helping patients associate  
15 financial costs with their health care decisions.

16 **27-20.12-3. Definitions.** -- The following terms shall have the meanings given below for  
17 purposes of this section:

18 (1) "Application programming interface" or "API" means a software protocol that  
19 expresses a set of operations, inputs, outputs, and underlying types, that allows a second-party's

1 software to access a defined set of information in real time.

2 (2) "Authorized representative" means a person authorized by the member to access their  
3 confidential health care information from the health insurer via the API.

4 (3) "Designated record set" means:

5 (i) A group of records maintained by or for a health insurer that is:

6 (A) The enrollment, payment, claims adjudication, and case or medical management  
7 record systems maintained by or for a health insurer; or

8 (B) Used, in whole or in part, by or for the health insurer to make decisions about a  
9 subscriber.

10 (ii) For purposes of this paragraph, the term record means any item, collection, or  
11 grouping of information that includes protected health information as defined in 45 CFR 160.103,  
12 and is maintained, collected, used, or disseminated by or for a health insurer.

13 (4) "Health care services" means any services included in the furnishing to any individual  
14 of medical, podiatric, or dental care, or hospitalization, or incident to the furnishing of that care or  
15 hospitalization, and the furnishing to any person of any and all other services for the purpose of  
16 preventing, alleviating, curing, or healing human illness, injury, or physical disability.

17 (5) "Health insurer" means any person, firm or corporation offering and/or insuring health  
18 care services on a prepaid basis, including, but not limited to, a nonprofit hospital service  
19 corporation as defined in chapter 19 of this title, a nonprofit medical service corporation as  
20 defined in chapter 20 of this title, a health maintenance organization as defined in chapter 41 of  
21 this title, a third-party health insurance administrator as defined in chapter 20.7 of this title, or an  
22 entity offering a policy of accident and sickness insurance.

23 (6) "Subscriber" means a person, whether or not a resident of this state, who has  
24 contracted with a health insurer.

25 **27-20.12-4. Subscriber access through application programming interface. – (a)**

26 Health insurers shall ensure that from time to time, and at any time, any subscriber or their  
27 authorized representative may request, via an API, any information about the subscriber in a  
28 designated record set, and shall provide the requested information in real-time via the API to the  
29 subscriber or their authorized representative.

30 (b) Health insurers shall not charge a fee to subscribers or their authorized representatives  
31 to request or receive information via the API.

32 (c) Health insurers shall not impede communication of information through the API.

33 (d) In the interest of administrative simplification, the office of the health insurance  
34 commissioner may establish a standard format for the API.

1            27-20.12-5. Severability. -- If any provision of this chapter is held by a court to be  
2 invalid, that invalidity shall not affect the remaining provisions of this chapter, and to this end the  
3 provisions of this chapter are declared severable.

4            27-20.12-6. Compliance with state and federal laws. -- Nothing contained in this  
5 chapter shall be construed to replace or preempt applicable state and federal privacy and access  
6 laws.

7            SECTION 2. This act shall take effect on January 31, 2017.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO INSURANCE -- THE MEDICAL BILLING INNOVATION ACT OF 2016

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1           This act would ensure that health care consumers have electronic real time access to their  
2 health insurance claims information allowing them to make informed purchasing decisions to  
3 understand and control their health care related expenses and to participate in associating  
4 financial costs with their health care decisions.

5           This act would take effect on January 31, 2017.

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