



OFFICE OF MANAGEMENT & BUDGET

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MEMORANDUM

To: The Honorable Marvin L. Abney, Chairman, House Finance Committee
The Honorable Louis P. DiPalma, Chairman, Senate Finance Committee

From: Joseph Codega Jr., Budget Officer *Joseph M. Codega Jr.*

Date: April 2, 2026

Subject: Amendments to FY 2026 Revised Appropriations Act (26-H-7126), FY 2027 Appropriations Act (26-H-7127), and Article 13 – Relating to the Rural Health Transformation Program

Governor's Budget Amendment #6

The Governor requests that several amendments be made to the appropriation amounts in Article 1, Relating to Making Revised Appropriations in Support of FY 2026 and in Article 1, Relating to Making Appropriations in Support of FY 2027. These amendments propose new budgets across six state agencies, reflecting receipt of new Rural Health Transformation Program (RHTP) federal grants. The grants are distributed over five federal fiscal years (FFYs), from FFY 2026 to FFY 2030, with 10% of funds allowable for administrative expenses. Funds must be used by the end of the fiscal year following the fiscal year in which the funds were allotted. Any unused funds left as of October 1, 2032, will be returned.

The budget amendment also includes a series of necessary policy changes to maintain the State's full RHTP grant award and position Rhode Island to access additional funding. These measures include making it possible for pharmacists and dental hygienists to practice at the top of their license; allowing for Rhode Island to join and implement interstate licensure compacts for physicians, physician assistants, and nurses; requiring nutrition-focused continuing medical education for physicians; and amending Certificate of Need requirements. Collectively, these initiatives expand access to lower-cost care options and strengthen the healthcare workforce.

The budget amendment includes an additional joint resolution section within Article 8 – Relating to Medical Assistance – to allow for the continued expansion of the Hospital-at-Home Program in Rhode Island. The Hospital-at-Home Program is an evidence-based initiative that allows some patients who require an acute hospital level of care, but are of medium acuity and medically stable, to receive hospital level care in their homes. The Hospital-at-Home Program meets RHTP grant requirements to expand healthcare access for residents in rural communities. It also meets a use of funds requirement to make “appropriate care” available in rural communities, identifying needed care, including acute inpatient care, outpatient care and post-acute care service lines.

Rural Health Transformation Program Overview: The budget reconciliation bill, H.R. 1, established the \$50 billion Rural Health Transformation Program (RHTP) to improve rural healthcare across all 50 states.¹ The program is administered at the federal level by the Centers for Medicare & Medicaid Services (CMS).

RHTP provides funding from FFY 2026 through 2030, with Rhode Island receiving \$156.2 million in the first grant year to transform healthcare delivery in the state's 18 rural municipalities and support local providers.² Rhode Island's application resulted from a coordinated effort within the McKee Administration that included engagement from hospitals, primary care providers, behavioral health agencies, municipal leaders, and the Narragansett Indian Tribe. The process also incorporated extensive public input through a statewide rural health survey along with a series of community listening sessions held across northern and southern Rhode Island and on Block Island.

The first grant year funding will finance 13 initiatives, including:

Supporting Hospitals and Primary Care in Value-Based Payment Transition - \$32.2 million

Supports primary care practices, hospitals, and Federally Qualified Health Centers (FQHCs), in transitioning to value-based payment models by providing financial incentives and technical assistance to strengthen care coordination, quality reporting, and population health management, while also exploring opportunities to advance alternative payment models in behavioral health and other health sectors.

Rural Workforce Program - \$28.0 million

Invests in primary care providers, behavioral health clinicians, hospital staff, and FQHC workforce through recruitment, training, and retention strategies to expand access and address workforce shortages.

Rural Health Information Technology Modernization Program - \$16.7 million

Supports hospitals, FQHCs, primary care practices, and behavioral health providers in adopting interoperable health IT systems to improve data sharing, care coordination, and performance under value-based care models.

Rural Hospital-at-Home Program - \$16.2 million

Enables hospitals and affiliated provider networks to deliver inpatient-level care in patients' homes, expanding capacity and partnering with primary care providers.

Expanding Behavioral Health Services Availability in Rural Regions - \$10.2 million

Expands capacity for behavioral health providers, community mental health centers, and integrated primary care settings (including FQHCs) to deliver outpatient mental health and substance use services and better integrate care.

Budgeting Rural Health Transformation Program Funds: Since RHTP is a multi-year grant award, certain assumptions have been made in this amendment pertaining to state fiscal year (SFY) budgeting. As a result, the funding requested in this amendment differs from the \$156.2 million total award in the first grant year, as publicly reported. Specifically:

¹ [Rhode Island Rural Health Transformation](#)

² [Defining Rural Rhode Island](#)

- The requested SFY 2026 budget amendment includes Grant Year 1 federal funding totaling \$10.3 million, and the SFY 2027 budget amendment incorporates the Grant Year 1 funding of \$132.4 million. The Grant Year 1 award also includes \$13.4 million that is expected to be expended in SFY 2028, and which is excluded from this amendment.
- Because federal RHTP award conditions require personnel costs to be charged to the federal fiscal year in which they occur, the requested amendment excludes \$11.1 million in SFY 2027 personnel costs that will be charged to Grant Year 2.
- The Grant Year 2 award, including the aforementioned \$11.1 million in SFY 2027 personnel costs, will be included in the Governor’s Revised FY 2027 Budget proposal in January 2027 when the State has been awarded Grant Year 2 funding. The Grant Year 1 award expenses of \$13.4 million in SFY 2028, along with the \$5.6 million personnel cost-only budget from Grant Year 2, will be requested in the Governor’s FY 2028 Budget proposal in January 2027.

	<u>SFY 2026</u>	<u>SFY 2027</u>	<u>SFY 2028</u>
General Revenue	\$0	\$0	\$0
Federal Revenue: Grant Year 1	\$10,275,613 (2/26/26 to 6/30/26)	\$132,447,095 (7/1/26 to 6/30/27)	\$13,447,223 (7/1/27 to 9/30/27)
Federal Revenue: Grant Year 2		\$11,111,401 (10/31/26 - 6/30/27) <i>Personnel Cost Only</i>	\$5,555,700 (7/1/27 - 9/30/27) <i>Personnel Cost Only</i>

This amendment provides for increases in federal funding for the Office of the Health Insurance Commissioner (OHIC), which is budgeted within the Department of Business Regulation; Department of Labor and Training (DLT); Executive Office of Health and Human Services (EOHHS); Department of Health (DOH); Department of Behavioral Healthcare, Developmental Disabilities and Hospitals (BHDDH); and Department of Elementary and Secondary Education (RIDE).

The new federal funding will also result in expenditures through either cost allocation plans or indirect cost recoveries, which are dependent upon federally approved plans in each agency, and these estimates are included in the proposed amendment. DLT and EOHHS will use their cost allocation plans to directly charge the new grant. DOH, BHDDH, and RIDE will use indirect cost recovery methods.

The budget amendment increases DOH’s indirect cost recovery restricted receipt account to reflect the RHTP award, while BHDDH’s indirect cost recovery plan is pending federal approval

and will require either a revised budget or budget amendment based on the timing of federal approval. RIDE will experience a minimal increase in indirect cost recoveries; therefore, this adjustment is not reflected in this amendment.

The Governor also requests increases in FTE position authorizations in both FY 2026 and FY 2027 and additional personnel funding as part of RHTP. DLT, RIDOH and RIDE will repurpose existing FTEs to fill positions, while EOHHS, BHDDH and OHIC request increases of five, two and two, respectively. All associated FTE positions will be time-limited positions that will expire as the grant funding expires.

Rural Health Transformation Program Policy Changes. In the RHTP notice of funding opportunity, CMS incentivizes states to enact and implement State Policy Actions. In the RHTP applications, CMS asked states to identify State Policy Actions that have already been implemented and those to be implemented in the coming years.

Rhode Island committed to the State Policy Actions outlined in a new proposed article, Article 13 – Relating to the Rural Health Transformation Program, and are described in the Explanation of Sections below. If Rhode Island successfully enacts and implements these changes, it will receive additional RHTP funding. If not, Rhode Island could have funding awarded to the State for the first two years of RHTP clawed back.

Explanation of Sections

- Section 1:** This adds a section to R.I.G.L. § 5-19.1 to expand pharmacists’ authority to independently prescribe specified drugs, devices and laboratory tests that are critical to the improvement of public health in accordance with the product’s federal Food and Drug Administration-approved labeling: drugs for medication assisted treatment (MAT) of opioid use disorder; nicotine/tobacco cessation products; hyperlipidemia medications; inhalers for COPD or asthma; insulin and diabetes medications; drugs to treat hypertension; treatment for positive infectious disease point of care testing for influenza, COVID-19, group A strep, and other infections approved by the Rhode Island Department of Health Director; and such other drugs, drug categories, or devices set forth in the regulations promulgated by the Rhode Island Department of Health in collaboration with the Board of Pharmacy.
- Section 2:** This amends R.I.G.L. § 5-19.1-2 to change the definition of “practice of pharmacy” by allowing pharmacists to perform clinical laboratory tests beyond “limited function tests” as currently allowed.
- Section 3:** This amends R.I.G.L. §§ 5-31.1-1, 5-31.1-6.1 and 5-31.1-39 to allow dental hygienists to practice at the top of their license. This increases the range of preventive care services dental hygienists are permitted to undertake. The definition of “practice of dental hygiene” under R.I.G.L. § 5-31.1-1 is amended to allow dental hygienists to perform dental hygiene assessment, diagnosis and treatment planning, as well as prescriptive authority for preventive dental purposes as determined by the Rhode Island Board of Examiners in Dentistry. R.I.G.L. §§ 5-31.1-1 and 5-31.1-6.1 are amended to allow dental hygienists to prescribe, administer and dispense fluoride supplements, topical anticaries treatments and topical antimicrobials, including, but not limited to chlorhexidine, for preventive dental purposes as determined by the Rhode Island Board of Examiners in Dentistry. R.I.G.L. § 5-31.1-39 is amended to allow a public health dental hygienist

to supervise a dental assistant performing assisting duties to facilitate provision of services within the scope of a dental-hygiene practice in a public health setting.

Section 4: This adds a section to R.I.G.L. § 5-34.3 to extend the sunset for the Nurse Licensure Compact by two years to January 1, 2029, unless extended by the General Assembly.

Section 5: This amends R.I.G.L. § 5-37-2.1 to require that at least one hour of physicians' biannual required continuing education (CME) involve nutrition.

Section 6: This creates a new chapter, R.I.G.L. § 5-54.1, through which Rhode Island joins the Physician Assistant (PA) Licensure Compact, enabling PAs from other Compact states to practice in Rhode Island and Rhode Island PAs to practice in other Compact states.

Section 7: This adds a section to R.I.G.L. § 5-91 to require that any state and federal criminal history records received by the Rhode Island Department of Health or the Board of Medical Licensure and Discipline shall not be disseminated to the Interstate Medical Licensure Compact.

Section 8: This amends various sections of R.I.G.L. § 23-15 to streamline the Certificate of Need (CON) process by narrowing its scope, raising review thresholds, and reducing administrative burdens, while introducing exemptions and limiting procedural challenges after the Rhode Island Department of Health has made a determination.

Section 9: This section sets forth the effective date of the Article.

If you have any questions regarding these amendments, please feel free to call me or my staff at 222-6300.

cc: Sharon Reynolds Ferland, House Fiscal Advisor
Stephen Whitney, Senate Fiscal Advisor
Thomas Verdi, Interim Director of Administration
Brian Daniels, Director, Office of Management and Budget

ARTICLE 1, RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2026

SECTION 1, REVISED APPROPRIATIONS IN SUPPORT OF FY 2026

Department of Business Regulation

Increase Federal Funds for the Office of Health Insurance Commissioner program, Page 7, Line 17 by \$414,675 from \$529,300 to \$943,975. This amendment budgets for the first year of the newly awarded Rural Health Transformation Program grant award (26-DBR1).

Department of Labor and Training

Page 11, After Line 21, Insert two new lines each entitled: "Federal Funds". The second of these two new lines shall be designated with an appropriation of \$361,584. This amendment creates a new federal funds line item in order to budget for the first year of the newly awarded Rural Health Transformation Program grant award within the Governor's Workforce Board program (26-DLT1).

Executive Office of Health and Human Services

Increase Federal Funds for the Central Management program, Page 15, Line 16, by \$5,649,573 from \$79,582,868 to \$85,232,441. This amendment budgets for the first year of the newly awarded Rural Health Transformation Program grant award (26-EOHHS1).

Department of Health

Increase Federal Funds for the Policy, Information, and Communications program, Page 19, Line 19, by \$2,345,713 from \$5,738,995 to \$8,084,708. This amendment budgets for the first year of the newly awarded Rural Health Transformation Program grant award (26-DOH1).

Increase Restricted Receipts for the Policy, Information, and Communications program, Page 19, Line 20, by \$447,896 from \$799,803 to \$1,247,699. This amendment budgets for the first year of indirect cost recovery funding associated with the newly awarded Rural Health Transformation Program grant award (26-DOH2).

Department of Behavioral Healthcare, Developmental Disabilities and Hospitals

Increase Federal Funds for the Behavioral Healthcare program, Page 23, Line 29, by \$452,647 from \$36,323,776 to \$36,776,423. This amendment budgets for the first year of the newly awarded Rural Health Transformation Program grant award (26-BHDDH1).

Department of Elementary and Secondary Education

Increase Federal Funds for the Administration of the Comprehensive Education Strategy program, Page 25, Line 33, by \$1,051,421 from \$270,817,168 to \$271,868,589. This amendment budgets for the first year of the newly awarded Rural Health Transformation Program grant award (26-RIDE1).

SECTION 4, FY 2026 FTE POSITION AUTHORIZATION

Department of Business Regulation

Page 42, Line 8: Strike "155.0" and replace with "157.0".

Executive Office of Health and Human Services

Page 42, Line 23: Strike "243.0" and replace with "248.0".

Department of Behavioral Healthcare, Developmental Disabilities and Hospitals

Page 42, Line 29: strike “1,223.4” and replace with “1,225.4”.

NEW SECTION 9

Page 51, After Line 22, insert the following and renumber subsequent section accordingly:

SECTION 9. The appropriation of any indirect cost recoveries and administrative funds on federal grant awards contained in section 1 that are derived from Rural Health Transformation Program grants authorized under the H.R. 1, Public Law 119-21, Section 71401, are hereby subject to the review and prior approval of the director of management and budget. No obligation or expenditure of these funds shall take place without such approval.

ARTICLE 1, RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2027

SECTION 1, APPROPRIATIONS IN SUPPORT OF FY 2027

Department of Business Regulation

Increase Federal Funds for the Office of Health Insurance Commissioner program, Page 6, Line 12 by \$21,373,640 from \$552,446 to \$21,926,086. This amendment budgets for the second year of the newly awarded Rural Health Transformation Program grant award (27-DBR1).

Department of Labor and Training

Page 9, After Line 13, Insert New Line in the Governor’s Workforce Board program: “Federal Funds \$7,033,505”. This amendment creates a new line item of “Federal Funds” in order to budget for the second year of the newly awarded Rural Health Transformation Program grant award (27-DLT1).

Executive Office of Health and Human Services

Increase Federal Funds for the Central Management program, Page 12, Line 27, by \$68,846,651 from \$254,983,208 to \$323,829,859. This amendment budgets for the second year of the newly awarded Rural Health Transformation Program grant award (27-EOHHS1).

Department of Health

Increase Federal Funds for the Policy, Information, and Communications program, Page 15, Line 17, by \$26,301,377 from \$5,606,211 to \$31,907,588. This amendment budgets for the second year of the newly awarded Rural Health Transformation Program grant award (27-DOH1).

Increase Restricted Receipts for the Policy, Information, and Communications program, Page 15, Line 18, by \$1,026,763 from \$839,044 to \$1,865,807. This amendment budgets for the second year of indirect cost recovery funding associated with the newly awarded Rural Health Transformation Program grant award (27-DOH2).

Department of Behavioral Healthcare, Developmental Disabilities and Hospitals

Increase Federal Funds for the Behavioral Healthcare program, Page 18, Line 21, by \$4,052,934 from \$26,980,137 to \$31,033,071. This amendment budgets for the second year of the newly awarded Rural Health Transformation Program grant award (27-BHDDH1).

Department of Elementary and Secondary Education

Increase Federal Funds for the Administration of the Comprehensive Education Strategy program, Page 20, Line 15, by \$4,838,988 from \$258,048,406 to \$262,887,394. This amendment budgets for the second year of the newly awarded Rural Health Transformation Program grant award (27-RIDE1).

SECTION 12, FY 2027 FTE POSITION AUTHORIZATION

Department of Business Regulation

Page 36, Line 4: Strike “157.0” and replace with “159.0”.

Executive Office of Health and Human Services

Page 36, Line 19: Strike “252.0” and replace with “257.0”.

Department of Behavioral Healthcare, Developmental Disabilities and Hospitals

Page 36, Line 25: strike “1,223.4” and replace with “1,225.4”.

NEW SECTION 20

Page 43, After Line 16, insert the following and renumber subsequent section accordingly:

SECTION 20. The appropriation of any indirect cost recoveries and administrative funds on federal grant awards contained in section 1 that are derived from Rural Health Transformation Program grants authorized under the H.R. 1, Public Law 119-21, Section 71401, are hereby subject to the review and prior approval of the director of management and budget. No obligation or expenditure of these funds shall take place without such approval.

ARTICLE 8, RELATING TO MEDICAL ASSISTANCE

Page 181, After Line 1, Insert New Section and renumber subsequent section accordingly:

SECTION 7. Joint Resolution. – AUTHORIZING THE SECRETARY OF THE EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES TO CONTINUE AND EXPAND AN ACUTE HOSPITAL CARE AT HOME PROGRAM

WHEREAS, the State of Rhode Island has received a multi-hundred-million-dollar, multi-year award from the Centers for Medicare and Medicaid Services called The Rural Health Transformation Program (RHTP); and

WHEREAS, RHTP strongly favors and funds states that have hospitals that participate in the Centers for Medicare and Medicaid Services Acute Hospital Care at Home initiative, the services of which are often called hospital at home programs; and

WHEREAS, hospital at home models have shown over decades that advanced care at home can be a safe, effective way to provide care to patients that is associated with lower costs and better patient outcomes and satisfaction compared with inpatient hospitalization; and

WHEREAS, the hospital at home model is an important component of the shift away from institutionalized care and has been successful in allowing patients with particular conditions to remain in their homes and avoid risks associated with inpatient admission and care; and

WHEREAS, the Centers for Medicare and Medicaid Services has extended the Acute Hospital Care at Home initiative through September 30, 2030, via the Consolidated Appropriations Act; and

WHEREAS, the Acute Hospital Care at Home initiative applies to Medicare beneficiaries, but can be extended to Medicaid beneficiaries if states choose to cover such services; and

WHEREAS, the State of Rhode Island wishes to extend the Acute Hospital Care at Home initiative benefits to both traditional and managed Medicaid enrollees.

NOW THEREFORE BE IT RESOLVED,

1. Notwithstanding any provision of law to the contrary, the Executive Office of Health and Human Services shall establish and maintain a program to cover hospital at home services for all eligible medical assistance enrollees and managed Medicaid enrollees. The program shall be established and maintained in a manner that is consistent with the provisions of the Acute Hospital Care at Home initiative, as authorized by the federal Centers for Medicare and Medicaid Services.
2. Any Rhode Island licensed hospital in receipt of a waiver to operate, or otherwise approved to participate in the Centers for Medicare and Medicaid Services Acute Hospital Care at Home initiative, shall be permitted to operate or to continue to operate its program in the manner permitted under federal law.
3. For as long the Acute Hospital Care at Home initiative, or a successor, remains in effect, the Rhode Island Medical Assistance program, including managed Medicaid plans, shall provide coverage and payment for acute hospital care services delivered to a covered person through the program established pursuant to this resolution, on the same basis as when services are delivered within the facilities of a hospital. Reimbursement payments under this section shall be provided to the hospital, facility, or organization providing the services or the individual practitioner who delivered the reimbursable services, or to the agency, facility, or organization that employs or contracts with the individual practitioner who delivered the reimbursable services, as appropriate, at a rate no higher than the payer's then applicable reimbursement rates for the same service in the same hospital.
4. The program shall not utilize more stringent utilization management criteria than apply when those services are provided within the facilities of a hospital.
5. The Secretary of the Executive Office of Health and Human Services shall apply for any State plan amendments or waivers as may be necessary to implement the provisions of this resolution and to secure federal financial participation for State Medicaid expenditures under the federal Medicaid program.
6. The Secretary of the Executive Office of Health and Human Services shall adopt rules and regulations, in accordance with the Administrative Procedure Act, if necessary, to effectuate the provisions of this resolution.

AND BE IT FURTHER RESOLVED, The Secretary of the Executive Office of Health and Human Services shall provide a report to the Governor and the General Assembly regarding the cost of the program.

SECTION 2. This act shall take effect on passage.

Page 181, Lines 2-3, Amend as follows:

"This article shall take effect upon passage, except sections 6 and 7 which shall take effect on July 1, 2026."

Summary of Governor's Article 1 Amendments to FY 2026 Revised Appropriations Act (26-H-7126)

	General Revenue	Federal Funds	Restricted Receipts	Other Funds	Total	Amendment Code (26-AGENCY#)
FY 2026 Revised Expenditures (Original Governor's Recommend)	5,825,004,745	5,491,974,399	551,775,813	3,285,277,832	15,154,032,789	
Department of Business Regulation <i>Rural Health Transformation Program</i>		414,675			414,675	26-DBR1
Department of Labor and Training <i>Rural Health Transformation Program</i>		361,584			361,584	26-DLT1
Executive Office of Health and Human Services <i>Rural Health Transformation Program</i>		5,649,573			5,649,573	26-EOHHS1
Department of Health <i>Rural Health Transformation Program</i>		2,345,713	447,896		2,793,609	26-DOH1
Behavioral Healthcare, Development Disabilities and Hospitals <i>Rural Health Transformation Program</i>		452,647			452,647	26-BHDDH1
Department of Elementary and Secondary Education <i>Rural Health Transformation Program</i>		1,051,421			1,051,421	26-RIDE1
Total	-	10,275,613	447,896	-	10,723,509	
Grand Total	5,825,004,745	5,502,250,012	552,223,709	3,285,277,832	15,164,756,298	

Summary of Governor's Article 1 Amendments to FY 2027 Appropriations Act (26-H-7127)

	General Revenue	Federal Funds	Restricted Receipts	Other Funds	Total	Amendment Code (27-AGENCY#)
FY 2027 Expenditures (Original Governor's Recommend)	5,954,746,755	5,507,714,462	459,739,028	2,937,689,227	14,859,889,472	
Department of Business Regulation						
<i>Rural Health Transformation Program</i>		21,373,640			21,373,640	27-DBR1
Department of Labor and Training						
<i>Rural Health Transformation Program</i>		7,033,505			7,033,505	27-DLT1
Executive Office of Health and Human Services						
<i>Rural Health Transformation Program</i>		68,846,651			68,846,651	27-EOHHS1
Department of Health						
<i>Rural Health Transformation Program</i>		26,301,377	1,026,763		27,328,140	27-DOH1
Behavioral Healthcare, Development Disabilities and Hospitals						
<i>Rural Health Transformation Program</i>		4,052,934			4,052,934	27-BHDDH1
Department of Elementary and Secondary Education						
<i>Rural Health Transformation Program</i>		4,838,988			4,838,988	27-RIDE1
Total	-	132,447,095	1,026,763	-	133,473,858	
Grand Total	5,954,746,755	5,640,161,557	460,765,791	2,937,689,227	14,993,363,330	

1 **5-19.1-2. Definitions.**

2 (a) “Biological product” means a “biological product” as defined in the “Public Health Service
3 Act,” 42 U.S.C. § 262.

4 (b) “Board” means the Rhode Island board of pharmacy.

5 (c) “Change of ownership” means:

6 (1) In the case of a pharmacy, manufacturer, or wholesaler that is a partnership, any change that
7 results in a new partner acquiring a controlling interest in the partnership;

8 (2) In the case of a pharmacy, manufacturer, or wholesaler that is a sole proprietorship, the
9 transfer of the title and property to another person;

10 (3) In the case of a pharmacy, manufacturer, or wholesaler that is a corporation:

11 (i) A sale, lease exchange, or other disposition of all, or substantially all, of the property and
12 assets of the corporation; or

13 (ii) A merger of the corporation into another corporation; or

14 (iii) The consolidation of two (2) or more corporations resulting in the creation of a new
15 corporation; or

16 (iv) In the case of a pharmacy, manufacturer, or wholesaler that is a business corporation, any
17 transfer of corporate stock that results in a new person acquiring a controlling interest in the corporation;

18 or

19 (v) In the case of a pharmacy, manufacturer, or wholesaler that is a non-business corporation,
20 any change in membership that results in a new person acquiring a controlling vote in the corporation.

21 (d) “Compounding” means the act of combining two (2) or more ingredients as a result of a
22 practitioner’s prescription or medication order occurring in the course of professional practice based
23 upon the individual needs of a patient and a relationship between the practitioner, patient, and
24 pharmacist. Compounding does not mean the routine preparation, mixing, or assembling of drug
25 products that are essentially copies of a commercially available product. Compounding shall only occur
26 in the pharmacy where the drug or device is dispensed to the patient or caregiver and includes the

1 preparation of drugs or devices in anticipation of prescription orders based upon routine, regularly
2 observed prescribing patterns.

3 (e) “Controlled substance” means a drug or substance, or an immediate precursor of such drug
4 or substance, so designated under, or pursuant to, the provisions of chapter 28 of title 21.

5 (f) “Deliver” or “delivery” means the actual, constructive, or attempted transfer from one person
6 to another of a drug or device, whether or not there is an agency relationship.

7 (g) “Device” means instruments, apparatus, and contrivances, including their components,
8 parts, and accessories, intended:

9 (1) For use in the diagnosis, cure, mitigation, treatment, or prevention of disease in humans or
10 other animals; or

11 (2) To affect the structure or any function of the body of humans or other animals.

12 (h) “Director” means the director of the Rhode Island state department of health.

13 (i) “Dispense” means the interpretation of a prescription or order for a drug, biological product,
14 or device and, pursuant to that prescription or order, the proper selection, measuring, compounding,
15 labeling, or packaging necessary to prepare that prescription or order for delivery or administration.

16 (j) “Distribute” means the delivery of a drug or device other than by administering or dispensing.

17 (k) “Drug” means:

18 (1) Articles recognized in the official United States Pharmacopoeia or the Official Homeopathic
19 Pharmacopoeia of the U.S.;

20 (2) Substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of
21 disease in humans or other animals;

22 (3) Substances (other than food) intended to affect the structure, or any function, of the body of
23 humans or other animals; or

24 (4) Substances intended for use as a component of any substances specified in subsection (k)(1),
25 (k)(2), or (k)(3), but not including devices or their component parts or accessories.

26 (l) “Equivalent and interchangeable” means a drug, excluding a biological product, having the

1 same generic name, dosage form, and labeled potency, meeting standards of the United States
2 Pharmacopoeia or National Formulary, or their successors, if applicable, and not found in violation of
3 the requirements of the United States Food and Drug Administration, or its successor agency, or the
4 Rhode Island department of health.

5 (m) “Interchangeable biological product” means a biological product that the United States
6 Food and Drug Administration has:

7 (1) Licensed and determined meets the standards for interchangeability pursuant to 42 U.S.C. §
8 262(k)(4) or lists of licensed, biological products with reference product exclusivity and biosimilarity
9 or interchangeability evaluations; or

10 (2) Determined is therapeutically equivalent as set forth in the latest edition of, or supplement
11 to, the United States Food and Drug Administration’s Approved Drug Products with Therapeutic
12 Equivalence Evaluations.

13 (n) “Intern” means:

14 (1) A graduate of an American Council on Pharmaceutical Education (ACPE)-accredited
15 program of pharmacy;

16 (2) A student who is enrolled in at least the first year of a professional ACPE-accredited program
17 of pharmacy; or

18 (3) A graduate of a foreign college of pharmacy who has obtained full certification from the
19 FPGEC (Foreign Pharmacy Graduate Equivalency Commission) administered by the National
20 Association of Boards of Pharmacy.

21 (o) “Legend drugs” means any drugs that are required by any applicable federal or state law or
22 regulation to be dispensed on prescription only or are restricted to use by practitioners only.

23 (p) “Limited-function test” means those tests listed in the federal register under the Clinical
24 Laboratory Improvement Amendments of 1988 (CLIA) as waived tests. For the purposes of this chapter,
25 limited-function test shall include only the following: blood glucose, hemoglobin A1c, cholesterol tests,
26 and/or other tests that are classified as waived under CLIA and are approved by the United States Food

1 and Drug Administration for sale to the public without a prescription in the form of an over-the-counter
2 test kit.

3 (q) “Manufacture” means the production, preparation, propagation, compounding, or processing
4 of a drug or other substance or device or the packaging or repackaging.

5 (r) “Non-legend” or “nonprescription drugs” means any drugs that may be lawfully sold without
6 a prescription.

7 (s) “Person” means an individual, corporation, government, subdivision, or agency, business
8 trust, estate, trust, partnership, or association, or any other legal entity.

9 (t) “Pharmaceutical care” is the provision of drugs and other pharmaceutical services intended
10 to achieve outcomes related to cure or prevention of a disease, elimination or reduction of a patient’s
11 symptoms, or arresting or slowing of a disease process. “Pharmaceutical care” includes the judgment of
12 a pharmacist in dispensing an equivalent and interchangeable drug or device in response to a prescription
13 after appropriate communication with the prescriber and the patient.

14 (u) “Pharmacist in charge” means a pharmacist licensed in this state as designated by the owner
15 as the person responsible for the operation of a pharmacy in conformance with all laws and regulations
16 pertinent to the practice of pharmacy and who is personally in full and actual charge of such pharmacy
17 and personnel.

18 (v) “Pharmacy” means that portion or part of a premise where prescriptions are compounded
19 and dispensed, including that portion utilized for the storage of prescription or legend drugs.

20 (w) “Pharmacy technician” means an individual who meets minimum qualifications established
21 by the board, that are less than those established by this chapter as necessary for licensing as a
22 pharmacist, and who works under the direction and supervision of a licensed pharmacist.

23 (x) “Practice of pharmacy” means the interpretation, evaluation, and implementation of medical
24 orders; the dispensing of prescription drug orders; participation in drug and device selection; the
25 compounding of prescription drugs; drug regimen reviews and drug or drug-related research; the
26 administration of adult immunizations and, medications approved by the department of health in

1 consultation with the board of pharmacy for administration by a pharmacist except as provided by § 5-
2 25-7, pursuant to a valid prescription or physician-approved protocol and in accordance with regulations,
3 to include training requirements as promulgated by the department of health; the administration of all
4 forms of influenza immunizations to individuals between the ages of nine (9) years and eighteen (18)
5 years, inclusive, pursuant to a valid prescription or prescriber-approved protocol, in accordance with the
6 provisions of § 5-19.1-31 and in accordance with regulations, to include necessary training requirements
7 specific to the administration of influenza immunizations to individuals between the ages of nine (9)
8 years and eighteen (18) years, inclusive, as promulgated by the department of health; provision of patient
9 counseling and the provision of those acts or services necessary to provide pharmaceutical care; the
10 responsibility for the supervision for compounding and labeling of drugs and devices (except labeling
11 by a manufacturer, repackager, or distributor of nonprescription drugs and commercially packaged
12 legend drugs and devices), proper and safe storage of drugs and devices, and maintenance of proper
13 records for them; the performance of clinical laboratory tests; and engage in the independent prescribing
14 of drugs, drug categories, or devices in accordance with the provisions of § 5-19.1-36.1, provided such
15 ~~testing is limited to limited function tests as defined herein.~~ Nothing in this definition shall be construed
16 to limit or otherwise affect the scope of practice of any other profession.

17 (y) “Practitioner” means a physician, dentist, veterinarian, nurse, or other person duly
18 authorized by law in the state in which they practice to prescribe drugs.

19 (z) “Preceptor” means a pharmacist registered to engage in the practice of pharmacy in this state
20 who has the responsibility for training interns.

21 (aa) “Prescription” means an order for drugs or devices issued by the practitioner duly
22 authorized by law in the state in which he or she practices to prescribe drugs or devices in the course of
23 his or her professional practice for a legitimate medical purpose.

24 (bb) “Wholesaler” means a person who buys drugs or devices for resale and distribution to
25 corporations, individuals, or entities other than consumers.

26 SECTION 3. Sections 5-31.1-1, 5-31.1-6.1 and 5-31.1-39 of the General Laws in Chapter 5-

1 31.1 entitled “Dentists and Dental Hygienists” are hereby amended to read as follows:

2 **5-31.1-1. Definitions.**

3 As used in this chapter:

4 (1) “Board” means the Rhode Island board of examiners in dentistry or any committee or
5 subcommittee of the board.

6 (2) “Chief of the division of oral health” means the chief of the division of oral health of the
7 Rhode Island department of health who is a licensed dentist possessing a master’s degree in public health
8 or a certificate in public health from an accredited program.

9 (3) “Dental administrator” means the administrator of the Rhode Island board of examiners in
10 dentistry.

11 (4) “Dental hygienist” means a person with a license to practice dental hygiene in this state
12 under the provisions of this chapter.

13 (5) “Dentist” means a person with a license to practice dentistry in this state under the provisions
14 of this chapter.

15 (6) “Dentistry” is defined as the evaluation, diagnosis, prevention, and/or treatment
16 (nonsurgical, surgical, or related procedures) of diseases, disorders, and/or conditions of the oral cavity,
17 cranio-maxillofacial area, and/or the adjacent and associated structures and their impact on the human
18 body, provided by a dentist, within the scope of his or her education, training, and experience, in
19 accordance with the ethics of the profession and applicable law.

20 (7) “Department” means the Rhode Island department of health.

21 (8) “Direct visual supervision” means supervision by an oral and maxillofacial surgeon (with a
22 permit to administer deep sedation and general anesthesia) by verbal command and under direct line of
23 sight.

24 (9) “Director” means the director of the Rhode Island department of health.

25 (10) “Healthcare facility” means any institutional health service provider licensed pursuant to
26 the provisions of chapter 17 of title 23.

1 (11) "Health-maintenance organization" means a public or private organization licensed
2 pursuant to the provisions of chapter 17 of title 23 or chapter 41 of title 27.

3 (12) "Limited registrant" means a person holding a limited registration certificate pursuant to
4 the provisions of this chapter.

5 (13) "Nonprofit medical services corporation" or "nonprofit hospital service corporation" or
6 "nonprofit dental service corporation" means any corporation organized pursuant to chapter 19 or 20 of
7 title 27 for the purpose of establishing, maintaining, and operating a nonprofit medical, hospital, or
8 dental service plan.

9 (14) "Peer-review board" means any committee of a state, local, dental or dental hygiene
10 association or society, or a committee of any licensed healthcare facility, or the dental staff of the
11 committee, or any committee of a dental care foundation or health-maintenance organization, or any
12 staff committee or consultant of a hospital, medical, or dental service corporation, the function of which,
13 or one of the functions of which, is to evaluate and improve the quality of dental care rendered by
14 providers of dental care service or to determine that dental care services rendered were professionally
15 indicated or were performed in compliance with the applicable standard of care or that the cost for dental
16 care rendered was considered reasonable by the providers of professional dental care services in the area
17 and includes a committee functioning as a utilization review committee under the provisions of Pub. L.
18 No. 89-97, 42 U.S.C. § 1395 et seq. (Medicare law), or as a professional standards-review organization
19 or statewide professional standards-review council under the provisions of Pub. L. No. 92-603, 42
20 U.S.C. § 1301 et seq. (professional standards-review organizations), or a similar committee or a
21 committee of similar purpose, to evaluate or review the diagnosis or treatment of the performance or
22 rendition of dental services performed under public dental programs of either state or federal design.

23 (15) "Person" means any individual, partnership, firm, corporation, association, trust or estate,
24 state or political subdivision, or instrumentality of a state.

25 (16) "Practice of dental hygiene." Any person is practicing dental hygiene within the meaning
26 of this chapter who performs those services and procedures that a dental hygienist has been educated to

1 perform and which services and procedures are, from time to time, specifically authorized by rules and
2 regulations adopted by the board of examiners in dentistry. Dental hygienists may perform dental
3 hygiene assessment, dental hygiene diagnosis, and dental hygiene treatment planning for dental hygiene
4 services. Dental hygienists may prescribe, administer, and dispense fluoride supplements, topical
5 anticaries treatments, topical antimicrobials, including but not limited to chlorhexidine, and any other
6 preventive dental supplements, treatments, and antimicrobials as determined by the board. Nothing in
7 this section is construed to authorize a licensed dental hygienist to perform the following: ~~diagnosis and~~
8 ~~treatment planning~~, surgical procedures on hard or soft tissue, prescribe medication except for the
9 purpose of prevention of dental disease, or administer general anesthesia or injectables other than oral
10 local anesthesia. A dental hygienist is only permitted to practice dental hygiene under the general
11 supervision of a dentist licensed and registered in this state under the provisions of this chapter.

12 (i) Provided, that in order to administer local injectable anesthesia to dental patients, dental
13 hygienists must be under the supervision of a dentist and meet the requirements established by regulation
14 of the board of examiners in dentistry including payment of a permit fee.

15 (17)(i)(A) "Practice of dentistry." Any person is practicing dentistry within the meaning of this
16 chapter who:

17 (I) Uses or permits to be used, directly or indirectly, for profit or otherwise, for himself, herself,
18 or for any other person, in connection with his or her name, the word "dentist" or "dental surgeon," or
19 the title "D.D.S." or "D.M.D.," or any other words, letters, titles, or descriptive matter, personal or not,
20 that directly or indirectly implies the practice of dentistry;

21 (II) Owns, leases, maintains, operates a dental business in any office or other room or rooms
22 where dental operations are performed, or directly or indirectly is manager, proprietor, or conductor of
23 this business;

24 (III) Directly or indirectly informs the public in any language, orally, in writing, or in printing,
25 or by drawings, demonstrations, specimens, signs, or pictures that he or she can perform or will attempt
26 to perform, dental operations of any kind;

1 (IV) Undertakes, by any means or method, gratuitously, or for a salary, fee, money, or other
2 reward paid or granted directly or indirectly to himself or herself, or to any other person, to diagnose or
3 profess to diagnose, or to treat or profess to treat, or to prescribe for, or profess to prescribe for, any of
4 the lesions, diseases, disorders, or deficiencies of the human oral cavity, teeth, gums, maxilla, or
5 mandible, and/or adjacent associated structures;

6 (V) Extracts human teeth, corrects malpositions of the teeth or of the jaws;

7 (VI) Except on the written prescription of a licensed dentist and by the use of impressions or
8 casts made by a licensed and practicing dentist, directly or indirectly by mail, carrier, personal agent, or
9 by any other method, furnishes, supplies, constructs, reproduces, or repairs prosthetic dentures, bridges,
10 appliances, or other structures to be used and worn as substitutes for natural teeth;

11 (VII) Places those substitutes in the mouth and/or adjusts them;

12 (VIII) Administers an anesthetic, either general or local, in the course of any of the previously
13 stated dental procedures; or

14 (IX) Engages in any of the practices included in the curricula of recognized dental colleges;

15 (B) Provided, that in order to administer any form of anesthesia, other than local, dentists must
16 meet the requirements established by regulation of the board of examiners in dentistry, including training
17 in advanced cardiac life support and pediatric advanced life support, and payment of a permit fee.

18 (ii) The board shall promulgate regulations relating to anesthesia. Those regulations shall be
19 consistent with the American Dental Association guidelines for the use of conscious sedation, deep
20 sedation, and general anesthesia in dentistry. Neither the board, nor any regulation promulgated by the
21 board, shall require additional licensing fees for the use of nitrous oxide by dentists. Prior to the adoption
22 of those regulations, dentists shall be permitted to administer anesthesia without restriction. From the
23 proceeds of any fees collected pursuant to the provisions of this chapter, there is created a restricted
24 receipts account that is used solely to pay for the administrative expenses incurred for expenses of
25 administrating this chapter.

26 (iii) No non-dentist who operates a dental facility in the form of a licensed outpatient healthcare

1 center or management service organization may interfere with the professional judgment of a dentist in
2 the practice.

3 (18) "Telemedicine" has the same meaning as provided in § 27-81-3.

4 **5-31.1-6.1. Dental hygienists and dental assistants.**

5 Dentists licensed pursuant to § 5-31.1-6 may supervise and delegate to any dental hygienist
6 licensed pursuant to § 5-31.1-6, working under the dentist's general supervision and who is employed
7 on a regular basis by such dentists, any procedures that he or she may deem advisable; including initial
8 oral-health-screening assessments and other procedures specified under section 13 (or any comparable
9 or successor section) of the rules and regulations pertaining to dentists and dental hygienists promulgated
10 from time to time by the department of health. Dental hygienists may prescribe, administer, and
11 dispense fluoride supplements, topical anticaries treatments, and topical antimicrobials, including but
12 not limited to chlorhexidine, for preventive dental purposes as determined by the board. ~~and a~~ Any such
13 dental hygienists may engage in the practice of dental hygiene under the responsibility of the supervising
14 dentists outside of the dentists' office in order to render to residents of nursing facilities licensed
15 pursuant to chapter 17 of title 23, whether or not such residents are patients of record of the supervising
16 dentist, without the on-site direct supervision of a dentist licensed pursuant to § 5-31.1-6, those dental
17 services, procedures, and duties that he or she has been educated to perform and that are authorized by
18 the board of examiners in dentistry. Dental hygienists working under general supervision in nursing
19 facilities shall provide documentation of initial oral health screening assessments to the supervising
20 dentist and to the licensed nursing facility for appropriate follow-up assessment and treatment, as
21 needed.

22 **5-31.1-39. Public health hygienists.**

23 (a) Any public health dental hygienist, which for purposes of this chapter means any practicing
24 registered dental hygienist who may perform dental-hygiene procedures in a public-health setting
25 subject to conditions adopted by the Rhode Island board of examiners in dentistry, may perform in a
26 public-health setting, without the immediate or direct supervision or direction of a dentist, any procedure

1 or provide any service that is within the dental-hygiene scope of practice that has been authorized and
2 adopted by the Rhode Island board of examiners in dentistry as a delegable procedure for a dental
3 hygienist under general supervision in a private practice setting.

4 (b) Public-health settings shall, for purposes of this section, include, but are not limited to,
5 residences of the homebound, schools, nursing home and long-term-care facilities, clinics, hospitals,
6 medical facilities, community health centers licensed or certified by the department of health, mobile
7 and portable dental-health programs licensed or certified by the department of health and operated by a
8 local or state agency, head-start programs, and any other facilities or programs deemed appropriate by
9 the department of health.

10 (c) Any public-health hygienist shall enter into a written, collaborative agreement with a local
11 or state government agency or institution or with a licensed dentist who states that he or she shall be
12 able to provide the appropriate level of communication and consultation with the dental hygienist to
13 ensure patient health and safety prior to performing any procedure or providing any service under this
14 section. The written, collaborative agreement will follow the appropriate guidelines as determined and
15 established by the Rhode Island board of examiners in dentistry.

16 (d) Any public-health dental hygienist shall provide to the patient, or to the patient's legal
17 guardian, a consent form to be signed by the patient or legal guardian. The consent form shall be
18 consistent with current department of health policies that describes services to be rendered and explains
19 that services rendered are not a substitute for a dental examination by a dentist. The consent form shall
20 also inform the patient or legal guardian that the patient should obtain a dental examination by a dentist
21 within ninety (90) days after undergoing a procedure authorized pursuant to this section. The patient or
22 legal guardian shall also obtain written referral to a dentist and an assessment of further dental needs.

23 (e) The public-health dental hygienist shall be directly reimbursed for services administered in
24 a public-health setting by Medicaid or the state healthcare insurance program except as required by
25 federal Medicaid law, but shall not seek reimbursement from any other insurance or third-party payor.
26 A public-health dental hygienist shall not operate independently of a dentist, except for a dental hygienist

1 working for a local or state government agency or institution or practicing in a mobile or portable
2 prevention program licensed or certified by the department of health. In such cases, the local or state
3 government agency or institution or mobile or portable prevention program licensed or certified by the
4 department of health may seek reimbursement from any other third-party payor.

5 (f) A public health dental hygienist may supervise a dental assistant performing assisting duties
6 to facilitate provision of services within the scope of a dental-hygiene practice in the public health
7 setting.

8 SECTION 4. Section 5-34.3-15 of the General Laws in Chapter 5-34 entitled “Nurse Licensure
9 Compact” is hereby amended by adding thereto the following section:

10 **5-34.3-15. Sunset Provision.**

11 Unless extended by the General Assembly, Chapter 34.3 of this title entitled “Nurse Licensure
12 Compact” shall sunset and expire on January 1, 2029. This act shall take effect upon passage.

13 SECTION 5. Section 5-37-2.1 of the General Laws in Chapter 5-37 entitled “Board of Medical
14 Licensure and Discipline” is hereby amended to read as follows:

15 **5-37-2.1. Recertification – Continuing medical education.**

16 Effective beginning in calendar year 2004, every physician licensed to practice medicine within
17 this state shall, in connection with biannual registration, on or before the first day of June in each even-
18 numbered year, provide satisfactory evidence to the board of medical licensure and discipline that in the
19 preceding two (2) years the practitioner has completed a prescribed course of continuing medical
20 education established by the appropriate medical or osteopathic society and approved by rule or
21 regulation of the director or by the board of medical licensure and discipline. At least one hour of the
22 required continuing medical education credits every two (2) years must be related to the topic of
23 nutrition. The board may extend for only one six-month (6) period these educational requirements if
24 the board is satisfied that the applicant has suffered hardship that prevented meeting the educational
25 requirement. No recertification to practice medicine in this state shall be refused, nor shall any certificate
26 be suspended or revoked except: (1) As provided for in this chapter, and (2) For failure to provide

1 satisfactory evidence of continuing medical education as provided for in this section.

2 SECTION 6. Title 5 of the General Laws entitled "BUSINESSES AND PROFESSIONS" is
3 hereby amended by adding thereto the following chapter:

4 **CHAPTER 54.1**

5 **PHYSICIAN ASSISTANT LICENSURE COMPACT**

6 **5-54.1. Short title.**

7 The Physician Assistant Licensure Compact, hereinafter referred to as the "PA Licensure
8 Compact," is hereby enacted into law and entered into by the State of Rhode Island with any and all
9 states legally joining therein in accordance with its terms. The compact is as follows:

10 **5-54.1-1. Purpose.**

11 In order to strengthen access to medical services, and in recognition of the advances in the
12 delivery of medical services, the participating states of the PA licensure compact have allied in common
13 purpose to develop a comprehensive process that complements the existing authority of state licensing
14 boards to license and discipline PAs and seeks to enhance the portability of a license to practice as a PA
15 while safeguarding the safety of patients. This compact allows medical services to be provided by PAs,
16 via the mutual recognition of the licensee's qualifying license by other compact participating states. This
17 compact also adopts the prevailing standard for PA licensure and affirms that the practice and delivery
18 of medical services by the PA occurs where the patient is located at the time of the patient encounter,
19 and therefore requires the PA to be under the jurisdiction of the state licensing board where the patient
20 is located. State licensing boards that participate in this compact retain the jurisdiction to impose adverse
21 action against a compact privilege in that state issued to a PA through the procedures of this compact.
22 The PA licensure compact will alleviate burdens for military families by allowing active duty military
23 personnel and their spouses to obtain a compact privilege based on having an unrestricted license in
24 good standing from a participating state.

25 **5-54.1-2. Definitions.**

26 As used in this compact:

1 (1) “Adverse action” means any administrative, civil, equitable, or criminal action permitted by
2 a state’s laws which is imposed by a licensing board or other authority against a PA license or license
3 application or compact privilege such as license denial, censure, revocation, suspension, probation,
4 monitoring of the licensee, or restriction on the licensee’s practice.

5 (2) “Compact privilege” means the authorization granted by a remote state to allow a licensee
6 from another participating state to practice as a PA to provide medical services and other licensed
7 activity to a patient located in the remote state under the remote state’s laws and regulations.

8 (3) “Conviction” means a finding by a court that an individual is guilty of a felony or
9 misdemeanor offense through adjudication or entry of a plea of guilt or no contest to the charge by the
10 offender.

11 (4) “Criminal background check” means the submission of fingerprints or other biometric-based
12 information for a license applicant for the purpose of obtaining that applicant’s criminal history record
13 information, as defined in 28 C.F.R. § 20.3(d), from the state’s criminal history record repository as
14 defined in 28 C.F.R. § 20.3(f).

15 (5) “Data system” means the repository of information about licensees, including but not limited
16 to license status and adverse actions, which is created and administered under the terms of this compact.

17 (6) “Executive committee” means a group of directors and ex-officio individuals elected or
18 appointed pursuant to § 5-54.1-7(f)(2).

19 (7) “Impaired practitioner” means a PA whose practice is adversely affected by health-related
20 condition(s) that impact their ability to practice.

21 (8) “Investigative information” means information, records, or documents received or generated
22 by a licensing board pursuant to an investigation.

23 (9) “Jurisprudence requirement” means the assessment of an individual’s knowledge of the laws
24 and rules governing the practice of a PA in a state.

25 (10) “License” means current authorization by a state, other than authorization pursuant to a
26 compact privilege, for a PA to provide medical services, which would be unlawful without current

1 authorization.

2 (11) “Licensee” means an individual who holds a license from a state to provide medical
3 services as a PA.

4 (12) “Licensing board” means any state entity authorized to license and otherwise regulate PAs.

5 (13) “Medical services” means health care services provided for the diagnosis, prevention,
6 treatment, cure or relief of a health condition, injury, or disease, as defined by a state’s laws and
7 regulations.

8 (14) “Model compact” means the model for the PA licensure compact on file with the council
9 of state governments or other entity as designated by the commission.

10 (15) “Participating state” means a state that has enacted this compact.

11 (16) “PA” means an individual who is licensed as a physician assistant in a state. For purposes
12 of this compact, any other title or status adopted by a state to replace the term “physician assistant” shall
13 be deemed synonymous with “physician assistant” and shall confer the same rights and responsibilities
14 to the licensee under the provisions of this compact at the time of its enactment.

15 (17) “PA licensure compact commission,” “compact commission,” or “commission” means the
16 national administrative body created pursuant to § 5-54.1-7(a) of this compact.

17 (18) “Qualifying license” means an unrestricted license issued by a participating state to provide
18 medical services as a PA.

19 (19) “Remote state” means a participating state where a licensee who is not licensed as a PA is
20 exercising or seeking to exercise the compact privilege.

21 (20) “Rule” means a regulation promulgated by an entity that has the force and effect of law.

22 (21) “Significant investigative information” means investigative information that a licensing
23 board, after an inquiry or investigation that includes notification and an opportunity for the PA to respond
24 if required by state law, has reason to believe is not groundless and, if proven true, would indicate more
25 than a minor infraction.

26 (22) “State” means any formally recognized state, commonwealth, district, or territory of the

1 United States.

2 **5-54.1-3. State participation in this compact.**

3 (a) To participate in this compact, a participating state shall:

4 (1) License PAs.

5 (2) Participate in the compact commission's data system.

6 (3) Have a mechanism in place for receiving and investigating complaints against licensees and
7 license applicants.

8 (4) Notify the commission, in compliance with the terms of this compact and commission rules,
9 of any adverse action against a licensee or license applicant and the existence of significant investigative
10 information regarding a licensee or license applicant.

11 (5) Fully implement a criminal background check requirement, within a time frame established
12 by commission rule, by its licensing board receiving the results of a criminal background check and
13 reporting to the commission whether the license applicant has been granted a license.

14 (6) Comply with the rules of the compact commission.

15 (7) Utilize passage of a recognized national exam such as the National Commission on
16 Certification of Physician Assistants (NCCPA) Physician Assistant National Certifying Examination
17 (PANCE) as a requirement for PA licensure.

18 (8) Grant the compact privilege to a holder of a qualifying license in a participating state.

19 (b) Nothing in this compact prohibits a participating state from charging a fee for granting the
20 compact privilege.

21 **5-54.1-4. Compact privilege.**

22 (a) To exercise the compact privilege, a licensee must:

23 (1) Have graduated from a PA program accredited by the Accreditation Review Commission on
24 Education for the Physician Assistant, Inc. or other programs authorized by commission rule.

25 (2) Hold current NCCPA certification.

26 (3) Have no felony or misdemeanor conviction.

1 (4) Have never had a controlled substance license, permit, or registration suspended or revoked
2 by a state or by the United States Drug Enforcement Administration.

3 (5) Have a unique identifier as determined by commission rule.

4 (6) Hold a qualifying license.

5 (7) Have had no revocation of a license or limitation or restriction on any license currently held
6 due to an adverse action.

7 (8) If a licensee has had a limitation or restriction on a license or compact privilege due to an
8 adverse action, two (2) years must have elapsed from the date on which the license or compact privilege
9 is no longer limited or restricted due to the adverse action.

10 (9) If a compact privilege has been revoked or is limited or restricted in a participating state for
11 conduct that would not be a basis for disciplinary action in a participating state in which the licensee is
12 practicing or applying to practice under a compact privilege, that participating state shall have the
13 discretion not to consider such action as an adverse action requiring the denial or removal of a compact
14 privilege in that state.

15 (10) Notify the compact commission that the licensee is seeking the compact privilege in a
16 remote state.

17 (11) Meet any jurisprudence requirement of a remote state in which the licensee is seeking to
18 practice under the compact privilege and pay any fees applicable to satisfying the jurisprudence
19 requirement.

20 (12) Report to the commission any adverse action taken by a non-participating state within thirty
21 (30) days after the action is taken.

22 (b) The compact privilege is valid until the expiration or revocation of the qualifying license
23 unless terminated pursuant to an adverse action. The licensee must also comply with all of the
24 requirements of subsection (a) of this section to maintain the compact privilege in a remote state. If the
25 participating state takes adverse action against a qualifying license, the licensee shall lose the compact
26 privilege in any remote state in which the licensee has a compact privilege until all of the following

1 occur:

2 (1) The license is no longer limited or restricted; and

3 (2) Two (2) years have elapsed from the date on which the license is no longer limited or
4 restricted due to the adverse action.

5 (c) Once a restricted or limited license satisfies the requirements of subsection (b)(1) and (b)(2)
6 of this section, the licensee must meet the requirements of subsection (a) of this section to obtain a
7 compact privilege in any remote state.

8 (d) For each remote state in which a PA seeks authority to prescribe controlled substances, the
9 PA shall satisfy all requirements imposed by such state in granting or renewing such authority.

10 **5-54.1-5. Designation of the state from which licensee is applying for a compact privilege.**

11 (a) Upon a licensee's application for a compact privilege, the licensee shall identify to the
12 commission the participating state from which the licensee is applying, in accordance with applicable
13 rules adopted by the commission, and subject to the following requirements:

14 (1) When applying for a compact privilege, the licensee shall provide the commission with the
15 address of the licensee's primary residence and thereafter shall immediately report to the commission
16 any change in the address of the licensee's primary residence.

17 (2) When applying for a compact privilege, the licensee is required to consent to accept service
18 of process by mail at the licensee's primary residence on file with the commission with respect to any
19 action brought against the licensee by the commission or a participating state, including a subpoena,
20 with respect to any action brought or investigation conducted by the commission or a participating state.

21 **5-54.1-6. Adverse actions.**

22 (a) A participating state in which a licensee is licensed shall have exclusive power to impose
23 adverse action against the qualifying license issued by that participating state.

24 (b) In addition to the other powers conferred by state law, a remote state shall have the authority,
25 in accordance with existing state due process law, to do all of the following:

26 (1) Take adverse action against a PA's compact privilege within that state to remove a licensee's

1 compact privilege or take other action necessary under applicable law to protect the health and safety of
2 its citizens.

3 (2) Issue subpoenas for both hearings and investigations that require the attendance and
4 testimony of witnesses as well as the production of evidence. Subpoenas issued by a licensing board in
5 a participating state for the attendance and testimony of witnesses or the production of evidence from
6 another participating state shall be enforced in the latter state by any court of competent jurisdiction,
7 according to the practice and procedure of that court applicable to subpoenas issued in proceedings
8 pending before it. The issuing authority shall pay any witness fees, travel expenses, mileage and other
9 fees required by the service statutes of the state in which the witnesses or evidence are located.

10 (3) Notwithstanding subsection (b)(2) of this section, subpoenas may not be issued by a
11 participating state to gather evidence of conduct in another state that is lawful in that other state for the
12 purpose of taking adverse action against a licensee's compact privilege or application for a compact
13 privilege in that participating state.

14 (4) Nothing in this compact authorizes a participating state to impose discipline against a PA's
15 compact privilege or to deny an application for a compact privilege in that participating state for the
16 individual's otherwise lawful practice in another state.

17 (c) For purposes of taking adverse action, the participating state which issued the qualifying
18 license shall give the same priority and effect to reported conduct received from any other participating
19 state as it would if the conduct had occurred within the participating state which issued the qualifying
20 license. In so doing, that participating state shall apply its own state laws to determine appropriate action.

21 (d) A participating state, if otherwise permitted by state law, may recover from the affected PA
22 the costs of investigations and disposition of cases resulting from any adverse action taken against that
23 PA.

24 (e) A participating state may take adverse action based on the factual findings of a remote state,
25 provided that the participating state follows its own procedures for taking the adverse action.

26 (f) Joint investigations.

1 (1) In addition to the authority granted to a participating state by its respective state PA laws and
2 regulations or other applicable state law, any participating state may participate with other participating
3 states in joint investigations of licensees.

4 (2) Participating states shall share any investigative, litigation, or compliance materials in
5 furtherance of any joint or individual investigation initiated under this compact.

6 (g) If an adverse action is taken against a PA's qualifying license, the PA's compact privilege in
7 all remote states shall be deactivated until two (2) years have elapsed after all restrictions have been
8 removed from the state license. All disciplinary orders by the participating state which issued the
9 qualifying license that impose adverse action against a PA's license shall include a statement that the
10 PA's compact privilege is deactivated in all participating states during the pendency of the order.

11 (h) If any participating state takes adverse action, it promptly shall notify the administrator of
12 the data system.

13 **5-54.1-7. Establishment of the PA licensure compact commission.**

14 (a) The participating states hereby create and establish a joint government agency and national
15 administrative body known as the PA licensure compact commission. The commission is an
16 instrumentality of the compact states acting jointly and not an instrumentality of any one state. The
17 commission shall come into existence on or after the effective date of the compact as set forth in § 5-
18 54.1-11(a).

19 (b) Membership, voting, and meetings.

20 (1) Each participating state shall have and be limited to one (1) delegate selected by that
21 participating state's licensing board or, if the state has more than one licensing board, selected
22 collectively by the participating state's licensing boards.

23 (2) The delegate shall be either:

24 (i) A current PA, physician or public member of a licensing board or PA council/committee; or

25 (ii) An administrator of a licensing board.

26 (3) Any delegate may be removed or suspended from office as provided by the laws of the state

1 from which the delegate is appointed.

2 (4) The participating state licensing board shall fill any vacancy occurring in the commission
3 within sixty (60) days.

4 (5) Each delegate shall be entitled to one (1) vote on all matters voted on by the commission
5 and shall otherwise have an opportunity to participate in the business and affairs of the commission. A
6 delegate shall vote in person or by such other means as provided in the bylaws. The bylaws may provide
7 for delegates' participation in meetings by telecommunications, video conference, or other means of
8 communication.

9 (6) The commission shall meet at least once during each calendar year. Additional meetings
10 shall be held as set forth in this compact and the bylaws.

11 (7) The commission shall establish by rule a term of office for delegates.

12 (c) The commission shall have the following powers and duties:

13 (1) Establish a code of ethics for the commission;

14 (2) Establish the fiscal year of the commission;

15 (3) Establish fees;

16 (4) Establish bylaws;

17 (5) Maintain its financial records in accordance with the bylaws;

18 (6) Meet and take such actions as are consistent with the provisions of this compact and the
19 bylaws;

20 (7) Promulgate rules to facilitate and coordinate implementation and administration of this
21 compact. The rules shall have the force and effect of law and shall be binding in all participating states;

22 (8) Bring and prosecute legal proceedings or actions in the name of the commission, provided
23 that the standing of any state licensing board to sue or be sued under applicable law shall not be affected;

24 (9) Purchase and maintain insurance and bonds;

25 (10) Borrow, accept, or contract for services of personnel, including, but not limited to,
26 employees of a participating state;

1 (11) Hire employees and engage contractors, elect or appoint officers, fix compensation, define
2 duties, grant such individuals appropriate authority to carry out the purposes of this compact, and
3 establish the commission’s personnel policies and programs relating to conflicts of interest,
4 qualifications of personnel, and other related personnel matters;

5 (12) Accept any and all appropriate donations and grants of money, equipment, supplies,
6 materials and services, and receive, utilize and dispose of the same; provided that at all times the
7 commission shall avoid any appearance of impropriety or conflict of interest;

8 (13) Lease, purchase, accept appropriate gifts or donations of, or otherwise own, hold, improve
9 or use, any property, real, personal or mixed; provided that at all times the commission shall avoid any
10 appearance of impropriety;

11 (14) Sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any
12 property real, personal, or mixed;

13 (15) Establish a budget and make expenditures;

14 (16) Borrow money;

15 (17) Appoint committees, including standing committees composed of members, state
16 regulators, state legislators or their representatives, and consumer representatives, and such other
17 interested persons as may be designated in this compact and the bylaws;

18 (18) Provide and receive information from, and cooperate with, law enforcement agencies;

19 (19) Elect a chair, vice chair, secretary and treasurer and such other officers of the commission
20 as provided in the commission’s bylaws;

21 (20) Reserve for itself, in addition to those reserved exclusively to the commission under the
22 compact, powers that the executive committee may not exercise;

23 (21) Approve or disapprove a state’s participation in the compact based upon its determination
24 as to whether the state’s compact legislation departs in a material manner from the model compact
25 language;

26 (22) Prepare and provide to the participating states an annual report; and

1 (23) Perform such other functions as may be necessary or appropriate to achieve the purposes
2 of this compact consistent with the state regulation of PA licensure and practice.

3 (d) Meetings of the commission.

4 (1) All meetings of the commission that are not closed pursuant to this subsection shall be open
5 to the public. Notice of public meetings shall be posted on the commission's website at least thirty (30)
6 days prior to the public meeting.

7 (2) Notwithstanding subsection (d)(1) of this section, the commission may convene a public
8 meeting by providing at least twenty-four (24) hours prior notice on the commission's website, and any
9 other means as provided in the commission's rules, for any of the reasons it may dispense with notice
10 of proposed rulemaking under § 5-54.1-9(1).

11 (3) The commission may convene in a closed, non-public meeting or non-public part of a public
12 meeting to receive legal advice or to discuss:

13 (i) Non-compliance of a participating state with its obligations under this compact;

14 (ii) The employment, compensation, discipline or other matters, practices or procedures related
15 to specific employees or other matters related to the commission's internal personnel practices and
16 procedures;

17 (iii) Current, threatened, or reasonably anticipated litigation;

18 (iv) Negotiation of contracts for the purchase, lease, or sale of goods, services, or real estate;

19 (v) Accusing any person of a crime or formally censuring any person;

20 (vi) Disclosure of trade secrets or commercial or financial information that is privileged or
21 confidential;

22 (vii) Disclosure of information of a personal nature where disclosure would constitute a clearly
23 unwarranted invasion of personal privacy;

24 (viii) Disclosure of investigative records compiled for law enforcement purposes;

25 (ix) Disclosure of information related to any investigative reports prepared by or on behalf of
26 or for use of the commission or other committee charged with responsibility of investigation or

1 determination of compliance issues pursuant to this compact;

2 (x) Legal advice; or

3 (xi) Matters specifically exempted from disclosure by federal or participating states' statutes.

4 (4) If a meeting, or portion of a meeting, is closed pursuant to this provision, the chair of the
5 meeting or the chair's designee shall certify that the meeting or portion of the meeting may be closed
6 and shall reference each relevant exempting provision.

7 (5) The commission shall keep minutes that fully and clearly describe all matters discussed in a
8 meeting and shall provide a full and accurate summary of actions taken, including a description of the
9 views expressed. All documents considered in connection with an action shall be identified in such
10 minutes. All minutes and documents of a closed meeting shall remain under seal, subject to release by
11 a majority vote of the commission or order of a court of competent jurisdiction.

12 (e) Financing of the commission.

13 (1) The commission shall pay, or provide for the payment of, the reasonable expenses of its
14 establishment, organization, and ongoing activities.

15 (2) The commission may accept any and all appropriate revenue sources, donations, and grants
16 of money, equipment, supplies, materials, and services.

17 (3) The commission may levy on and collect an annual assessment from each participating state
18 and may impose compact privilege fees on licensees of participating states to whom a compact privilege
19 is granted to cover the cost of the operations and activities of the commission and its staff, which must
20 be in a total amount sufficient to cover its annual budget as approved by the commission each year for
21 which revenue is not provided by other sources. The aggregate annual assessment amount levied on
22 participating states shall be allocated based upon a formula to be determined by commission rule.

23 (i) A compact privilege expires when the licensee's qualifying license in the participating state
24 from which the licensee applied for the compact privilege expires.

25 (ii) If the licensee terminates the qualifying license through which the licensee applied for the
26 compact privilege before its scheduled expiration, and the licensee has a qualifying license in another

1 participating state, the licensee shall inform the commission that it is changing to that participating state
2 the participating state through which it applies for a compact privilege and pay to the commission any
3 compact privilege fee required by commission rule.

4 (4) The commission shall not incur obligations of any kind prior to securing the funds adequate
5 to meet the same; nor shall the commission pledge the credit of any of the participating states, except by
6 and with the authority of the participating state.

7 (5) The commission shall keep accurate accounts of all receipts and disbursements. The receipts
8 and disbursements of the commission shall be subject to the financial review and accounting procedures
9 established under its bylaws. All receipts and disbursements of funds handled by the commission shall
10 be subject to an annual financial review by a certified or licensed public accountant, and the report of
11 the financial review shall be included in and become part of the annual report of the commission.

12 (f) The executive committee.

13 (1) The executive committee shall have the power to act on behalf of the commission according
14 to the terms of this compact and commission rules.

15 (2) The executive committee shall be composed of nine (9) members:

16 (i) Seven (7) voting members who are elected by the commission from the current membership
17 of the commission;

18 (ii) One (1) ex-officio, nonvoting member from a recognized national PA professional
19 association; and

20 (iii) One (1) ex-officio, nonvoting member from a recognized national PA certification
21 organization.

22 (3) The ex-officio members will be selected by their respective organizations.

23 (4) The commission may remove any member of the executive committee as provided in its
24 bylaws.

25 (5) The executive committee shall meet at least annually.

26 (6) The executive committee shall have the following duties and responsibilities:

1 (i) Recommend to the commission changes to the commission’s rules or bylaws, changes to this
2 compact legislation, fees to be paid by compact participating states such as annual dues, and any
3 commission compact fee charged to licensees for the compact privilege;

4 (ii) Ensure compact administration services are appropriately provided, contractual or
5 otherwise;

6 (iii) Prepare and recommend the budget;

7 (iv) Maintain financial records on behalf of the commission;

8 (v) Monitor compact compliance of participating states and provide compliance reports to the
9 commission.

10 (vi) Establish additional committees as necessary;

11 (vii) Exercise the powers and duties of the commission during the interim between commission
12 meetings, except for issuing proposed rulemaking or adopting commission rules or bylaws, or exercising
13 any other powers and duties exclusively reserved to the commission by the commission’s rules; and

14 (viii) Perform other duties as provided in the commission’s rules or bylaws.

15 (7) All meetings of the executive committee at which it votes or plans to vote on matters in
16 exercising the powers and duties of the commission shall be open to the public and public notice of such
17 meetings shall be given as public meetings of the commission are given.

18 (8) The executive committee may convene in a closed, non-public meeting for the same reasons
19 that the commission may convene in a non-public meeting as set forth in subsection (d)(3) of this section
20 and shall announce the closed meeting as the commission is required to under subsection (d)(4) of this
21 section and keep minutes of the closed meeting as the commission is required to under section subsection
22 (d)(5) of this section.

23 (g) Qualified immunity, defense, and indemnification.

24 (1) The members, officers, executive director, employees and representatives of the commission
25 shall be immune from suit and liability, both personally and in their official capacity, for any claim for
26 damage to or loss of property or personal injury or other civil liability caused by or arising out of any

1 actual or alleged act, error, or omission that occurred, or that the person against whom the claim is made
2 had a reasonable basis for believing occurred within the scope of commission employment, duties or
3 responsibilities; provided that nothing in this paragraph shall be construed to protect any such person
4 from suit or liability for any damage, loss, injury, or liability caused by the intentional or willful or
5 wanton misconduct of that person. The procurement of insurance of any type by the commission shall
6 not in any way compromise or limit the immunity granted hereunder.

7 (2) The commission shall defend any member, officer, executive director, employee, and
8 representative of the commission in any civil action seeking to impose liability arising out of any actual
9 or alleged act, error, or omission that occurred within the scope of commission employment, duties, or
10 responsibilities, or as determined by the commission that the person against whom the claim is made
11 had a reasonable basis for believing occurred within the scope of commission employment, duties, or
12 responsibilities; provided that nothing herein shall be construed to prohibit that person from retaining
13 their own counsel at their own expense; and provided further, that the actual or alleged act, error, or
14 omission did not result from that person's intentional or willful or wanton misconduct.

15 (3) The commission shall indemnify and hold harmless any member, officer, executive director,
16 employee, and representative of the commission for the amount of any settlement or judgment obtained
17 against that person arising out of any actual or alleged act, error, or omission that occurred within the
18 scope of commission employment, duties, or responsibilities, or that such person had a reasonable basis
19 for believing occurred within the scope of commission employment, duties, or responsibilities, provided
20 that the actual or alleged act, error, or omission did not result from the intentional or willful or wanton
21 misconduct of that person.

22 (4) Venue is proper and judicial proceedings by or against the commission shall be brought
23 solely and exclusively in a court of competent jurisdiction where the principal office of the commission
24 is located. The commission may waive venue and jurisdictional defenses in any proceedings as
25 authorized by commission rules.

26 (5) Nothing herein shall be construed as a limitation on the liability of any licensee for

1 professional malpractice or misconduct, which shall be governed solely by any other applicable state
2 laws.

3 (6) Nothing herein shall be construed to designate the venue or jurisdiction to bring actions for
4 alleged acts of malpractice, professional misconduct, negligence, or other such civil action pertaining to
5 the practice of a PA. All such matters shall be determined exclusively by state law other than this
6 compact.

7 (7) Nothing in this compact shall be interpreted to waive or otherwise abrogate a participating
8 state's state action immunity or state action affirmative defense with respect to antitrust claims under 15
9 USC 1 et seq. (Sherman Act), as amended from time to time, 15 USC 12-27 (Clayton Act), as amended
10 from time to time, or any other state or federal antitrust or anticompetitive law or regulation.

11 (8) Nothing in this compact shall be construed to be a waiver of sovereign immunity by the
12 participating states or by the commission.

13 **5-54.1-8. Data system.**

14 (a) The commission shall provide for the development, maintenance, operation, and utilization
15 of a coordinated data and reporting system containing licensure, adverse action, and the reporting of the
16 existence of significant investigative information on all licensed PAs and applicants denied a license in
17 participating states.

18 (b) Notwithstanding any other state law to the contrary, a participating state shall submit a
19 uniform data set to the data system on all PAs to whom this compact is applicable (utilizing a unique
20 identifier) as required by the rules of the commission, including:

21 (1) Identifying information;

22 (2) Licensure data;

23 (3) Adverse actions against a license or compact privilege;

24 (4) Any denial of application for licensure, and the reason(s) for such denial, excluding the
25 reporting of any criminal history record information prohibited by section 5-54.1-13.1 of this chapter or
26 other state or federal law;

1 (5) The existence of significant investigative information; and

2 (6) Other information that may facilitate the administration of this compact, as determined by
3 the rules of the commission.

4 (c) Significant investigative information pertaining to a licensee in any participating state shall
5 only be available to other participating states.

6 (d) The commission shall promptly notify all participating states of any adverse action taken
7 against a licensee or an individual applying for a license that has been reported to it. This adverse action
8 information shall be available to any other participating state.

9 (e) Participating states contributing information to the data system may, in accordance with state
10 or federal law, designate information that may not be shared with the public without the express
11 permission of the contributing state. Notwithstanding any such designation, such information shall be
12 reported to the commission through the data system.

13 (f) Any information submitted to the data system that is subsequently expunged pursuant to
14 federal law or the laws of the participating state contributing the information shall be removed from the
15 data system upon reporting of such by the participating state to the commission.

16 (g) The records and information provided to a participating state pursuant to this compact or
17 through the data system, when certified by the commission or an agent thereof, shall constitute the
18 authenticated business records of the commission, and shall be entitled to any associated hearsay
19 exception in any relevant judicial, quasi-judicial or administrative proceedings in a participating state.

20 **5-54.1-9. Rulemaking.**

21 (a) The commission shall exercise its rulemaking powers pursuant to the criteria set forth in this
22 section and the rules adopted thereunder. Commission rules shall become binding as of the date specified
23 by the commission for each rule.

24 (b) The commission shall promulgate reasonable rules in order to effectively and efficiently
25 implement and administer this compact and achieve its purposes. A commission rule shall be invalid
26 and have not force or effect only if a court of competent jurisdiction holds that the rule is invalid because

1 the commission exercised its rulemaking authority in a manner that is beyond the scope of the purposes
2 of this compact, or the powers granted hereunder, or based upon another applicable standard of review.

3 (c) The rules of the commission shall have the force of law in each participating state, provided
4 however that where the rules of the commission conflict with the laws of the participating state that
5 establish the medical services a PA may perform in the participating state, as held by a court of
6 competent jurisdiction, the rules of the commission shall be ineffective in that state to the extent of the
7 conflict.

8 (d) If a majority of the legislatures of the participating states rejects a commission rule, by
9 enactment of a statute or resolution in the same manner used to adopt this compact within four (4) years
10 of the date of adoption of the rule, then such rule shall have no further force and effect in any participating
11 state or to any state applying to participate in the compact.

12 (e) Commission rules shall be adopted at a regular or special meeting of the commission.

13 (f) Prior to promulgation and adoption of a final rule or rules by the commission, and at least
14 thirty (30) days in advance of the meeting at which the rule will be considered and voted upon, the
15 commission shall file a notice of proposed rulemaking:

16 (1) On the website of the commission or other publicly accessible platform; and

17 (2) To persons who have requested notice of the commission's notices of proposed rulemaking,

18 and

19 (3) In such other way(s) as the commission may by rule specify.

20 (g) The notice of proposed rulemaking shall include:

21 (1) The time, date, and location of the public hearing on the proposed rule and the proposed time,
22 date and location of the meeting in which the proposed rule will be considered and voted upon;

23 (2) The text of the proposed rule and the reason for the proposed rule;

24 (3) A request for comments on the proposed rule from any interested person and the date by
25 which written comments must be received; and

26 (4) The manner in which interested persons may submit notice to the commission of their

1 intention to attend the public hearing or provide any written comments.

2 (h) Prior to adoption of a proposed rule, the commission shall allow persons to submit written
3 data, facts, opinions, and arguments, which shall be made available to the public.

4 (i) If the hearing is to be held via electronic means, the commission shall publish the mechanism
5 for access to the electronic hearing.

6 (1) All persons wishing to be heard at the hearing shall as directed in the notice of proposed
7 rulemaking, not less than five (5) business days before the scheduled date of the hearing, notify the
8 commission of their desire to appear and testify at the hearing.

9 (2) Hearings shall be conducted in a manner providing each person who wishes to comment a
10 fair and reasonable opportunity to comment orally or in writing.

11 (3) All hearings shall be recorded. A copy of the recording and the written comments, data,
12 facts, opinions, and arguments received in response to the proposed rulemaking shall be made available
13 to a person upon request.

14 (4) Nothing in this section shall be construed as requiring a separate hearing on each proposed
15 rule. Proposed rules may be grouped for the convenience of the commission at hearings required by this
16 section.

17 (j) Following the public hearing the commission shall consider all written and oral comments
18 timely received.

19 (k) The commission shall, by majority vote of all delegates, take final action on the proposed
20 rule and shall determine the effective date of the rule, if adopted, based on the rulemaking record and
21 the full text of the rule.

22 (1) If adopted, the rule shall be posted on the commission's website.

23 (2) The commission may adopt changes to the proposed rule provided the changes do not
24 enlarge the original purpose of the proposed rule.

25 (3) The commission shall provide on its website an explanation of the reasons for substantive
26 changes made to the proposed rule as well as reasons for substantive changes not made that were

1 recommended by commenters.

2 (4) The commission shall determine a reasonable effective date for the rule. Except for an
3 emergency as provided in subsection (l) of this section, the effective date of the rule shall be no sooner
4 than thirty (30) days after the commission issued the notice that it adopted the rule.

5 (l) Upon determination that an emergency exists, the commission may consider and adopt an
6 emergency rule with twenty-four (24) hours prior notice, without the opportunity for comment, or
7 hearing, provided that the usual rulemaking procedures provided in this compact and in this section shall
8 be retroactively applied to the rule as soon as reasonably possible, in no event later than ninety (90) days
9 after the effective date of the rule. For the purposes of this provision, an emergency rule is one that must
10 be adopted immediately by the commission in order to:

11 (1) Meet an imminent threat to public health, safety, or welfare;

12 (2) Prevent a loss of commission or participating state funds;

13 (3) Meet a deadline for the promulgation of a commission rule that is established by federal law
14 or rule; or

15 (4) Protect public health and safety.

16 (m) The commission or an authorized committee of the commission may direct revisions to a
17 previously adopted commission rule for purposes of correcting typographical errors, errors in format,
18 errors in consistency, or grammatical errors. Public notice of any revisions shall be posted on the website
19 of the commission. The revision shall be subject to challenge by any person for a period of thirty (30)
20 days after posting. The revision may be challenged only on grounds that the revision results in a material
21 change to a rule. A challenge shall be made as set forth in the notice of revisions and delivered to the
22 commission prior to the end of the notice period. If no challenge is made, the revision will take effect
23 without further action. If the revision is challenged, the revision may not take effect without the approval
24 of the commission.

25 (n) No participating state's rulemaking requirements shall apply under this compact.

26 **5-54.1-10. Oversight, dispute resolution, and enforcement.**

1 (a) Oversight

2 (1) The executive and judicial branches of state government in each participating state shall
3 enforce this compact and take all actions necessary and appropriate to implement the compact.

4 (2) Venue is proper and judicial proceedings by or against the commission shall be brought
5 solely and exclusively in a court of competent jurisdiction where the principal office of the commission
6 is located. The commission may waive venue and jurisdictional defenses to the extent it adopts or
7 consents to participate in alternative dispute resolution proceedings. Nothing herein shall affect or limit
8 the selection or propriety of venue in any action against a licensee for professional malpractice,
9 misconduct or any such similar matter.

10 (3) The commission shall be entitled to receive service of process in any proceeding regarding
11 the enforcement or interpretation of the compact or the commission's rules and shall have standing to
12 intervene in such a proceeding for all purposes. Failure to provide the commission with service of process
13 shall render a judgment or order in such proceeding void as to the commission, this compact, or
14 commission rules.

15 (b) Default, technical assistance, and termination.

16 (1) If the commission determines that a participating state has defaulted in the performance of
17 its obligations or responsibilities under this compact or the commission rules, the commission shall
18 provide written notice to the defaulting state and other participating states. The notice shall describe the
19 default, the proposed means of curing the default and any other action that the commission may take
20 and shall offer remedial training and specific technical assistance regarding the default.

21 (2) If a state in default fails to cure the default, the defaulting state may be terminated from this
22 compact upon an affirmative vote of a majority of the delegates of the participating states, and all rights,
23 privileges and benefits conferred by this compact upon such state may be terminated on the effective
24 date of termination. A cure of the default does not relieve the offending state of obligations or liabilities
25 incurred during the period of default.

26 (3) Termination of participation in this compact shall be imposed only after all other means of

1 securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given by the
2 commission to the governor, the majority and minority leaders of the defaulting state’s legislature, and
3 to the licensing board(s) of each of the participating states.

4 (4) A state that has been terminated is responsible for all assessments, obligations, and liabilities
5 incurred through the effective date of termination, including obligations that extend beyond the effective
6 date of termination.

7 (5) The commission shall not bear any costs related to a state that is found to be in default or
8 that has been terminated from this compact, unless agreed upon in writing between the commission and
9 the defaulting state.

10 (6) The defaulting state may appeal its termination from the compact by the commission by
11 petitioning the United States District Court for the District of Columbia or the federal district where the
12 commission has its principal offices. The prevailing member shall be awarded all costs of such litigation,
13 including reasonable attorney’s fees.

14 (7) Upon the termination of a state’s participation in the compact, the state shall immediately
15 provide notice to all licensees within that state of such termination:

16 (i) Licensees who have been granted a compact privilege in that state shall retain the compact
17 privilege for one hundred eighty (180) days following the effective date of such termination.

18 (ii) Licensees who are licensed in that state who have been granted a compact privilege in a
19 participating state shall retain the compact privilege for one hundred eighty (180) days unless the
20 licensee also has a qualifying license in a participating state or obtains a qualifying license in a
21 participating state before the one hundred eighty (180) day-period ends, in which case the compact
22 privilege shall continue.

23 (c) Dispute resolution.

24 (1) Upon request by a participating state, the commission shall attempt to resolve disputes
25 related to this compact that arise among participating states and between participating and non-
26 participating states.

1 (2) The commission shall promulgate a rule providing for both mediation and binding dispute
2 resolution for disputes as appropriate.

3 (d) Enforcement.

4 (1) The commission, in the reasonable exercise of its discretion, shall enforce the provisions of
5 this compact and rules of the commission.

6 (2) If compliance is not secured after all means to secure compliance have been exhausted, by
7 majority vote, the commission may initiate legal action in the United States District Court for the District
8 of Columbia or the federal district where the commission has its principal offices, against a participating
9 state in default to enforce compliance with the provisions of this compact and the commission's
10 promulgated rules and bylaws. The relief sought may include both injunctive relief and damages. In the
11 event judicial enforcement is necessary, the prevailing party shall be awarded all costs of such litigation,
12 including reasonable attorney's fees.

13 (3) The remedies herein shall not be the exclusive remedies of the commission. The commission
14 may pursue any other remedies available under federal or state law.

15 (e) Legal action against the commission.

16 (1) A participating state may initiate legal action against the commission in the United States
17 District Court for the District of Columbia or the federal district where the commission has its principal
18 offices to enforce compliance with the provisions of the compact and its rules. The relief sought may
19 include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing
20 party shall be awarded all costs of such litigation, including reasonable attorney's fees.

21 (2) No person other than a participating state shall enforce this compact against the commission.

22 **5-54.1-11. Date of implementation of the PA licensure compact commission.**

23 (a) This compact shall come into effect on the date on which this compact statute is enacted into
24 law in the seventh participating state.

25 (1) On or after the effective date of the compact, the commission shall convene and review the
26 enactment of each of the states that enacted the compact prior to the commission convening ("charter

1 participating states”) to determine if the statute enacted by each such charter participating state is
2 materially different than the model compact.

3 (i) A charter participating state whose enactment is found to be materially different from the
4 model compact shall be entitled to the default process set forth in § 5-54.1-10(b).

5 (ii) If any participating state later withdraws from the compact or its participation is terminated,
6 the commission shall remain in existence and the compact shall remain in effect even if the number of
7 participating states should be less than seven (7). Participating states enacting the compact subsequent
8 to the commission convening shall be subject to the process set forth in § 5-54.1-7(c)(21) to determine
9 if their enactments are materially different from the model compact and whether they qualify for
10 participation in the compact.

11 (2) Participating states enacting the compact subsequent to the seven (7) initial charter
12 participating states shall be subject to the process set forth in section § 5-54.1-7(c)(21) to determine if
13 their enactments are materially different from the model compact and whether they qualify for
14 participation in the compact.

15 (3) All actions taken for the benefit of the commission or in furtherance of the purposes of the
16 administration of the compact prior to the effective date of the compact or the commission coming into
17 existence shall be considered to be actions of the commission unless specifically repudiated by the
18 commission.

19 (b) Any state that joins this compact shall be subject to the commission’s rules and bylaws as
20 they exist on the date on which this compact becomes law in that state. Any rule that has been previously
21 adopted by the commission shall have the full force and effect of law on the day this compact becomes
22 law in that state.

23 (c) Any participating state may withdraw from this compact by enacting a statute repealing the
24 same.

25 (1) A participating state’s withdrawal shall not take effect until one hundred eighty (180) days
26 after enactment of the repealing statute. During this one hundred eighty (180) day-period, all compact

1 privileges that were in effect in the withdrawing state and were granted to licensees licensed in the
2 withdrawing state shall remain in effect. If any licensee licensed in the withdrawing state is also licensed
3 in another participating state or obtains a license in another participating state within the one hundred
4 eighty (180) days, the licensee's compact privileges in other participating states shall not be affected by
5 the passage of the one hundred eighty (180) days.

6 (2) Withdrawal shall not affect the continuing requirement of the state licensing board(s) of the
7 withdrawing state to comply with the investigative, and adverse action reporting requirements of this
8 compact prior to the effective date of withdrawal.

9 (3) Upon the enactment of a statute withdrawing a state from this compact, the state shall
10 immediately provide notice of such withdrawal to all Licensees within that State. Such withdrawing
11 State shall continue to recognize all licenses granted pursuant to this compact for a minimum of one
12 hundred eighty (180) days after the date of such notice of withdrawal.

13 (d) Nothing contained in this compact shall be construed to invalidate or prevent any PA
14 licensure agreement or other cooperative arrangement between participating states and between a
15 participating state and non-participating state that does not conflict with the provisions of this compact.

16 (e) This compact may be amended by the participating states. No amendment to this compact
17 shall become effective and binding upon any participating state until it is enacted materially in the same
18 manner into the laws of all participating states as determined by the commission.

19 **5-54.1-12. Construction and severability.**

20 (a) This compact and the commission's rulemaking authority shall be liberally construed so as
21 to effectuate the purposes, and the implementation and administration of the compact. Provisions of the
22 compact expressly authorizing or requiring the promulgation of rules shall not be construed to limit the
23 commission's rulemaking authority solely for those purposes.

24 (b) The provisions of this compact shall be severable and if any phrase, clause, sentence or
25 provision of this compact is held by a court of competent jurisdiction to be contrary to the constitution
26 of any participating state, a state seeking participation in the compact, or of the United States, or the

1 applicability thereof to any government, agency, person or circumstance is held to be unconstitutional
2 by a court of competent jurisdiction, the validity of the remainder of this compact and the applicability
3 thereof to any other government, agency, person or circumstance shall not be affected thereby.

4 (c) Notwithstanding subsection (b) of this section, the commission may deny a state's
5 participation in the compact or, in accordance with the requirements of § 5-54.1-10(b), terminate a
6 participating state's participation in the compact, if it determines that a constitutional requirement of a
7 participating state is, or would be with respect to a state seeking to participate in the compact, a material
8 departure from the compact. Otherwise, if this compact shall be held to be contrary to the constitution
9 of any participating state, the compact shall remain in full force and effect as to the remaining
10 participating states and in full force and effect as to the participating state affected as to all severable
11 matters.

12 **5-54.1-13. Binding effect of compact.**

13 (a) Nothing herein prevents the enforcement of any other law of a participating state that is not
14 inconsistent with this compact.

15 (b) Any laws in a participating state in conflict with this compact are superseded to the extent
16 of the conflict.

17 (c) All agreements between the commission and the participating states are binding in
18 accordance with their terms.

19 **§ 5-54.1-13.1 Confidentiality of National Criminal Records Checks.**

20 (a) State and federal criminal history record information of an applicant for a PA license may
21 be used by the department of health or the board of licensure of physician assistants for the purpose of
22 screening the applicant.

23 (b) State and federal criminal history record information of a licensed PA seeking an initial
24 compact privilege may be used by the department of health or the board of licensure of physician
25 assistants for the purpose of taking disciplinary action against the licensee.

26 (c) State and federal criminal history records information received by the Rhode Island

1 department of health or the board of licensure of physician assistants shall not be disseminated to the
2 Physician Assistant Licensure Compact Commission established under section 5-54.1-7 of this chapter.

3 SECTION 7. Chapter 5-91 of the General Laws entitled “Interstate Medical Licensure
4 Compact” is hereby amended by adding thereto the following section:

5 **§ 5-91-26. Confidentiality of Criminal History Records Information.**

6 (a) State and federal criminal history records information received by the Rhode Island
7 department of health or the board of licensure of medical licensure and discipline shall not be
8 disseminated to the Interstate Medical Licensure Compact established under section 5-91-11 of this
9 chapter.

10 SECTION 8. Sections 23-15-2, 23-15-4, 23-15-4.1, 23-15-4.2, 23-15-4.4, 23-15-5, 23-15-6, 23-
11 15-6.1, 23-15-10, and 23-15-11 of the General Laws in Chapter 23-15 entitled “Determination of Need
12 for New Healthcare Equipment and New Institutional Health Services” are hereby amended to read as
13 follows:

14 **23-15-2. Definitions.**

15 As used in this chapter:

16 (1) “Accessible or accessibility” means the ability of underserved populations to access
17 healthcare and as may be further defined in rules and regulations promulgated by the Rhode Island state
18 department of health.

19 ~~(1) (2) “Affected person” means and includes the person whose proposal is being reviewed, or~~
20 ~~the applicant, healthcare facilities located within the state that provide institutional health services, the~~
21 ~~state medical society, the state osteopathic society, those voluntary nonprofit area-wide planning~~
22 ~~agencies that may be established in the state, the state budget office, the office of health insurance~~
23 ~~commissioner, any hospital or medical-service corporation organized under the laws of the state, the~~
24 ~~statewide health coordinating council, contiguous health systems agencies, and those members of the~~
25 ~~public who are to be served by the proposed, new institutional health services or new healthcare~~
26 ~~equipment.~~

1 (3) “Affordable” means the relative ability of the people of the state to pay for, or incur, the
2 cost, resulting from the proposed determination of need and as may be further defined in rules and
3 regulations promulgated by the Rhode Island state department of health.

4 (4) “Applicant” means the person who has submitted a request for a certificate of need review
5 and approval in accordance with this chapter.

6 (5) “Capital expenditure” means the total non-recurring expenditures for physical improvements
7 and the acquisition of existing buildings, land, and/or interests in land, including costs associated
8 therewith in excess of fifty million dollars (\$50,000,000) and as may be further defined in rules and
9 regulations promulgated by the department. Further, beginning on July 1, 2026, and each July 1
10 thereafter, the amount of the threshold shall be adjusted by the percentage increase in the consumer price
11 index for all urban consumers (CPI-U) as published by the United States Department of Labor Statistics
12 as of September 30 of the prior calendar year. Expenditures related to electronic health and management
13 information systems shall not be considered capital expenditures for the purposes of this chapter.

14 ~~(2) “Cost impact analysis” means a written analysis of the effect that a proposal to offer or~~
15 ~~develop new institutional health services or new healthcare equipment, if approved, will have on~~
16 ~~healthcare costs and shall include any detail that may be prescribed by the state agency in rules and~~
17 ~~regulations.~~

18 (6) “Department” means the Rhode Island department of health.

19 ~~(3)~~ (7) “Director” means the director of the Rhode Island department of health.

20 ~~(4)(i)~~ (8) “Healthcare facility” means any institutional health service provider, facility or
21 institution, place, building, agency, or portion of them, whether a partnership or corporation, whether
22 public or private, whether organized for profit or not, used, operated, or engaged in providing healthcare
23 services that are limited to hospitals (except with respect to hospitals whose services are limited
24 exclusively to behavioral health), nursing facilities, home nursing care provider, home care provider,
25 hospice providers, inpatient rehabilitation hospital centers (including drug and/or alcohol abuse
26 treatment centers), freestanding emergency-care facilities as defined in § 23-17-2, certain facilities

1 ~~providing surgical treatment to patients not requiring hospitalization (surgi centers, multi practice,~~
2 ~~physician ambulatory surgery centers and multi practice, podiatry ambulatory surgery centers) and~~
3 ~~facilities providing inpatient hospice care. Single practice physician or podiatry ambulatory surgery~~
4 ~~centers (as defined in § 23-17-2(17), (18), respectively) are exempt from the requirements of chapter 15~~
5 ~~of this title; provided, however, that such exemption shall not apply if a single practice physician or~~
6 ~~podiatry ambulatory surgery center is established by a medical practice group (as defined in § 5-37-1)~~
7 ~~within two (2) years following the formation of such medical practice group, when such medical practice~~
8 ~~group is formed by the merger or consolidation of two (2) or more medical practice groups or the~~
9 ~~acquisition of one medical practice group by another medical practice group. The term “healthcare~~
10 ~~facility” does not include Christian Science institutions (also known as Christian Science nursing~~
11 ~~facilities) listed and certified by the Commission for Accreditation of Christian Science Nursing~~
12 ~~Organizations/Facilities, Inc. (ii) Any provider of hospice care who provides hospice care without~~
13 ~~charge shall be exempt from the provisions of this chapter.~~

14 (5) (9) “Healthcare provider” means a person who is a direct provider of health services
15 (including but not limited to licensed physicians, dentists, nurses, podiatrists, physician assistants, or
16 nurse practitioners) ~~in that~~ where the person’s ~~primary~~ current activity is the provision of healthcare
17 services for persons.

18 (6) (10) “Health services” means organized program components for preventive, assessment,
19 maintenance, diagnostic, treatment, and rehabilitative services provided in a healthcare facility.

20 (7) (11) “Health services council” means the advisory body to the Rhode Island state department
21 of health established in accordance with chapter 17-13.1 of this title, appointed and empowered as
22 provided to serve as the advisory body to the ~~state agency~~ department in its review functions under this
23 chapter.

24 (12) “Innovation” means the potential of the proposal to demonstrate or provide one or more
25 innovative approaches or methods for attaining a more cost effective and/or efficient healthcare system
26 as may be further defined in rules and regulations promulgated by the department.

1 ~~(8)~~ (13) “Institutional health services” means health services provided in or through healthcare
2 facilities and includes the entities in or through ~~that the~~ which such services are provided.

3 ~~(9)~~ “New healthcare equipment” means, ~~any single piece of medical equipment (and any~~
4 ~~components that constitute operational components of the piece of medical equipment) proposed to be~~
5 ~~utilized in conjunction with the provision of services to patients or the public, the capital costs of which~~
6 ~~would exceed two million two hundred fifty thousand dollars (\$2,250,000); provided, however, that the~~
7 ~~state agency shall exempt from review any application that proposes one for one equipment replacement~~
8 ~~as defined in regulation. Further, beginning July 1, 2012, and each July thereafter, the amount shall be~~
9 ~~adjusted by the percentage of increase in the consumer price index for all urban consumers (CPI-U) as~~
10 ~~published by the United States Department of Labor Statistics as of September 30 of the prior calendar~~
11 ~~year.~~

12 ~~(10)~~ (14) “New institutional health services” means and includes:

13 (i) Construction, development, or other establishment of a new healthcare facility.

14 (ii) Any capital expenditure as defined herein. ~~, except acquisitions of an existing healthcare~~
15 ~~facility, that will not result in a change in the services or bed capacity of the healthcare facility by, or on~~
16 ~~behalf of, an existing healthcare facility in excess of five million two hundred fifty thousand dollars~~
17 ~~(\$5,250,000) which is a capital expenditure including expenditures for predevelopment activities;~~
18 ~~provided further, beginning July 1, 2012, and each July thereafter, the amount shall be adjusted by the~~
19 ~~percentage of increase in the consumer price index for all urban consumers (CPI-U) as published by the~~
20 ~~United States Department of Labor Statistics as of September 30 of the prior calendar year.~~

21 (iii) Where a person makes an acquisition by, or on behalf of, a healthcare facility ~~or health~~
22 ~~maintenance organization~~ under lease or comparable arrangement or through donation, which would
23 have required review if the acquisition had been by purchase, the acquisition shall be deemed a capital
24 expenditure subject to review.

25 ~~(iv) Any capital expenditure that results in the addition of a health service or that changes the~~
26 ~~bed capacity of a healthcare facility with respect to which the expenditure is made, except that the state~~

1 ~~agency may exempt from review, by rules and regulations promulgated for this chapter, any bed~~
2 ~~reclassifications made to licensed nursing facilities and annual increases in licensed bed capacities of~~
3 ~~nursing facilities that do not exceed the greater of ten (10) beds or ten percent (10%) of facility licensed~~
4 ~~bed capacity and for which the related capital expenditure does not exceed two million dollars~~
5 ~~(\$2,000,000).~~

6 ~~(v) Any health service proposed to be offered to patients or the public by a healthcare facility~~
7 ~~that was not offered on a regular basis in or through the facility within the twelve month (12) period~~
8 ~~prior to the time the service would be offered, and that increases operating expenses by more than one~~
9 ~~million five hundred thousand dollars (\$1,500,000), except that the state agency may exempt from~~
10 ~~review, by rules and regulations promulgated for this chapter, any health service involving~~
11 ~~reclassification of bed capacity made to licensed nursing facilities. Further, beginning July 1, 2012, and~~
12 ~~each July thereafter, the amount shall be adjusted by the percentage of increase in the consumer price~~
13 ~~index for all urban consumers (CPI-U) as published by the United States Department of Labor Statistics~~
14 ~~as of September 30 of the prior calendar year.~~

15 ~~(vi) (iv) Any new or expanded tertiary or specialty care service in the following areas: cardiac~~
16 ~~catheterization, open heart surgery, organ transplantation, linear accelerators, and neonatal intensive~~
17 ~~care services., regardless of capital expense or operating expense, as defined by and listed in regulation,~~
18 ~~the list not to exceed a total of twelve (12) categories of services at any one time and shall include full-~~
19 ~~body magnetic resonance imaging and computerized axial tomography; provided, however, that the state~~
20 ~~agency shall exempt from review any application that proposes one for one equipment replacement as~~
21 ~~defined by and listed in regulation. Acquisition of full body magnetic resonance imaging and~~
22 ~~computerized axial tomography shall not require a certificate of need review and approval by the state~~
23 ~~agency if satisfactory evidence is provided to the state agency that it was acquired for under one million~~
24 ~~dollars (\$1,000,000) on or before January 1, 2010, and was in operation on or before July 1, 2010.~~

25 ~~(41) (15) "Person" means any individual, trust or estate, partnership, corporation (including~~
26 ~~associations, joint stock companies, limited liability corporations, and insurance companies), state or~~

1 political subdivision, or instrumentality of a state.

2 (12) ~~“Predevelopment activities” means expenditures for architectural designs, plans, working~~
3 ~~drawings, and specifications, site acquisition, professional consultations, preliminary plans, studies, and~~
4 ~~surveys made in preparation for the offering of a new, institutional health service.~~

5 (13) ~~“State agency” means the Rhode Island state department of health.~~

6 (14) ~~(16)~~ “To develop” means to undertake those activities that, on their completion, will result
7 in the offering of a new, institutional health service or new healthcare equipment or the incurring of a
8 financial obligation, in relation to the offering of that service.

9 (15) ~~(17)~~ “To offer” means to hold oneself out as capable of providing, or as having the means
10 for the provision of, specified health services or healthcare equipment.

11 **23-15-4. Review and approval of new health care equipment and new institutional health**
12 **services.**

13 (a) ~~No health care healthcare provider or health care healthcare facility person shall develop or~~
14 ~~offer new health care equipment or new institutional health services in Rhode Island, the magnitude of~~
15 ~~which exceeds the limits defined by this chapter, without prior review by the health services council and~~
16 ~~approval by the state agency department; except that review by the health services council may be~~
17 ~~waived in the case of expeditious reviews conducted in accordance with § 23-15-5, and except that~~
18 ~~health maintenance organizations which fulfill criteria to be established in rules and regulations~~
19 ~~promulgated by the state agency with the advice of the health services council shall be exempted from~~
20 ~~the review and approval requirement established in this section upon approval by the state agency of an~~
21 ~~application for exemption from the review and approval requirement established in this section which~~
22 ~~contain any information that the state agency may require to determine if the health maintenance~~
23 ~~organization meets the criteria.~~

24 (b) No approval shall be made without an adequate demonstration of need by the applicant ~~at~~
25 ~~the time and place and under the circumstances proposed,~~ nor shall the approval be made without a
26 determination that a proposal for which need has been demonstrated is also affordable and accessible

1 by the people of the state.

2 ~~(e) No approval of new institutional health services for the provision of health services to~~
3 ~~inpatients shall be granted unless the written findings required in accordance with § 23-15-6(b)(6) are~~
4 ~~made.~~

5 ~~(d) (c)~~ Applications for determination of need shall be filed with the ~~state agency on a date fixed~~
6 ~~by the state agency~~ department together with plans and specifications and any other appropriate data
7 and information that the ~~state agency~~ department shall require by regulation, ~~and shall be considered in~~
8 ~~relation to each other no less than once a year.~~ A duplicate copy of each application together with all
9 supporting documentation shall be kept on file by the ~~state agency~~ department as a public record.

10 ~~(e) (d)~~ ~~The health services council shall consider, but shall not be limited to, the following in~~
11 ~~conducting reviews and determining need: In its recommendations to the department, the health services~~
12 ~~council may assess criteria, including but not limited to, affordability, accessibility, innovation and~~
13 ~~quality standards, as further defined in regulations adopted by the department.~~

14 ~~(1) The relationship of the proposal to state health plans that may be formulated by the state~~
15 ~~agency;~~

16 ~~(2) The impact of approval or denial of the proposal on the future viability of the applicant and~~
17 ~~of the providers of health services to a significant proportion of the population served or proposed to be~~
18 ~~served by the applicant;~~

19 ~~(3) The need that the population to be served by the proposed equipment or services has for the~~
20 ~~equipment or services;~~

21 ~~(4) The availability of alternative, less costly, or more effective methods of providing services~~
22 ~~or equipment, including economies or improvements in service that could be derived from feasible~~
23 ~~cooperative or shared services;~~

24 ~~(5) The immediate and long term financial feasibility of the proposal, as well as the probable~~
25 ~~impact of the proposal on the cost of, and charges for, health services of the applicant;~~

26 ~~(6) The relationship of the services proposed to be provided to the existing health care system~~

1 ~~of the state;~~

2 ~~(7) The impact of the proposal on the quality of health care in the state and in the population~~
3 ~~area to be served by the applicant;~~

4 ~~(8) The availability of funds for capital and operating needs for the provision of the services or~~
5 ~~equipment proposed to be offered;~~

6 ~~(9) The cost of financing the proposal including the reasonableness of the interest rate, the~~
7 ~~period of borrowing, and the equity of the applicant in the proposed new institutional health service or~~
8 ~~new equipment;~~

9 ~~(10) The relationship, including the organizational relationship of the services or equipment~~
10 ~~proposed, to ancillary or support services;~~

11 ~~(11) Special needs and circumstances of those entities which provide a substantial portion of~~
12 ~~their services or resources, or both, to individuals not residing within the state;~~

13 ~~(12) Special needs of entities such as medical and other health professional schools,~~
14 ~~multidisciplinary clinics, and specialty centers; also, the special needs for and availability of osteopathic~~
15 ~~facilities and services within the state;~~

16 ~~(13) In the case of a construction project:~~

17 ~~(i) The costs and methods of the proposed construction,~~

18 ~~(ii) The probable impact of the construction project reviewed on the costs of providing health~~
19 ~~services by the person proposing the construction project; and~~

20 ~~(iii) The proposed availability and use of safe patient handling equipment in the new or~~
21 ~~renovated space to be constructed.~~

22 ~~(14) Those appropriate considerations that may be established in rules and regulations~~
23 ~~promulgated by the state agency with the advice of the health services council;~~

24 ~~(15) The potential of the proposal to demonstrate or provide one or more innovative approaches~~
25 ~~or methods for attaining a more cost effective and/or efficient health care system;~~

26 ~~(16) The relationship of the proposal to the need indicated in any requests for proposals issued~~

1 by the state agency;

2 (17) ~~The input of the community to be served by the proposed equipment and services and the~~
3 ~~people of the neighborhoods close to the health care facility who are impacted by the proposal;~~

4 (18) ~~The relationship of the proposal to any long range capital improvement plan of the health~~
5 ~~care facility applicant.~~

6 (19) ~~Cost impact statements forwarded pursuant to subsection 23-15-6(e).~~

7 ~~(f)~~ (e) In conducting its review, the health services council shall perform the following:

8 (1) Within one hundred and fifteen (115) days after initiating its review, which must be
9 commenced no later than thirty-one (31) days after the filing of an application, the health services
10 council shall ~~determine as to each proposal whether the applicant has demonstrated need at the time and~~
11 ~~place and under the circumstances proposed, and in doing so may apply the criteria and standards set~~
12 ~~forth in subsection (e) of this section; provided however, that a determination of need shall not alone be~~
13 ~~sufficient to warrant a recommendation to the state agency that a proposal should be approved. make~~
14 ~~recommendations to the department relative to approval or denial of the new institutional health services~~
15 ~~or new health care equipment proposed.~~ The director shall render, in writing, his or her decision within
16 ~~five (5)~~ ten (10) days of the determination of the health services council.

17 (2) ~~Prior to the conclusion of its review in accordance with § 23-15-6(e), the health services~~
18 ~~council shall evaluate each proposal for which a determination of need has been established in relation~~
19 ~~to other proposals, comparing proposals with each other, whether similar or not, establishing priorities~~
20 ~~among the proposals for which need has been determined, and taking into consideration the criteria and~~
21 ~~standards relating to relative need and affordability as set forth in subsection (e) of this section and §~~
22 ~~23-15-6(f).~~

23 (3) ~~At the conclusion of its review, the health services council shall make recommendations to~~
24 ~~the state agency relative to approval or denial of the new institutional health services or new health care~~
25 ~~equipment proposed; provided that:~~

26 (i) ~~The health services council shall recommend approval of only those proposals found to be~~

1 ~~affordable in accordance with the provisions of § 23-15-6(f); and~~

2 ~~(ii) If the state agency proposes to render a decision that is contrary to the recommendation of~~
3 ~~the health services council, the state agency must render its reasons for doing so in writing.~~

4 ~~(g) (f) Approval of new institutional health services or new health care equipment by the state~~
5 ~~agency department shall be subject to conditions that may be prescribed by rules and regulations~~
6 ~~developed by the state agency with the advice of the health services council, but those conditions must~~
7 ~~relate to the considerations enumerated in subsection (e) and to considerations that may be established~~
8 ~~in regulations in accordance with subsection (e)(14). may be subject to conditions as necessary to~~
9 ~~promote affordability, accessibility, innovation, and quality standards.~~

10 ~~(h) (g) The offering or developing of new institutional health services or health care equipment~~
11 ~~by a health care facility without prior review by the health services council and approval by the state~~
12 ~~agency department shall be grounds for the imposition of licensure sanctions on the facility, including~~
13 ~~denial, suspension, revocation, or curtailment or for imposition of any monetary fines that may be~~
14 ~~statutorily permitted by virtue of individual health care facility licensing statutes.~~

15 ~~(i) (h) No government agency and no hospital or medical service corporation organized under~~
16 ~~the laws of the state shall reimburse any health care facility or health care provider person for the costs~~
17 ~~associated with offering or developing new institutional health services or new health care equipment~~
18 ~~unless the health care facility or health care provider person has received the approval of the state~~
19 ~~agency department in accordance with this chapter. Government agencies and hospital and medical~~
20 ~~service corporations organized under the laws of the state shall, during budget negotiations, hold health~~
21 ~~care facilities and health care providers accountable to operating efficiencies claimed or projected in~~
22 ~~proposals which receive the approval of the state agency in accordance with this chapter.~~

23 ~~(j) (i) In addition, the state agency department shall not make grants to, enter into contracts with,~~
24 ~~or recommend approval of the use of federal or state funds by any health care facility or health care~~
25 ~~provider person which proceeds with the offering or developing of new institutional health services or~~
26 ~~new health care equipment after disapproval by the state agency department.~~

1 **23-15-4.1. Exemption for nonclinical capital expenditures.**

2 Notwithstanding the requirements of any other provisions of any general or public laws, capital
3 expenditures by a health care facility that are not directly related to the provision of health services as
4 defined in this chapter, ~~including, but not limited to, capital expenditures for parking lots, billing~~
5 ~~computer systems, and telephone,~~ shall not require a certificate of need review and approval by the ~~state~~
6 ~~agency~~ department.

7 **23-15-4.2. Exemption for research.**

8 Notwithstanding the requirements of any other provisions of any general or public laws, capital
9 expenditures by a health care facility related to research in basic biomedical or medical research areas
10 that are not directly related to the provision of clinical or patient care services shall not require a
11 certificate of need review and approval by the ~~state agency~~ department.

12 **23-15-4.4. Exemption for voter approved capital bond issues and state capital plan**
13 **projects for health care facilities.**

14 Notwithstanding the requirements of any other provisions of any general law or public laws,
15 voter approved state bond issues authorizing capital expenditures for state health care facilities and all
16 Rhode Island Capital Plan fund projects approved by the General Assembly shall not require a certificate
17 of need review and approval by the ~~state agency~~ department.

18 **23-15-5. Expeditious review.**

19 (a) Any person who proposes to offer or develop new institutional health services or new
20 healthcare equipment for documented emergency needs; or for the purpose of eliminating or preventing
21 documented fire or safety hazards affecting the lives and health of patients or staff; or for compliance
22 with accreditation standards required for receipt of federal or state reimbursement; or for any other
23 purpose ~~that the state agency may specify~~ as may be further defined in rules and regulations promulgated
24 by the department, may apply for an expeditious review. The ~~state agency~~ department may exercise its
25 discretion in recommending approvals through an expeditious review, ~~except that no new institutional~~
26 ~~health service or new healthcare equipment may be approved through the expeditious review if provision~~

1 of the new institutional health service or new healthcare equipment is contra-indicated by the state health
2 plan as may be formulated by the state agency. Specific procedures for the conduct of expeditious
3 reviews shall be promulgated in rules and regulations adopted by the state agency department with the
4 advice of the health services council.

5 (b) ~~The decision of the state agency not to conduct an expeditious review shall be reconsidered~~
6 ~~upon a written petition to the state agency, and the state agency shall be required to respond to the written~~
7 ~~petition within ten (10) days stating whether expeditious review is granted. If the request for~~
8 ~~reconsideration is denied, the state agency shall state the reasons in writing why the expeditious request~~
9 ~~had been denied.~~

10 (c) ~~The decision of the state agency in connection with an expeditious review shall be rendered~~
11 ~~within thirty (30) days after the commencement of said review.~~

12 (d) ~~Any healthcare facility that provides a service performed in another state and that is not~~
13 ~~performed in the state of Rhode Island, or such service is performed in the state on a very limited basis,~~
14 ~~shall be granted expeditious review upon request under this section, provided that such service, among~~
15 ~~other things, has a clear effect on the timeliness, access, or quality of care and is able to meet licensing~~
16 ~~standards.~~

17 **23-15-6. Procedures for review.**

18 (a) ~~The state agency department,~~ with the advice of the health services council, and in
19 accordance with the Administrative Procedures Act, chapter 35 of title 42, after public hearing pursuant
20 to reasonable notice, which notice shall include affected persons and healthcare facilities located within
21 the state that provide institutional health services, shall promulgate appropriate rules and regulations
22 that may be designated to further the accomplishment of the purposes of this chapter including the
23 formulation of procedures that may be particularly necessary for the conduct ~~on~~ of reviews of particular
24 types of new institutional health services or new health care equipment.

25 (b) Review procedures promulgated in accordance with subsection (a) shall include at least the
26 following, except that substitute procedures for the conduct of expeditious ~~and accelerated~~ reviews may

1 be promulgated by the ~~state agency~~ department in accordance with § 23-15-5:

2 (1) Provision that the ~~state agency~~ department established a process requiring potential
3 applicants to file a detailed letter of intent to submit an application at least forty-five (45) days prior to
4 the submission of an application and that the state agency shall undertake reviews in a timely fashion
5 ~~no less often than twice a year~~ and give written notification to affected persons of the beginning of the
6 review, ~~including the proposed schedule for the review, the period within which a public meeting may~~
7 ~~be held, and the manner by which notification will be provided of the time and place of any public~~
8 ~~meeting so held.~~

9 (2) Provision that ~~no more than one hundred and twenty (120) days shall elapse between initial~~
10 ~~notification of affected persons and the final decision of the state agency.~~

11 (3) (2) Provision that, if the ~~state agency~~ department fails to act upon an application within the
12 applicable period established in ~~subsection (b)(2)~~ § 23-15-4(e)(1), the applicant may apply to the
13 superior court of Providence County to require the ~~state agency~~ department to act upon the application.

14 (4) (3) Provision for review ~~and comment~~ by the health services council and comment by any
15 affected person, ~~including but not limited to those parties defined in § 23-15-2(1) and the department~~
16 ~~of business regulation, the department of behavioral healthcare, developmental disabilities and hospitals,~~
17 ~~the department of human services, health maintenance organizations, and the state professional~~
18 standards review organization, on every application for the determination of need.

19 (5) Provision that ~~a public meeting may be held during the course of the state agency review at~~
20 ~~which any person may have the opportunity to present testimony. Procedures for the conduct of the~~
21 ~~public meeting shall be established in rules and regulations promulgated by the state agency with the~~
22 ~~advice of the health services council.~~

23 (6) (4)(i) Provision for issuance of a written decision by the ~~state agency~~ department which shall
24 ~~be based upon~~ address and consider the findings and recommendations of the health services council
25 ~~unless the department state agency shall afford written justification for variance from that decision.~~

26 (ii) In the case of any proposed new institutional health service for the provision of health

1 services to inpatients, a state agency shall not make a finding that the proposed new institutional health
2 service is needed, unless it makes written ~~findings~~ recommendations as to:

3 (A) The efficiency and appropriateness of the use of existing inpatient facilities providing
4 inpatient services similar to those proposed; and

5 (B) The capital and operating costs (and their potential impact on patient charges), efficiency,
6 and appropriateness of the proposed new institutional health services.

7 ~~(C) Makes each of the following findings in writing:~~

8 ~~(I) That superior alternatives to inpatient services in terms of cost, efficiency, and
9 appropriateness do not exist and that the development of alternatives is not practicable;~~

10 ~~(II) That, in the case of new construction, alternatives to new construction (e.g., modernization
11 or sharing arrangements) have been considered and implemented to the maximum extent practicable;~~

12 ~~(III) That patients will experience serious problems in terms of costs, availability, or
13 accessibility, or any other problems that may be identified by the state agency, in obtaining inpatient
14 care of the type proposed in the absence of the proposed new service; and~~

15 ~~(IV) That, in the case of a proposal for the addition of beds for the provision of skilled nursing
16 or intermediate care, the relationship of the addition to the plans of other agencies of the state responsible
17 for providing and financing long term care (including home health services) has been considered.~~

18 ~~(7) (5) Provision for the distribution of the decision of the state agency department, including
19 its findings and recommendations, to the applicant and to affected persons.~~

20 ~~(8) (6) Provision that the state agency department may approve or disapprove in whole or in
21 part any application as submitted, but that the parties may mutually agree to a modification of any
22 element of an application as submitted, without requiring resubmission of the application.~~

23 ~~(9) (7) Provision that any person affected may request in writing reconsideration of a state
24 agency decision if the person:~~

25 ~~(A) Presents significant relevant information not previously considered by the state agency;~~

26 ~~(B) Demonstrates that there have been significant changes in factors or circumstances relied~~

1 upon by the state agency in reaching its decision;

2 (C) ~~Demonstrates that the state agency has materially failed to follow its adopted procedures in~~
3 ~~reaching its decision; or~~

4 (D) ~~Provides any other basis for reconsideration that the state agency may have determined by~~
5 ~~regulation to constitute good cause.~~

6 (ii) Procedures for reconsideration upon request of the applicant shall be established in
7 regulations promulgated by the ~~state agency~~ department with the advice of the health services council.

8 (8) ~~Provision that upon the request of any affected person, the decision of the state agency to~~
9 ~~issue, deny, or withdraw a certificate of need or to grant or deny an exemption shall be administratively~~
10 ~~reviewed under an appeals mechanism provided for in the rules and regulations of the state agency, with~~
11 ~~the review to be conducted by a hearing officer appointed by the director of health. The procedures for~~
12 ~~judicial review shall be in accordance with the provisions of § 42-35-15. Provision for appeal by the~~
13 ~~applicant of the department's decision in accordance with § 42-35-15.1(a).~~

14 (c) The ~~state agency~~ department shall publish, at least annually, a report of reviews of new
15 institutional health services and new health care equipment conducted, together with the findings and
16 decisions rendered in the course of the reviews. ~~The reports shall be published on or about February 1~~
17 ~~of each year and shall contain evaluations of the prior year's statutory changes where feasible.~~

18 (d) All applications reviewed by the ~~state agency~~ department and all written materials pertinent
19 to ~~state agency~~ the department's review, including minutes of all health services council meetings, shall
20 be accessible to the public upon request.

21 (e) ~~In the case of review of proposals by health care facilities who by contractual agreement,~~
22 ~~chapter 19 of title 27, or other statute are required to adhere to an annual schedule of budget or~~
23 ~~reimbursement determination to which the state is a party, the state budget office, the office of the health~~
24 ~~insurance commissioner, and hospital service corporations organized under chapter 19 of title 27 shall~~
25 ~~forward to the health services council within forty five (45) days of the initiation of the review of the~~
26 ~~proposals by the health services council under § 23-15-4(f)(1):~~

1 ~~(1) A cost impact analysis of each proposal which analysis shall include, but not be limited to,~~
2 ~~consideration of increases in operating expenses, per diem rates, health care insurance premiums, and~~
3 ~~public expenditures; and~~

4 ~~(2) Comments on acceptable interest rates and minimum equity contributions and/or maximum~~
5 ~~debt to be incurred in financing needed proposals.~~

6 ~~(f) The health services council shall not make a recommendation to the state agency that a~~
7 ~~proposal be approved unless it is found that the proposal is affordable to the people of the state. In~~
8 ~~determining whether or not a proposal is affordable, the health service council shall consider the~~
9 ~~condition of the state's economy, the statements of authorities and/or parties affected by the proposals,~~
10 ~~and any other factors that it may deem appropriate.~~

11 **23-15-6.1. Action subsequent to review.**

12 Development of any new institutional health services or new health care equipment approved
13 by the ~~state agency~~ department must be initiated within ~~one~~ two years of the date of the approval ~~and~~
14 ~~may not exceed the maximum amount of capital expenditures specified in the decision of the state~~
15 ~~agency without prior authorization of the state agency.~~ The ~~state agency~~ department, with the advice of
16 the health services council, shall ~~adopt procedures~~ promulgate rules and regulations for the review of
17 the applicant's failure to develop new institutional health services or new health care equipment within
18 the timeframe ~~and capital limitation~~ stipulated in this section, and for the withdrawal of approval in the
19 absence of a good faith effort to meet the stipulated timeframe.

20 **23-15-10. Application fees.**

21 The ~~state agency~~ department shall require that any applicant for certificate of need submit an
22 application fee prior to requesting any review of matters pursuant to the requirements of this chapter;
23 except that health care facilities and equipment owned and operated by the state of Rhode Island shall
24 be exempt from this application fee requirement. The application fee shall be paid by check made
25 payable to the general treasurer. Except for applications that propose new or expanded ~~tertiary or~~
26 ~~specialty care~~ services as defined in subdivision ~~23-15-2(10)(vi)~~ 23-15-2(14)(iv), submission of any

1 application filed in accordance with § 23-15-4(d) shall include an application fee of five hundred dollars
2 (\$500) per application plus an amount equal to one quarter of one percent (0.25%) of the total capital
3 expenditure costs associated with the application. ~~For an application filed in accordance with the~~
4 ~~requirements of § 23-15-5 (Expeditious review), the application shall include an application processing~~
5 ~~fee of seven hundred and fifty dollars (\$750) per application plus an amount equal to one quarter of one~~
6 ~~percent (0.25%) of the total capital expenditure costs associated with the application.~~ Applications that
7 propose new or expanded ~~tertiary or specialty care~~ services as defined in subdivision ~~23-15-2(10)(vi)~~
8 23-15-2(14)(iv), shall include an application fee of ten thousand dollars (\$10,000) plus an amount equal
9 to one quarter of one percent (0.25%) of the total capital expenditure costs associated with the
10 application. Application fees shall be non-refundable once the formal review of the application has
11 commenced. All fees received pursuant to this chapter shall be deposited in the general fund.

12 **23-15-11. Reports, use of experts, and all costs and expenses.**

13 The ~~state agency~~ department may in effectuating the purposes of this chapter engage experts or
14 consultants including, but not limited to, actuaries, investment bankers, accountants, attorneys, or
15 industry analysts. Except for privileged or confidential communications between the ~~state agency~~
16 department and engaged attorneys, all copies of final reports prepared by experts and consultants, and
17 all costs and expenses associated with the reports, shall be public. All costs and expenses incurred under
18 this provision shall be the responsibility of the applicant in an amount to be determined by the director
19 as he or she shall deem appropriate. No application made pursuant to the requirements of this chapter
20 shall be considered complete unless an agreement has been executed with the director for the payment
21 of all costs and expenses in accordance with this section. The maximum cost and expense to an applicant
22 for experts and/or consultants that may be required by the ~~state agency department~~ shall be ~~twenty~~ fifty
23 thousand dollars (~~\$20,000~~-\$50,000); provided however, that the maximum amount shall be increased ~~by~~
24 ~~regulations promulgated by the state agency on or after January 1, 2008~~ annually by the most recently
25 available annual increase in the federal consumer price index as determined by the ~~state agency~~
26 department.

1 SECTION 9. This article shall take effect upon passage.