



Department of Business Regulation

Insurance Division

1511 Pontiac Avenue, Bldg. 69-2
Cranston, Rhode Island 02920

Insurance Bulletin Number 2024-9

2024 Legislative Changes

The following legislative amendments were enacted during the 2024 session of the Rhode Island General Assembly. This information is being provided in accordance with R.I. Gen. Laws § 27-71-14(a). This bulletin is being provided for informational purposes only and may not be an all-inclusive list of enactments that impact the insurance industry. Licensees should refer to the statute itself to determine the impact. Any person wishing to be included in these annual notifications pursuant to R.I. Gen. Laws § 27-71-14(b) who is not currently on the interested parties list may sign up for email updates by [clicking here](#).

INSURANCE

PRODUCER LICENSING ACT		
H7283A	Chapter 318	Effective 6/25/2024
S2798A	Chapter 319	Effective 6/25/2024
Enacts electronic insurance producer appointments based on the NAIC model language upon passage; repeals the requirement that one third-party administrator audit be conducted on-site annually upon passage; clarifies that DBR has oversight over producer licensing and producer appointments upon passage; repeals the Annual Contracted Producer Report (“ACPR”) and its corresponding fee effective 1/1/2025; and clarifies language regarding insurance claims adjusters. Insurance Bulletin 2024-6 further explains the implementation regarding electronic appointments and the repeal of the ACPR.		

EXAMINATIONS		
H7281A	Chapter 354	Effective 01/01/2025
S2802A	Chapter 355	Effective 01/01/2025
Adopts the main provisions of the NAIC Insurance Data Security Model Law, specifically with respect to domestic and foreign insurance companies. The law is intended to require insurers to have a Data Security Program, enhances insurance examination authority, and lays out expectations for investigations and notifications after cybersecurity events occur. An Insurance Bulletin will be issued shortly further addressing concerns raised by stakeholders around the implementation of this statute.		

MOTOR VEHICLE REPLACEMENT PARTS		
H7264A	Chapter 438	Effective 10/01/2024
S2440aa	Chapter 416	Effective 10/01/2024
Prohibits insurance companies from refusing to use aftermarket parts on motor vehicles that are greater than 48 months and less than 72 months from the date of manufacture, provided the repairer has written consent from the owner of the vehicle. The Division interprets this		

change to mean that insurers will include the cost of the OEM equipment in its estimates and claim payments when the repairer has the vehicle owner’s written consent to install OEM parts.

CASUALTY INSURANCE RATING

H7606	Chapter 039	Effective 01/01/2025
S2269	Chapter 040	Effective 01/01/2025
Prevents insurance companies from treating widowed persons differently than married persons when establishing or maintaining an insured's rate or classification respecting the operation of a personal motor vehicle.		

INSURERS' REHABILITATION AND LIQUIDATION ACT

H7432	Chapter 138	Effective 6/17/24
S2270	Chapter 139	Effective 6/17/24
Amends the rehabilitation and liquidation provisions for insurers with respect to the Federal Home Loan Investment Bank and that bank’s ability to exchange collateral pledged by an insurer-member. Provides that no person, for over ten (10) days, shall be restricted from enforcing a right under any pledge, security, credit, guarantee agreement, arrangement or other agreement or credit enhancement to which a federal home loan bank is a party. Also outlines the process and requirements for a federal home loan bank to exercise its rights regarding collateral pledged by an insurer-member pertaining to outstanding capital stock. Further provides that no receiver or any other person shall avoid any preference arising under or in connection with any pledge, security, credit, collateral, loan, advances, reimbursement or guarantee agreement or arrangement or any similar agreement, arrangement, or other credit enhancement to which a federal home loan bank is a party.		

UNFAIR CLAIMS SETTLEMENT PRACTICES ACT

H7507A	Chapter 435	Effective 01/01/2025
S2681A	Chapter 436	Effective 01/01/2025
<p>Adds two provisions to the Unfair Claims Settlement Practices Act.</p> <p>The first new provision prohibits an insurer from refusing to honor a direction to pay for a property damage restoration company, however the payment to the restoration company may not exceed \$5,000 and insurers must ensure the restoration company has a valid Rhode Island contractors’ registration. A contractor’s registration may be verified online at the CRLB website. Insurers are explicitly allowed by the public law to “<i>question or challenge whether the services billed for are covered by the policy, related to an occurrence covered by the policy, or the amount charged, in accordance with its policy provisions.</i>” The law also notes it is not intended to “Adversely affect the right of any mortgagee or other person with an interest in the policy unless such mortgagee or other person has also executed the "direct to pay";”</p> <p>The second new provision prohibits an insurer from refusing to honor a "direction to pay" to a licensed public insurance adjuster executed by an insured that contains all of the seven required fields. The payment shall not exceed 10% of the total amount of the settlement, and the public law specifically may not “<i>Prevent the insurance company's ability to question or challenge whether the services billed for are covered by the policy, related to an occurrence covered by the policy, or the amount charged, in accordance with its policy</i>”</p>		

provisions.” The law also notes it is not intended to “Adversely affect the right of any mortgagee or other person with an interest in the policy unless such mortgagee or other person has also executed the "direct to pay".”

FACILITATING BUSINESS RAPID RESPONSE TO STATE DECLARED DISASTER ACT OF 2024

H7087Aaa	Chapter 215	Effective 06/24/2024
S2214Aaa	Chapter 216	Effective 06/24/2024

The Department interprets this public law’s purpose as facilitating the rapid deployment of telecommunications workers during a declared state or federal emergency. This law exempts out-of-state businesses and their employees from state or local business and tax requirements *when performing* those telecommunication services (1) during declared state or federal disasters or emergencies, and (2) when working on specifically defined and limited critical infrastructure. For purposes of insurance regulation, the Department does not interpret that insurance professionals are covered by this legislation. The Department already has emergency licensing procedures for insurance claims adjusters who might also be needed to assist in such emergencies.

LIFE INSURANCE POLICIES AND RESERVES

H7719	Chapter 203	Effective 06/17/2024
S2982	Chapter 204	Effective 06/17/2024

Replaces the term “the drug naloxone” with the term “opioid antagonist” in chapters regulating life insurance policies and group life insurance policies.

UNFAIR CLAIMS SETTLEMENT PRACTICES ACT

S3105Aaa	Chapter 411	Effective 01/01/2025
----------	-----------------------------	----------------------

Adds several provisions to the Unfair Claims Settlement Practices Act. The first change is to 27-9.1(a)(18), adding language prohibiting an insurer from not honoring a direction to pay a motor vehicle repair benefit to a licensed auto body shop as a single payment. [Auto Body Shop licensure can be verified online.](#) The second change is to 27-9.1(a)(22) adding language prohibiting an insurer from failing to pay for “required or recommended” repairs from the OEM or paint manufacturer. This replaces the previous standard of requiring insurers to pay for “necessary repairs.” The third change, to 27-9.1(a)(31) appears to extend the section of law to any claim on a Rhode Island registered vehicle that is repaired in Rhode Island, regardless of where the insurance policy was issued or originated, and regardless of the licensure status of the insurer in question.
NOTE: The companion bill, H8252, was heard and held in committee.

AN ACT RELATING TO STATUTES AND STATUTORY CONSTRUCTION

H8325A	Chapter 403	Article I Effective 12/31/2024 Articles II, III Effective 06/26/2024
--------	-----------------------------	---

Makes several technical amendments to the general laws, prepared at the recommendation of the law revision office. Article II, Sections 14, 15, 16, and 17 include changes to Title 27 relevant to insurers.

OFFICE OF HEALTH INSURANCE COMMISSIONER (OHIC)

HEALTHCARE PROVIDER SHIELD		
H7577A	Chapter 260	Effective 06/25/2024
S2262B	Chapter 261	Effective 06/25/2024
Creates a protective legal shield for healthcare providers, precluding any civil or criminal action by other states or persons against healthcare providers involving persons seeking access to gender-affirming health care services and reproductive healthcare services provided in this state.		

HEALTHCARE COMMUNICATIONS AND INFORMATION		
H7646	Chapter 352	Effective 06/26/2024
S3044	Chapter 353	Effective 06/26/2024
Amends the definition of 'authorized representative' in the confidentiality of health care communications and information act to provide that an authorized representative may include any heir-at-law when the patient is deceased and the personal representative is absent.		

EXAMINATIONS		
H7281A	Chapter 354	Effective 01/01/2025
S2802A	Chapter 355	Effective 01/01/2025
Adopts the main provisions of the NAIC Insurance Data Security Model Law, specifically with respect to domestic and foreign insurance companies. The law is intended to require insurers to have a Data Security Program, enhances insurance examination authority, and lays out expectations for investigations and notifications after cybersecurity events occur. An Insurance Bulletin will be issued shortly further addressing concerns raised by stakeholders around the implementation of this statute.		

AN ACT RELATING TO STATUTES AND STATUTORY CONSTRUCTION		
H8325A	Chapter 403	Article I Effective 12/31/2024 Articles II, III Effective 06/26/2024
Makes several technical amendments to the general laws, prepared at the recommendation of the law revision office. Article II is entitled Statutory Construction, and Sections 14, 15, 16, and 17 of Article II include changes to Title 27 relevant to insurers. These amendments include changes to the relevant chapters of Title 27 concerning coverage and prior authorization requirements for HIV PrEP and PEP drugs.		

INTERSTATE MEDICAL LICENSURE COMPACT		
H8346	Chapter 264	Effective 06/25/2024
S2181	Chapter 265	Effective 06/25/2024
The legislative language repeals the sunset provision, previously found at 5-91-25 which had set forth that “chapter 91 of title 5 would sunset and expire on July 1, 2025”, effectively removing the expiration date and allowing the Interstate Medical Licensure Compact to continue indefinitely.		

ACCIDENT AND SICKNESS INSURANCE POLICIES – LIFETIME LIMITS		
H7091A	Chapter 201	Effective 06/17/2024
S2382A	Chapter 202	Effective 06/17/2024
Repeals the authority of the health insurance commissioner to enforce any act of the United States Congress or a federal court decision that invalidates or repeals the prohibition of annual and lifetime limits on health insurance contained in the federal Patient Protection and Affordable Care Act as it pertains to this state.		

DEPARTMENT OF HEALTH		
H7204A	Chapter 423	Effective 07/01/2024
S2072A	Chapter 424	Effective 07/01/2024
Designates, for fiscal year 2025, the usage for certain funds within the immunization account.		

ACCIDENT AND SICKNESS INSURANCE POLICIES		
H7365A	Chapter 223	Effective 01/01/2025
S2086aa	Chapter 232	Effective 01/01/2025
Provides that health insurers provide coverage for covered clinician-administered drugs under certain circumstances.		

ACCIDENT AND SICKNESS INSURANCE POLICES – INSURANCE COVERAGE FOR PREVENTION OF HIV INFECTION		
H7625A	Chapter 126	Effective 01/01/2025
S2255A	Chapter 127	Effective 01/01/2025
Provides that a health insurer would provide access to at least one pre-exposure (PrEP) drug in each method of administration and at least one of the Centers for Disease Control (CDC) and Prevention preferred post-exposure (PEP) drug treatment regimen, without any prior authorization or step therapy requirement. There would be no copayment required, and no deductible would need to be met, to obtain the prescription covered by the insurance contract, plan, or policy.		

DISCLOSURE OF PRICES – MEDICAL FACILITY ITEMS		
H7880	Chapter 442	Effective 06/29/2024
S2078	Chapter 418	Effective 06/28/2024
Adds a new chapter to Title 23 titled ‘Disclosure of Prices – Medical Facility Items’, requiring healthcare facilities to maintain and make public a list of all standard charges for all facility items or services. Facilities must also provide a consumer-friendly list of standard charges for a limited set of shoppable services. The bill specifies the information that must be included in the lists, such as a description of each facility item or service, the charges for each individual facility item or service, and any applicable billing codes. The lists must be displayed on the facility's publicly accessible website.		

DENTAL INSURANCE LOSS RATIO REPORTING AND STUDY ACT		
H7944A	Chapter 226	Effective 06/24/2024
S2873A	Chapter 227	Effective 06/24/2024
<p>Requires, for the reporting years 2023, 2024, 2025, dental health insurance carriers to file with the health insurance commissioner, in a format prescribed by the commissioner, an actuarial memorandum disclosing their incurred claims and earned premiums, to assist the health insurance commissioner with respect to the issuance of a study report and recommendations regarding a dental insurance loss ratio. This act would also allow the health insurance commissioner to assess dental health insurance carriers an annual maximum combined amount of one hundred fifty thousand dollars (\$150,000) to defray the costs of the study report.</p>		

JOINT RESOLUTION RESPECTFULLY REQUESTING HEALTHSOURCE RI (HSRI) TO CONVENE A WORKING GROUP TO STUDY THE ISSUE OF AFFORDABILITY OF COVERAGE IN THE RHODE ISLAND HEALTH INSURANCE INDIVIDUAL MARKET AND TO PROVIDE RECOMMENDATIONS ON THE DESIGN OF A STATE-BASED PROGRAM TO PROVIDE AFFORDABILITY ASSISTANCE TO RHODE ISLANDERS ENROLLED IN PLANS THROUGH THE HSRI EXCHANGE.		
H8332Aaa	Resolution 402	Effective 06/25/2024
S3086Aaa	Resolution 403	Effective 06/25/2024
<p>Senate and House Resolution requesting HealthSource RI to convene a working group to study the issue of affordability of coverage and to make recommendations on the design of a state-based program to provide affordability assistance to Rhode Islanders enrolled in plans through the HSRI exchange, with participation of the working group extended to members of the Exchange Advisory Board established by § 42-157-7. The resolution requests the working group consider and issue recommendations that would directly address the monthly premium cost of HSRI health insurance and out-of-pocket costs paid by enrollees upon receipt of healthcare services, and specifically address the impact of the expiration of federal enhanced advance premium tax credit. HSRI is to submit a report on or before January 31, 2025 with its findings.</p>		

Copies of Rhode Island Insurance Regulations, [Insurance Bulletins](#) and applicable [Rhode Island General Laws](#) are accessible through these links or by visiting the Department’s website at www.dbr.ri.gov. Copies of the [Senate](#) and [House](#) bills are accessible through these links or by visiting the Rhode Island General Assembly website at www.rilin.state.ri.us. Considering the above amendments, insurers are required to review current policy forms, rules, and rates to determine if new and/or revised filings are required and to timely submit such filings in SERFF for the Department’s review and approval.