State of Rhode Island Office of the Health Insurance Commissioner
Health Insurance Advisory Council
Meeting Minutes
October 15, 2019, 4:30 P.M. to 6:00 P.M.
State of Rhode Island Department of Labor and Training
1511 Pontiac Avenue, Building 73-1
Cranston, RI 02920-4407

Attendance

Members

Co-Chair Commissioner Marie Ganim, Co-Chair Stephen Boyle, Shamus Durac, Karl Brother, David Feeney, David Katseff, Laurie-Marie Pisciotta, Al Charbonneau, Lisa Tomasso, Teresa Paiva Weed, Vivian Weisman, Deb O'Brien,

Issuers

Shawn Donahue, Blue Cross Blue Shield of RI

State of Rhode Island Office of the Health Insurance Commissioner Staff

Cory King

Not in Attendance

Daniel Moynihan, Hub Brennan

Minutes

1. Welcome, Introductions, and Review of September Meeting Minutes

Stephen Boyle called the meeting to order. After introductions, Stephen asked for a motion to accept the September meeting minutes.

Karl Brother posed a question for the chairs: he noted that at meetings the public is invited but comments from the public are held at the end of the meeting. Karl stated that he was concerned at the end of the last meeting because of the continued dialogue between invited guests, and members of the audience – the back and forth ate up time and limited the time for the questions and discussion he and other members would have liked to contribute.

Stephen Boyle commented that today he was going to mention that public comment should be held until the end. Public meetings are a little bit different because there is more time allocated for public discourse going back and forth, but it can take up time with the various competing interests. The other side of the coin is that these are the public meetings, so they do exist for extended public comment.

The minutes were approved as submitted.

2. RIREACH Consumer Update

Shamus Durac gave an update about RIPIN's new location in Warwick. Over the past month RIPIN has saved consumers about $49,500. In terms of trends, RIPIN has not seen a major uptick in questions about open enrollment but expect them to begin soon. RIPIN is also getting ready to collaborate with OHIC and other state agencies about getting the message out about the individual mandate.

Commissioner Ganim commented that she knows that Laurie-Marie Pisciotta is also interested in helping communicate the message of the individual mandate, and that OHIC has begun to talk to HSRI about that effort.

Teresa Paiva Weed commented that she had several different folks reach out to her regarding having difficulties trying to connect with HSRI, RIREACH, and others. Are the navigators going to be returning to regular hours at the health centers? I've heard from a couple people that they have had trouble reaching a navigator by calling, going through the website, etc.

Shamus responded that RIPIN can attempt to connect these people with other navigators or navigators we have at RIPIN – feel free to send them our way. Anytime you hear of people having trouble getting in touch with RIREACH specifically, please let him know – if this was right around the time of our move maybe that was part of it.

David Katseff asked if returning a call within 48 hours is standard for RIPIN and Shamus confirmed that that is what RIPIN aims for with all calls.

Commissioner Ganim responded that for our next meeting we can see if HSRI can discuss open enrollment, response-time, navigators etc. and be able to answer some of these questions.

3. **Market Stability Update**

Commissioner Ganim gave a brief update of the current state of the Small Business Insurance Group on Market Stability and its revised guiding principles. The group has had its first two meetings so far and will be having its third meeting on October 29th. This is a different group from our last Market Stability Group because the focus is very different than the individual market. In 2011 the small group market had a total of 89,000 individuals and now it has dropped to around 52,000 – this is what concerned us and led to us creating this group.

Karl asked to clarify what qualifies as a small group and Commissioner Ganim replied that it is 2-50 employees.

Vivian Weisman asked if the drop-off is possibly due to the number of small employers who are not offering insurance? Commissioner Ganim replied that we have a list of what some of the reasons are

but at this point it is difficult to know, we are planning to do a survey of employers to ask those questions.

Stephen Boyle commented that it is important to note that it is not an issue of people not being covered, we have 96% of the population covered. Even though they are leaving the market they are still covered.

Vivian Weisman commented that another factor could be that a company offers insurance but only for employees who work a certain number of hours. Commissioner Ganim replied that the data shows that is a big factor.

Commissioner Ganim explained that the other major issue, aside from where these people are going, is the struggle small businesses are going through to afford these plans. Part of the issue of the offer rates has to do with the underlying costs of health care.

David Katseff asked if we know why the prescription costs of Massachusetts is so much higher than Rhode Island's when we are so similar on the other measures. Commissioner Ganim responded that we don't currently know that information.

Teresa commented that overall it appears that this is good news, that our cost drivers are lower than Massachusetts. Commissioner Ganim agreed that it is good news compared to Massachusetts and national, but it is still too high for many Rhode Islanders.

Teresa also mentioned that in Massachusetts they have a lot more advanced trials on drugs, and the percentage of for-profit and not-for-profit hospitals could impact the overall cost of Massachusetts as well.

Al commented that no matter what we find out from other communities, this is the marketplace we are purchasing in and the one we should be looking at.

David Katseff asked, if the Small Business Insurance Group has started to discuss what influence the change in HRAs for small businesses might do in Rhode Island?

Commissioner Ganim responded that the group started to come up with a list of potential policy options and that is on the list. We will be having national experts join our meetings to help us analyze the various policy options for Rhode Island.

4. **Community Health Needs Assessments Overview by HARI and Discussion**

Teresa Paiva Weed introduced Gina Rocha who is the Vice President of Clinical Affairs at the Hospital Association of Rhode Island (HARI).

Gina Rocha gave an overview of the Community Health Needs Assessment (CHNA), their objectives, and the overall value of the assessment. The IRS created seven requirements for the CHNAs:

1. Must Have conducted a CHNA in tax year that began after March of 2012 or in preceding 2 years
2. Must adopt an implementation strategy that meets the community health need identified in the CHNA
3. Descriptions of how needs are being met; as well as what needs are not being addressed and why
4. Include interests that represent the broad interests of the community including those with special knowledge of or expertise in public health
5. Make written report widely available to public
6. Meet requirements separately for each facility
7. Evaluate the impact of Community Health Improvement Plan

HARI established a steering committee to provide oversight over the CHNAs. Through the steering committee, they established statewide priorities.

The death rate is steadily declining for both heart disease and cancer. Karl Brother commented that we are doing significantly better than the rest of the country.

Gina presented a community spotlight on Providence County/Woonsocket, Kent County/West Warwick, and Washington County. Each assessment detailed the data for the social determinants of health, behavioral health, chronic disease, and maternal & child health in each of these Rhode Island regions.

Al commented that the over 65 population lives longer, and he is wondering if the fact that we are active, and smoke less than older generations is a factor in that. Gina responded that their baseline is 2013 – that is when they started the CHNA.

Shamus asked if maternal & child health has been steady, or if they have increased – specific to maternal health in the African American and Latino communities? Gina responded that we are still doing a deep-dive into the data, from a legislative stand-point we were able to successfully establish a maternal mortality review committee that requires the five birthing hospitals in RI to report maternal mortalities.

5. **Health Care Cost Drivers Overview by RIBGH and Discussion**

Al Charbonneau gave an overview of health care cost drivers in Rhode Island. Health care costs are currently unsustainable, they are going up while everything else is lowering. Al commented that he doesn't believe big change is going to come from the federal level – the smaller communities are the ones that are going to make the change.

Al described a Blue Cross study "RI According to the Numbers" that detailed RI spending vs spending on average in the nation. In hospital costs per capita, Rhode Island has the fifth highest overhead costs per capita in the nation.

Teresa asked what the source for the data was – Al confirmed it was from the Rand corporation, Medicare costs report data.

Al continued, family premium deductible has gone up from 8% in 2003 to almost 13% in 2013. People are beginning to work on affordability and starting to think about an affordability index.

Teresa commented: on behalf of all of the hospitals, in the last two years Care New England, and CharterCare have both had significant layoffs. A lot has changed in 2017 and 2018 including the closure of a hospital, and Lifespan right now is going through challenges as well. It takes a long time for things to change, but there has been significant reductions in administrative overhead in our hospitals in 2017 and 2018.

Al commented that he has looked at the 2017 data, and the data over the past 20 years, and overhead costs have been going up on average about 7-8% per year. The reality is that it cannot be going up at all. The ACA focuses on 2010 onward, but these are trends that have been going on for a lot longer.

Stephen Boyle asked if the overhead number is possibly skewed by the alternative facilities like Thundermist, and the Neighborhood Health Station? Al responded that if you could take all of the people served in all of these ancillary organizations, and you closed all of those ancillary organizations down and put these people into the hospitals, then you would drive down overhead cost. Having said that, we have come to realize in the last 20 years that a hospital is a place you do not want to be unless you have to be. The ideas is we are transitioning from the inpatient to the outpatient.

Al continued saying that he thinks we are doing a lot in the state, and when he adds his comments it is not to say that what we are doing is not working. But if we look at the 3% increase, which is the Cost Growth Target, he argues we will never get to affordability. Moreover, Massachusetts has beat its target for two years in a row and its premiums have still gone up. OHIC has done a lot on the regulatory side and payment reform side. My argument is that we need to do more and dig into the actual expenses of the system.

Al explained that all of the economists he has read from state that competition is either not working, or it could work – he does not know of any that say it is working. There are many private initiatives going on, like employer sponsored wellness initiatives etc., but we need to move right into what is driving premium. If you cannot move the hospital needle, it is hard to make any changes, because the hospital number is so large.

Stephen Boyle commented that Senator Whitehouse had a letter to the editor targeting more cooperation and figuring out what we can do. We see a lot of replication of services, and it does end up adding costs.

Teresa commented that Rhode Island has a unique problem with behavioral health – our state has not taken the steps it needs to take to invest in our behavioral health system. Our hospitals are taking in the state's BH patients, and they shouldn't be. One thing you can target is a way to target the BH crisis.

Laurie-Marie Pisciotta commented that if hospitals used their community health benefits to invest in supportive housing and supervised housing that would make a tremendous impact.

Al commented that he understands the social determinants of health argument, but he is mainly concerned with overhead costs which he considers to be the main cost strategy.

Stephen Boyle commented that he believes you need to put both together – the social determinants of health, and the rising costs of overhead.

6. Public Comment

Margaret Holland McDuff from Family Services of Rhode Island commented about the impact adverse childhood experiences (ACEs) has on parents, students getting an education, and the economy.

Deb Burton from RI Elder Info commented that children going through those events who are losing their parents are often taken in by their grandparents – so when we are looking at that senior data it is important to understand that that data impacts younger generations as well.

Next Meeting:

- Tuesday, November 19, 2019 from 4:30 – 6:00 PM at the State of Rhode Island Department of Labor and Training - 1511 Pontiac Avenue, Building 73-1, Cranston, RI 02920-4407