State of Rhode Island Office of the Health Insurance Commissioner
Health Insurance Advisory Council
Meeting Minutes
October 19, 2021, 4:30 P.M. to 5:30 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 Patrick Tigue, Co-Chair Stephen Boyle, Al Charbonneau, David Katseff, Laurie-Marie Pisciotta, Daniel Moynihan, Shamus Durac, Amy Nunn, Eugenio Fernandez, Lawrence Wilson, Mark Jacobs

State of Rhode Island Office of the Health Insurance Commissioner Staff
Cory King

Not in Attendance
Sandra Victorino, Catherine Cummings, Cori Chandler, David Feeney, Hub Brennan

Minutes

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

Commissioner Tigue called the meeting to order. After introductions, Steve Boyle asked for a motion to accept the September meeting minutes. The minutes were approved as submitted.

2. Health Insurance Premium Cost Drivers Series: Part 1

Commissioner Tigue introduced the topic, explaining that we will be covering this presentation in two parts so that we can give everyone time to read through it. The data that led to this presentation was collected from insurers this year as part of the annual rate review filing period and aggregated to highlight trends in enrollment, claims, cost, and other important information.

Cory King led the presentation about the Rhode Island market summary PowerPoint. This project began over the summer during the rate filing process – the office began aggregating that data to develop this PowerPoint with the intent of having a broader conversation about health insurance premium drivers in our state. The report begins with an evaluation of enrollment across each of the markets in which OHIC oversees and then covers demographic information around the ages of these markets, market shares, and claims data.

Slide one details how all fully insured market segments experienced declines in membership, led by the large group. This has been a common trend for a long time now, described often as a secular trend. In small group, the market has declined, whereas the individual market has been fairly stable in the post-ACA period. The decline in the small group since 2018 has been about 12% - in 2018 there were 54,869 members in that market, in 2021 there are 47,936. The large group market experienced the highest decline, losing about 15.5% of its members since 2018.

A couple years ago OHIC and HealthSource RI convened a working group that looked at the stability of the small group market – that group sent out a survey to small employers in the market to get an understanding of what influences their decision to offer health insurance to their employees. What

we found is that firms that were more established tended to have a higher offer rate, we also found the larger small groups had larger offering rates. While we can't explicitly assign weights to each of these factors, we can imagine there could be drivers caused by industry mix, wage structure, more newer businesses, etc. One of the factors of large group is the possibility of some of these larger groups going to self-insured. There could also be some shifting to the Medicaid market impacting these numbers as well.

David Katseff asked if the numbers for the individual market and the small group market include anybody who has gotten insurance through HealthSource RI? Cory confirmed that it does.

Commissioner Tigue commented that even though these two markets are declining, Rhode Island's insurance status as a whole is not declining. Though we do not have a perfect line of sight of which markets all of these people are going into, the uninsured rate of Rhode Island is not going down.

Shamus Durac commented that he is interested to know more about the trend and where these folks are going. Is there work being done to diagnose some of that information? Commissioner Tigue responded that yes, we do want to look into all of these trends.

Teresa Paiva Weed asked if there is any interest, or benefit, to modifying the decision of small group to something other than 2-50? Cory King responded that the ACA required sole proprietors purchase in the individual market, whereas previously they could purchase under the small group. The ACA did allow for states to expand the definition of the small group, up to 100, but RI law still counts it at 50. If you are to think about making that policy change you have to think about those large groups in that 50-100 segment, what would be the relative effect on their health insurance cost my moving them into a community rated small group risk pool. We had some of those debates years ago and elected not to shift the definition of the small group or merge the individual and small group markets.

Al Charbonneau commented that he always hears that we have a stable uninsured rate as a state, but looking at the drops in both the small and large group markets he is wondering if we should examine how our uninsured rate is calculated? Cory responded that we do have some information about enrollment in the self-insured groups from the insurance companies and we do observe the possibility of the RI population declining, or the population aging and leaving commercial insurance.

Cory continued, reading from slide three, and noted that an interesting fact they found in the data is that the individual market is much more skewed towards older individuals. The estimated average age for the individual Market is 42.7 while the estimated average age is 37.4 for small group and 36.9 for large group fully insured market. Also, as shown in slide four, the age distribution in the large group market has remained about the same since 2018.

Steve Boyle asked if you could do a similar breakdown graph to see if the workforce, in general, is aging out? Or is that just a snapshot of where we are right now? Cory responded that the graph of all three markets is a static picture, the only dynamic graph is for the large group market.

Cory King explained the market share slides from the Rhode Island market summary in order to orient HIAC members on who the major insurance players are and what their relative market shares are in Rhode Island.

In response to Cory's explanation of the major differences between the insurers, Teresa Paiva Weed commented that she wanted to point out the significance of what Cory said: Neighborhood entered into the market paying providers at a Medicaid rate.

Mark Jacobs commented that e focus so far has been making sure that insurance is affordable, but this notion of very low reimbursement rate for providers, particularly primary care providers, really addresses access issues. Because if you can't get a primary care provider to sign on to your insurance plan, then you have a very limited pool of providers that are willing to deliver any kind of care.

Commissioner Tigue responded that this tension is across markets and noted that from a policy-making standpoint OHIC has to balance all of these considerations. Our office is charge with affordability, but it is also charged with looking at access and quality.

Amy Nunn asked what happened with telemedicine at the end of the legislative session? Commissioner Tigue responded that the state passed, and the governor signed a telemedicine bill. It is not perfect, but it is a very big step in moving telemedicine forward permanently.

Al Charbonneau commented that it is generally accepted that fee for service is working in the United States, and one of the major complicating factors of rolling out telemedicine expansion is doing it in a fee for service environment.

David Katseff asked if OHIC could provide a table from 2018 – 2021 of the number of people on self-insurance, Medicaid, and Medicare? Cory and Commissioner Tigue responded that we can.

Lawrence Wilson commented that the only demographic looked at for this presentation was age, why don't we look at gender, or race, or income, and what information are we missing by not looking at that? Commissioner Tigue responded that that is a really important question. The short answer is that traditionally that data has not been collected in a systematic way by the health insurers because it is prohibited as factors to base rates on gender. However, there is now increasing recognition that collecting that data is important so our office is thinking through how we can do that with the insurers.

Laurie-Marie Pisciotta commented that the Mental Health Association of Rhode Island has a new diversity, equity, and inclusion program and demographic collection is one of the issues we are looking at, so we would be happy to work with you on that.

3. Affordability Update

Commissioner Tigue commented that Cory effectively covered the conversation on affordability – at the next meeting we will use this time to discuss in more detail the Rhode Island Cost Trends Project.

4. **RIREACH Consumer Update**

Shamus Durac gave an update about recent trends and highlights from the RIREACH consumer helpline that occurred over the past month. RIPIN is currently gearing up for open enrollment. To assist with those efforts, they hired another bilingual case worker to assist consumers during this process. In terms of trends, we are starting to see more folks inquiring about payments for COVID-19 services, and billing for COVID-19 testing.

David Katseff asked if the extended open enrollment period is over? Shamus confirmed that it ended on August 15.

5. **Other Business**
   Amy Nunn asked if we would consider a Zoom dial-in? Cory responded that his reading of the open meetings act is that members of a public body can only participate virtually if they are active-duty military or if they have a disability. As a member of a public body, we cannot unfortunately allow zoom participation. Commissioner Tigue responded that to the maximum flexibility of law we would like to allow that, but unfortunately as we read law we cannot do it.

6. **Public Comment**
   There was no public comment.

7. **Adjournment –** The meeting was adjourned at 5:37 pm