

State of Rhode Island Office of the Health Insurance Commissioner
Health Insurance Advisory Council
Meeting Minutes
November 17, 2015, 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 Kathleen Hittner, Co-Chair Steve Boyle, David Feeney, Pat Mattingly, Al Charbonneau, Bill Schmiedeknecht, Rob Cagnetta, Tina Spears, Emmanuel Falck, Karl Brother, Vivian Weisman, Hub Brennan, Gregory Allen

Not in Attendance

Al Kurose, Howard Dulude, Mike Souza, Tammy Lederer, William Martin, David Mathias, Wendy Mackie

Issuers

Neighborhood Health Plan of Rhode Island: Stephanie Federici

Delta Dental of Rhode Island: Kerrie Bennett

Blue Cross Blue Shield of Rhode Island: Megan Dennen

UnitedHealthcare: Lauren Conway

State of Rhode Island Office of the Health Insurance Commissioner Staff

Linda Johnson, Sarah Nguyen, Jay Garrett, Cory King, Jim Lucht

Minutes

1. Welcome and Review of October Meeting Minutes

Commissioner Hittner and Stephen Boyle called the meeting to order and welcomed all Health Insurance Advisory Council (HIAC) members and others in attendance. Rob Cagnetta moved to accept the minutes from the October 20, 2015 HIAC meeting, seconded by David Feeney. The minutes were approved unanimously with no changes.

2. RIREACH Consumer Update

Tina Spears from RIPIN delivered the RIREACH consumer update. Tina reported an increase in calls, with 406 cases in October 2015 compared to 262 cases in October 2014. Most calls are from HealthSource RI customers who are unable to get through to their call center due to decreased HealthSource RI call center staff. RIREACH has been able to resolve most of their issues. RIREACH also saw a significant

increase in calls related to Medicaid disenrollment, but Tina reported that they were able to assist most of those consumers.

Tina said other than the high volume of calls, there was nothing significant to report.

3. Health Reform Update

State Innovation Model (SIM): SIM Director Marti Rosenberg reported that a lot of planning is currently underway, including major strategy sessions with key principals and state staff in preparation for strategic discussions with the full SIM Steering Committee in December and January. She also reported progress being made toward hiring a vendor to carry out the population health and behavioral health plans.

Governor's Working Group for Healthcare Innovation: Commissioner Hittner announced that a draft proposal from the Working Group has been issued for public comment. She encouraged HIAC members and others present to submit comments, which are due November 20th. OHIC has contributed a lot of work, with Cory King in particular writing several pages for the Working Group's final report due on December 1.

Al Charbonneau, who sits on the Working Group, mentioned that a subcommittee of the Working Group met that morning and was engaged in a "robust debate" as to whether the state should establish any sort of health care spending cap at all, and whether any such cap should apply to all health care spending or just some things.

Dr. Hittner added that the whole process undertaken by the Working Group needs to be informed by the two items next on HIAC's agenda: the Total Cost of Care study and the All Payer Claims Database.

4. Total Cost of Care Update

Cory King presented on the Total Cost of Care study commissioned by the state. The full report was to be issued the following morning at a meeting of the Health Care Planning and Accountability Advisory Council (HCPAAC).

The General Assembly passed a law in 2013 requiring the HCPAAC to, in consultation with OHIC, study health system total cost drivers. HCPAAC and OHIC consulted with Wakely to put together a report on claims data over a three-year period from 2011-2013. The report only includes data based on allowed claims and does not include any non-claims payments. Cory cautioned that as with any study, there are limitations to the data, and short run experience is not necessarily indicative of long run trends.

Cory presented selected slides from the full report presentation. One slide indicated a decrease in commercial medical spending during the period of the study, which generated discussion among the Council. Steve Boyle asked what the relationship was between the downward trend and health

insurance premiums, since “we keep hearing that utilization and pharmacy costs are driving rate increase requests.” Cory acknowledged that “this question comes up a lot,” and explained that while the data included in the Total Cost of Care study was historical and observed, the rate requests and rate review process are prospective in nature. He also said that there is a “strong possibility” that OHIC will undertake a study of how historical medical trend has compared to premiums.

Rob Cagnetta also asked if anyone thought it was at all “alarming” that there did not seem to be an association between medical spend and insurance rates. Hub Brennan added that he felt the important thing about this study was the questions it raised regarding this discrepancy between medical spend and insurance rates, and the magnitude of that discrepancy, especially in light of the fact that “premiums statewide are on an exponential and unsustainable rise.”

5. All-Payer Claims Database Update

Jim Lucht delivered a presentation on the status of the All-Payer Claims Database (APCD) project.

The APCD is a joint project between OHIC, the Department of Health, the Executive Office of Health and Human Services, and HealthSource RI. It is a central repository of all medical and pharmaceutical claims. It includes commercial, self-insured, Medicare, and Medicaid payments. Any entity that covers over 3000 lives in the state of Rhode Island is required to submit data to the APCD.

The APCD in Rhode Island is unique in that it includes no personally identifying information and uses a “lockbox” method whereby information is anonymized. The APCD will be able to perform risk adjustments and features an “episode grouper” to track claims based on episode of care. Potential APCD users include consumers and consumer advocates, researchers, providers and payers.

Currently, the APCD project is in the final stages of validating data with payers. A data release webpage is being developed and will be launched early next year. 3M, the analytic vendor for the project, has produced 3 reporting packages, each with approximately 30 reports.

A Data Release Review Board (DRRB) will be seated and will have its first meeting around February 15. The charge of that board is to review data releases for personal privacy. All published data must be reviewed by the DRRB before being released. The DRRB will also review applications for data extracts.

Jim presented some sample use cases and screen grabs from the APCD interface. Council members asked if consumer out-of-pocket costs would be captured. Jim said they would, but they would not be able to determine what went unpaid by consumers. A representative from Delta Dental seated in the public gallery asked if dental claims would be included. Jim explained that they would not, since dental was not included in the legislation that mandated the creation of the APCD. Jim also explained in response to a query from a Blue Cross & Blue Shield of RI representative that the APCD will not include claims data from VA providers.

The APCD is currently grant funded, but they are working on a fee structure to help cover the database's \$1.4 million annual operating cost. Karl Brother asked if the goal was to completely fund the database through user fees. Jim explained that no other state has successfully done that; the most any state has paid for their APCD through user fees has been approximately 1/3 of the total cost. He pointed out the RI APCD cost is much lower than other states, and that some states make carriers fund it completely. Shawn Donahue from BCBSRI said, "just to clarify, the carriers' subscribers fund it."

6. Public Comment

No members of the public offered comment.

Next Meeting

The next meeting of the Health Insurance Advisory Council will be Tuesday, December 15, 2015 from 4:30 P.M. to 6:00 P.M. at the State of Rhode Island Department of Labor and Training, 1511 Pontiac Avenue, Building 73-1, Cranston, RI 02920-4407.