

State of Rhode Island Office of the Health Insurance Commissioner  
Health Insurance Advisory Council  
Meeting Minutes  
May 17, 2016, 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, Hub Brennan, Howard Dulude, Mike Souza, Karina Gibbs, Vivian Weisman, Greg Allen, Bill Schmiedeknecht

**Issuers**

UnitedHealthcare: Lauren Conway

Blue Cross Blue Shield of Rhode Island: Megan Dennen, Gus Manocchia

Neighborhood Health Plan of Rhode Island: Carolyn Rush

Aetna: Ron Souza

Delta Dental of Rhode Island: Kerrie Bennett

**State of Rhode Island Office of the Health Insurance Commissioner Staff**

Sarah Nguyen, Jay Garrett, Cory King

**Not in Attendance**

Co-Chair Steve Boyle, Al Kurose, David Feeney, Emmanuel Falck, Pat Mattingly, Rob Cagnetta, Tammy Lederer, Al Charbonneau, Bill Martin, David Mathias, Wendy Mackie, Karl Brother

**Minutes**

**1. Welcome and Review of April Meeting Minutes**

Commissioner Hittner called the meeting to order and welcomed all Health Insurance Advisory Council (HIAC) members and others in attendance. Hub Brennan made a motion to accept the minutes from the April 19, 2016 HIAC meeting, seconded by Mike Souza. The minutes were approved unanimously with no changes.

**2. RIREACH Consumer Update**

Karina Gibbs, RIPIN, delivered the RIREACH consumer update. She reported that call volume was consistent from March to April with a total of about 2266 calls. There was an increase in calls related to 1095 tax forms. There have been some delays in resolving EOHHS/DHS cases due in part to the new computer system coming online. RIPIN is still hiring for RIREACH positions.

### **3. Legislative Update**

Commissioner Hittner gave the legislative update and Tarah Provencal, OHIC, sent HIAC a written report ahead of the meeting. Hearings on legislation to revise the Blue Cross Direct Pay rate review process were underway. Legislation to update Rhode Island law to better conform to the Affordable Care Act was also pending in the General Assembly.

Mr. Souza reported on legislation that would subject free-standing emergency rooms to the state's Certificate of Need process. This legislation passed the State Senate, and Mr. Souza expected it to reach the House floor soon.

### **4. Healthcare Reform Update: SIM**

Marti Rosenberg provided the council with an update on the State Innovation Model (SIM) project. An initial version of the project's 3-year operational plan was completed. A significant piece of this plan, Ms. Rosenberg said, was a comprehensive population health plan for the state. Ms. Rosenberg reported that this population health plan included a strong mental/behavioral healthcare component. While the final version of the operational plan was to be submitted by June 10th, Ms. Rosenberg said that the population health plan would continue to be updated as needed. The plans are available on the EOHHS website.

Ms. Rosenberg also reported on a site visit by staff from the federal Center for Medicare and Medicaid Innovation (CMMI). Both Ms. Rosenberg and Commissioner Hittner said the visitors were "very impressed" with the SIM project's progress in Rhode Island.

### **5. 2016 Form and Rate Review Process Update**

Sarah Nguyen, OHIC, reported that the filings had only very recently been submitted by carriers, and so OHIC was not yet ready to release any specific numbers or details on the filings. She expected summary filings, consumer disclosure forms, and SERFF numbers to be published by Friday, May 20. Ms. Nguyen said that the Council could expect a more detailed update on Form and Rate Review at the June HIAC meeting. OHIC is aiming to have the rate filings approved by mid-July.

### **6. Health Insurance Premium and Medical Expense Study**

Cory King, OHIC, gave a presentation on the preliminary findings of a study comparing medical expense trends and premium rate increases. This study was ordered by the Governor's Working Group for Healthcare Innovation in its final report in December 2015. Mr. King made it clear that the information he was presenting was preliminary, that the study was not complete, and that caution should be exercised in drawing any conclusions.

The study looked at the period from 2011-2014. Mr. King first noted that the lag time between the data OHIC is able to review and the effective date of approved premium rates is about two years. So, for rates filed in May of 2014, to be effective January 1, 2015, OHIC would only be able to review data and

trends from 2013. This was cited as one reason why medical expense/claims trends may not track well with premium increases.

Mr. King presented tables of medical loss ratio (MLR) reports for each carrier, in each commercial market, for each year from 2011-2014. He then presented graphs that compared Approved Rate Changes and Allowed Claims Trends for BCBSRI and UHC in the commercial market.

Mr. King said that based on the MLR and other data, “it appears that rates have not been excessive over time.”

This prompted a discussion among council members on the need to address the rising cost of medical care in order to control premium growth. Mr. King welcomed feedback from the Council. The report on the study will be finalized in September. Overall, he said, the results demonstrate the effectiveness of the Rate Review process in Rhode Island and speak to the fact that Rhode Island has one of the most highly regulated markets.

#### **7. Public Comment**

No members of the public offered comment.

#### **Next Meeting**

The next meeting of the Health Insurance Advisory Council will be Tuesday, June 21, 2016, 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.