

State of Rhode Island Office of the Health Insurance Commissioner
Health Insurance Advisory Council
Meeting Minutes
January 20, 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 Stephen Boyle, Karl Brother, Emmanuel Echevarria, Bill Schmiedeknecht, Peter Quattromani, Rob Cagnetta, Al Charbonneau, Pat Mattingly, Mike Souza, David Feeney, Al Kurose, Gregory Allen, Tammy Lederer,

Issuers

Blue Cross Blue Shield of Rhode Island: Megan Dennen, Brian O'Malley

State of Rhode Island Office of the Health Insurance Commissioner Staff

Cory King, Sarah Nguyen, Tarah Provencal, Jay Garrett, Maria Casale

Not in Attendance

Emmanuel Falck, Howard Dulude, Hub Brennan, David Mathias, Wendy Mackie, William Martin, Pat Mattingly

Minutes

1. Welcome and Review of December Meeting Minutes

Dr. Hittner and Mr. Boyle called the meeting to order and welcomed all Health Insurance Advisory Council (HIAC) members and others in attendance. The minutes from the December 16, 2014 HIAC meeting were reviewed and approved with no changes.

Mark Gray, Coordinator of the Health Insurance Small Employer Taskforce at the Providence Plan, updated the council on a set of workshops being presented for small employers with various Chambers of Commerce throughout Rhode Island. Two sessions had been scheduled and others were in the process of being scheduled.

2. RIREACH Consumer Update

Emmanuel Echevarria updated the council on consumer calls to RIREACH. The top trend as the year came to a close were questions around tax preparation with consumers wanting to know what

documents or information they would need to prove they had coverage in 2014. The high volume of calls related to disenrollments that Manny had reported at the previous HIAC has subsided, but not gone away completely. Manny quoted from RIREACH's annual report that RIREACH served 14,000 consumers last year. Manny also noted that RIREACH is participating in administering a survey on patient liability for the Administrative Simplification Workgroup.

3. Healthcare Leaders Workgroup Compact

The Compact was delivered to Governor-elect Raimondo, House Speaker Mattiello and Senate President Paiva-Weed on December 18, 2014. A copy of the signed compact was provided to the Council members. Dr. Hittner pointed out that the Compact was covered by local media (WPRI.com specifically) in a piece that also talked about the SIM grant and the proposed revisions to the Affordability Standards. She appreciated the reporter's observation that all of these initiatives would work together.

Karl Brother commented that there were a lot of good ideas on the Compact but that success would depend upon the legislature and governor taking initiative and providing support.

Pat Mattingly inquired about the leadership groups and committees mentioned both in connection the SIM grant and the Compact. He expressed concern that the potential political nature of appointments to these committees could be a "snagging point." Dr. Hittner replied that at this point there only broad recommendations and that there were many in state government whose input would have to be considered.

Al Charbonneau commented that it was important to have the business interest represented on any committees or councils. The Commissioner acknowledged this.

Karl asked if there was any acknowledgment of receipt of the Compact from the state leaders that it was sent to. Dr. Hittner said she was not aware of any.

Dr. Hittner closed by saying she was "very excited" to begin working on making health insurance affordability a part of the Governor's broader economic development agenda.

4. Affordability Standards Update

Sarah Nguyen updated the Council on modifications being made to the revisions of the Affordability Standards based on public comments submitted to OHIC.

In response to comments, OHIC changed some language relating to Primary Care Spend in an effort to more clearly define what constitutes Primary Care Spend as well as better define the makeup of proposed committees.

OHIC also changed the index that will be used from the Northeast CPI-Urban (less food and energy) to "core CPI" which is the national CPI and also less volatile than the Northeast-specific CPI. OHIC also modified the proposed price increase limitations to a stepdown approach.

Al Charbonneau asked if this would apply to self-insured, and Cory King responded that it only applies to commercial insurance.

Al Kurose said that he was someone who was concerned about the impact of the originally proposed revisions to the standards, but he felt that the changes represented a very reasonable compromise. He also stated that since the revisions aimed to put caps on various components of hospital contracts, he wondered whether a more “global cap” should be considered. Karl agreed with this but also raised potentially regulating or capping deductibles to prevent cost-shifting. This led Pat Mattingly to ask if any progress had been made on developing a method to include deductibles in calculating plan value.

Dr. Hittner said that such a method was elusive but that the work of the Administrative Simplification Workgroup was leading to progress in the area of deductibles and co-pays. Regarding caps, the Commissioner reminded the Council that OHIC is obligated to ensure the solvency of the carriers.

Mike Souza also stated that he felt the changes made to the revisions in response to stakeholder input were a fair compromise.

Rob Cagnetta expressed concern that the revisions would only slow cost growth or keep costs where they are now. He said the costs were already too high.

5. Administrative Simplification Workgroup Update

Tarah Provencal delivered an update on the progress of the Administrative Simplification workgroup, which was put into place to make recommendations to the Commissioner to streamline healthcare administration.

Recently, this workgroup has been studying trends in providers’ ability to collect patients’ cost share liability. Dr. Hittner said this was serious problem—often, if providers are unable to collect at the point of service they are unable to collect at all. She pointed out that it was especially difficult for independent providers who do not have the staffing or resources that larger inpatient facilities and hospital groups have to do collections. Dr. Hittner said it was necessary to advance the technology to ease the collections burden on these providers.

Cory King presented some data and finding to the Council, and the draft of a survey that will be conducted by RIREACH was made available to the council.

The Workgroup’s findings and recommendations are to be presented to a special Senate commission chaired by Senator Josh Miller. The data, recommendations and draft survey are available on the OHIC website.

6. Public Comment

Tine Spears from RIPIN said she was pleased to hear about the revisions to the Affordability Standards and that consumers would be represented on the proposed committees. She suggested that consumers also be represented on any commissions that come out of the Compact. She said that RIPIN is fully supportive of care coordination but that narrowing of networks would fall under the authority of the Department of Health and that limiting choice could have serious consequences. She also suggested, as a response to the discussions surrounding incentivizing providers, that OHIC consider incentivizing consumers.

Next Meeting

The next meeting of the Health Insurance Advisory Council will be February 17, 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.