

**State of Rhode Island Office of the Health Insurance Commissioner
Health Insurance Advisory Council
Meeting Minutes
March 17, 2015, 4:30 P.M. to 6:00 P.M.
State of Rhode Island Department of Labor and Training
1511 Pontiac Avenue, Bldg 73-1
Cranston, RI 02920-4407**

Attendance

Members Present:

Co-Chair Commissioner Kathleen Hittner, Co-Chair Steve Boyle, Rob Cagnetta, Al Charbonneau, Manny Echevarria, Pat Mattingly, Mike Souza, Bill Schmiedeknecht, Gregory Allen, Howard Dulude

Issuers:

Blue Cross Blue Shield of Rhode Island: Megan Dennen
Neighborhood Health Plan of Rhode Island: Emily Cotton
UnitedHealthcare: Kevin Callahan, Scott Mathieu

OHIC Staff: Jay Garrett, Linda Johnson, Cory King, Sarah Nguyen

Not in Attendance: Hub Brennan, Al Kurose, Tammy Lederer, Peter Quattromani, William Martin, David Mathias, Vivian Weisman, Wendy Mackie, Karl Brother, David Feeney, Emmanuel Falck

Minutes

1) Welcome and Review of the February Meeting Minutes:

Co-Chairman Boyle called the Health Insurance Advisory Council meeting to order and welcomed all members. There was a motion to accept the minutes from Rob Cagnetta, seconded by Manny Echevarria. The committee approved the minutes unanimously.

2) RIREACH Consumer Update: Manny Echevarria

Mr. Echevarria presented his monthly report from the RIREACH consumer assistance project. There have been a high number of tax questions about the IRS 1095 forms, which provide HealthSource RI customers with information about the insurance and tax credits they received in 2014. This month has seen a jump in these types of calls, with 20% of their cases concerning 1095 forms. RIREACH is coordinating with tax preparers, and assisting HSRI with troubleshooting the 1095 issues, including a small number of customers who have not yet received their forms. In addition, RIREACH staff have become Certified Application Counselors (CACs), and have helped a number of uninsured consumers get coverage.

Additional issues RIREACH has dealt with this month include consumers not having access to care because of cost or geography, denials or appeals for Medicaid and Medicare coverage, and consumer assistance about what people's insurance policies cover. They are working to create a health insurance literacy workshop to help consumers as well.

3) Legislative Update: Sarah Nguyen

Ms. Nguyen presented on a list of bills that might be of interest to Council members, including legislation on Network Adequacy, Utilization Review, Gender Rating, Rate Review, Administrative Hearings for all Individual Coverage, a State Single Payer system, and an Office of Health Policy.

Hearings on the legislation have begun and OHIC will keep the HIAC updated on the progress of the legislation.

4) Small Employer Taskforce Training Update: Marti Rosenberg

Ms. Rosenberg presented on a series of workshops created and organized by the Health Insurance Small Employer Taskforce, which is run by The Providence Plan, funded by OHIC. The Taskforce has existed since 2012, and has just elected Frank Ferri and HIAC member Rob Cagnetta as co-chairs. HIAC asked the Taskforce to carry out the presentations, as a part of the statewide education initiative that the HIAC wanted to sponsor.

Taskforce Coordinator Mark Gray has run 5 workshops, in partnership with 5 Chambers of Commerce across the state, with a total of 75 participants so far. The reviews have been very positive.

Ms. Rosenberg gave HIAC members a short run-through of the presentation, which covers general information about insurance, how rates are set, price transparency, how employers can participate in the Rate Review process, exchanges (including HealthSource RI) and an overview of resources for employers. After the presentation, Taskforce staff seek feedback on employer questions and thoughts about how they might remain involved in the process.

In the ensuing discussion, HIAC members suggested that the sessions could include future changes in delivery system and how people might access healthcare, and the things that a small business can do to drive down costs, including wellness programs, CurrentCare, and asking employees to have primary care physicians. Linda Johnson, OHIC, also pointed out that there is a subgroup within the Administrative Simplification Workgroup that is focused on consumer and provider education, in which Mark Gray is participating. Ms. Rosenberg also noted that RIREACH could coordinate with the Taskforce as they look to carry out consumer education presentations.

The next presentation was to be March 24th in Johnston and then in North Providence in April. Both Ms. Rosenberg and Mr. Boyle encouraged HIAC members to invite the Taskforce to present at any organization that might be interested.

Commissioner Hittner also asked Howard Dulude to consider making a presentation to the HIAC on how programs for Lifespan's self-insured population have been reducing healthcare costs for the hospital system.

5) Affordability Standards Update

SIM: Commissioner Hittner gave an update to HIAC on the progress of the SIM project. The State Innovation Model project has been funded by the federal government. Rhode Island has received \$20M for the SIM grant, to change population health, the delivery system, and the payment system. The original grant application was for \$60M, so the first task for the SIM Steering Committee is to help SIM staff affirm the new \$20M budget. The committee will help decide what the state can start working on right away, and the projects it can support – such as

expanding the Patient-Centered Medical Home project to cover children, addressing IT issues, and the potential of a portal for patients in the CurrentCare system. There has also been discussion about building on the Affordability Standards and advancing them.

The SIM Steering Committee will be a decision-making body, informed and directed by state leaders. The first year is a planning year, aimed at determining the best place to begin.

Reinventing Medicaid: Commissioner Hittner noted that the Reinventing Medicaid committee is starting – and that OHIC will bring a Medicaid representative to one of the HIAC meetings, to discuss what they want to accomplish, and who they are involving. OHIC is not deeply involved in the Reinventing Medicaid committee, except to go over the Affordability Standards. OHIC is also proposing a discussion about whether the Standards should be used the same way in Medicaid as they are being used with commercial carriers.

Affordability Standards: Sarah Nguyen & Cory King

The new Affordability Standards regulations set up two working committees to explore Care Transformation and Alternative Payment Methodologies. The first meetings on the two committees have taken place. Ms. Nguyen and Mr. King presented the highlights for HIAC members, and OHIC is happy to send out the full slide deck from the meeting.

Care Transformation: The goal of the committee is transforming how primary care is delivered in Rhode Island, with each insurer taking action so that 80% of contracted primary care practices are functioning as PCMHs by December 2019.

The multi-stakeholder committee will develop a 2016 plan and targets now, in the spring, and in future years, will meet in October to plan for the subsequent year. The plan will include annual targets, insurer activities, and common standards and procedures. This year, if the plan is not developed by May 1st, the Commissioner will develop a plan herself and can use feedback she has heard from the committee.

During the first meeting, the committee focused on the definition of a PCMH, and talked about how transformation occurs over time at different rates per provider, and is more than just accreditation and being in an Accountable Care Organization (ACO). Transformation should ensure that implementation of PCMHs also focus on reducing costs.

The committee is discussing the following types of challenges and questions:

- What are the barriers to transforming small practices?
- How can small practices move into ACO's for long-term health system viability?
- How can we increase accountability of practices to manage costs and improve quality?
- For PCMHs, what is a sustainable payment model?
- How can we reduce the current reporting burden complicated by non-aligned measurement sets? Can measurements be aligned? (It was noted that SIM has a measurement workgroup that can work on this.)
- Looking at potential strategies, what kind of technical assistance do practices need?

OHIC is considering doing focus groups with some very small practices, to find out more about barriers they face, including size, implementation problems, etc.

HIAC members discussed the work of the Care Transformation Committee, making the points that:

- PCMH's will not definitely lead to total transformation or guarantee cost containment (especially in smaller, individual practices), but they are crucial as a base.
- It's important to differentiate between hospitals and professional provider practices which have an entire provider system that can manage a series of care interactions.
- It's also important to tie plan design on the commercial side to health outcomes.

Alternative Payment Methodologies

With this multi-stakeholder committee, OHIC is looking at trying to change how health care is being paid for. As with the Care Transformation Committee, the first set of meetings in March and April will lead to the development of a plan laying out types of payments counted as alternative payments, steps payers will take, and targets for 2016. The goal for the target is to expand the use of non-FFS payment methodologies.

In its first meeting, the committee looked at the current types of payment methodologies and risk arrangements, worked on a draft definition of Alternative Payment Methodologies, and talked about how much risk providers are able to bear – and how to prepare them to bear more.

Commissioner Hittner noted that after having sat through both meetings, she understands that it is much easier to talk about delivery reform than about payment reform because of its requirement of clear risk adjustment and patient attribution strategies. There also needs to be a focus on quality of care, because we can't save costs just by reducing quality of care.

HIAC members discussed the work of the Alternative Payment Methodologies Committee, making the points that:

- It may be that we have to find ways to make the system smaller, which leads to larger questions about who will make those decisions and where the political will can come from to get costs out of the system.
- Can the business community be a part of pushing to get costs out of the system, creating (as Care New England Dennis Keefe was quoted as saying) a glide path toward a smaller system?
- While it may be easier to focus on the hospitals, because they are the biggest piece of the system, should we also look at ways to create limited networks of ACO's?

6) Public Comment:

There were no public comments.

7) Adjournment:

Co-Chair Boyle adjourned the meeting and thanked the members for their attendance.

Next Meeting: Tuesday, April 21, 2015 from 4:30 to 6:00 pm at the State of Rhode Island Department of Labor and Training.

