

State of Rhode Island Office of the Health Insurance Commissioner  
Health Insurance Advisory Council  
Meeting Minutes  
Tuesday, March 18, 2014, 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 Hittner, Co-Chair Stephen Boyle, Al Kurose, Al Charbonneau, Karl Brother, Rob Cagnetta, Pat Mattingly, Bill Schmiedeknecht, Hub Brennan, Howard Dulude

**Issuers**

Lauren Conway (UnitedHealthcare)

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

Herb Olson, Kim Paull, Sarah Nguyen, Linda Johnson

**Not in Attendance**

Gregory Allen, Mike Souza, Linda Lulli, Tim Melia, Phil Papoojian, Peter Quattromani, David Mathias, Vivian Weisman, Wendy Mackie

**Minutes**

**1. Introduction and Welcome**

Dr. Hittner and Mr. Boyle called the meeting to order and welcomed all Health Insurance Advisory Council (HIAC) members and others in attendance.

**2. Review of Minutes**

The minutes from the January 28, 2014 HIAC meeting were reviewed and approved with no changes.

**3. Presentation from Emmanuel "Manny" Echevarria on RIREACH**

The council heard from Manny Echevarria from the Rhode Island Parent Information Network (RIPIN). RIPIN, a 501(c)(3) nonprofit organization, has been partnering with OHIC for the last two years, coordinating the Rhode Island Insurance Resource, Education and Assistance Consumer Helpline (RIREACH). RIREACH provides consumer assistance and support and conducts community outreach. Mr. Echevarria described RIREACH's consumer assistance work as "holistic," explaining that their work connects consumers with wraparound services from other agencies and organizations in addition to

helping consumers with issues related to health insurance. RIREACH also conducts community outreach, has a presence in all 39 Rhode Island municipalities and has connected with over 300 community groups throughout the state. RIREACH serves 65,000 consumers a year.

Mr. Echevarria highlighted some challenges consumers are facing. Approximately 125,000 Rhode Island residents will have access to health coverage for the first time as a result of the Affordable Care Act, but many do not understand the basics of health insurance, do not know how to access primary/preventative care, and do not know how to appeal claims. He also noted that many consumers who previously had insurance are transitioning to different types of coverage.

Several of the Council members had questions for Mr. Echevarria. Pat Mattingly inquired about the sustainability of the program, noting that OHIC has been “incredibly creative in managing grants for rate review and other things.” Linda Johnson said that OHIC was looking at sustainability and that OHIC is regarded nationally as being on the forefront with some of its programs, and that the advantage OHIC has in securing future funding is that it is considered to be a frontrunner and is not overstepping what it can afford to do.

Hub Brennan inquired about RIREACH’s source of funding and annual operating budget. Herb Olson explained that OHIC/RIREACH had entered into a contract with HealthSource RI and Connexions, the vendor contracted to administer HealthSource RI’s contact center. The RIREACH contract was described as an “add-on” to another contract. Ms. Johnson said that a “fraction of their budget” was going through Connexions, since RIREACH only has a staff of 6.

Mr. Brennan commented that he felt the RIREACH program appeared to be a “real good model of operational efficiency.” Rob Cagnetta agreed, but wondered if they could handle more exposure and a potentially higher volume of consumers needing assistance. Mr. Echevarria replied confidently that they could handle it and they would “love to grow.”

Commissioner Hittner thanked Mr. Echevarria for his work and the work of RIREACH and also recognized Ms. Johnson for securing funding and support for the program.

Also present from RIPIN were Laurie Jones, Director of Health Programs and Steve Brunero, Executive Director.

#### **4. Rate Review 2014 Guidance**

Mr. Olson introduced Sarah Nguyen, newest member of the OHIC staff, before giving an update on Rate Review for 2014.

Rate and Form Review are “at the top of the list of what OHIC does as a state agency,” Mr. Olson said, pointing out that Rhode Island’s process is unique among the states in that it requires all carriers in all markets to file at the same time. Actuaries working on behalf of the state get to review the filings and

help OHIC determine if the assumptions on which the filings were made are justified. OHIC is able to promote system reform and affordability through Rate Review.

Mr. Olson gave a general outline of the timeframe for the process. Carriers will have to turn their more general plan filings into specific plans and submit them to OHIC on or around May 15. Dental carriers offering pediatric dental plans in accordance with the ACA will have to file on or around June 15. The target date to have all plans/rates approved is July 15. OHIC has been working with HealthSource RI to make sure there is enough time to get the new plans built into their system.

OHIC staff are still in the process of figuring out how to implement the Council's recent recommendations on revising the Affordability Standards. Some technical assistance is needed regarding the population based contracting standards that were recommended. OHIC staff are also focused on what has changed in terms of risk pools. Mr. Olson said it was a "really unanswerable question how many newly insured would come into market and what demographics," and that there is "a little more data in terms of who enrolled but not a lot of claims data." Another factor is the question of how many people in the small group market are going to migrate into the individual market.

In last year's rate approvals, OHIC required carriers to file an affordable health plan—a different type of plan with 15% lower cost than a comparable plan. OHIC will be looking at those filings this year. Mr. Olson expects carriers in those filings to have narrower networks in order to achieve cost saving. "So we'll look at rates but also make sure the network is adequate," he said.

Steve Boyle expressed a concern about adequate notice being given for small group public input meeting.

Commissioner Hittner mentioned that HealthSource RI Director Christy Ferguson had hoped to move up the expansion of small group from 50 employees to 100 but that they are now conducting a study on the impact that would have. Regarding the administrative hearing required of Blue Cross—and only Blue Cross—by statute, she said "I don't think it's quite right and it is quite expensive." She added that she has heard pharmacy issues coming up a lot, and so last week she gave a talk to a three-state meeting of pharmacists. She would like to bring an experienced pharmacist to the Council.

## **5. Legislative Session Update**

Ms. Nguyen briefly described OHIC's legislative process—the Office monitors bills that fall under their jurisdiction or relate to OHIC's mission goals and mission. A sample list of some of the bills OHIC is currently tracking was provided. The bills are categorized as follows: Rate Review, Mental Health Parity, Benefit Mandates and Utilization, and Miscellaneous.

Regarding a bill that had been introduced that sought to tie rate increases to the consumer price index, Mr. Mattingly asked who the prime sponsor was. Ms. Nguyen replied that it was Senator Raptakis.

Regarding a bill that had been introduced that sought to create an Office of Health Planning under the Department of Administration, Mr. Cagnetta asked, "Why create another agency?" Commissioner Hittner explained that OHIC's current department, the Department of Business Regulation (DBR) was being moved to the newly created Rhode Island Commerce Corporation. Since OHIC doesn't quite fit under commerce, it might make more sense to put it in this Office of Health Policy. Kim Paull added that the goal was to better coordinate health planning.

Karl Brother expressed serious concerns regarding mandates in a proposed "Rhode Island Behavioral Healthcare Reform Act." He said that costs associated with requirements and regulations could be "enormous" and that he hopes OHIC takes a look at it. The Commissioner stated that Mr. Olson was "very active" in regards to that legislation. Mr. Olson explained that the people who drafted it saw it as a parity bill. Hub Brennan mentioned the importance of understanding the differences between "behavioral health" and "mental health" which are often conflated.

#### **6. Public Comment**

No public comment was offered.

#### **Next Meeting**

The next meeting of the Health Insurance Advisory Council will take place Tuesday, April 15, 2014, 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.