

State of Rhode Island Office of the Health Insurance Commissioner  
Alternative Payment Methodology Committee  
Meeting Minutes  
June 18th, 2015, 1:00 P.M. to 4:00 P.M.  
State of Rhode Island Department of Labor and Training  
1511 Pontiac Avenue, Building 73-1  
Cranston, RI 02920-4407

**Attendance**

**Members**

Erik Helms, Kevin Callahan, Todd Whitecross, Patrick Tigue, Dan Moynihan, Domenic Delmonico, Chris Dooley, Sam Salganik, Pat McGuigan, Al Charbonneau, Alok Gupta, Chuck Jones.

**Not in Attendance**

Mike Souza, Bill Almon Jr., Al Kurose, Noah Benedict, Pano Yeracaris, Tom Breen

**1. Welcome & Review of Agenda**

Cory King, Principal Policy Associate for the Office of the Health Insurance Commissioner, welcomed the committee members to the fourth meeting of the Alternative Payment Methodology Advisory Committee. Mr. King stated that the plan for today's meeting was to review the final draft 2016 alternative payment methodology plan and seek consensus on the provisions of the plan.

**2. Review of Minutes from May 1, 2015 Meeting**

The minutes from the May 1, 2015 meeting were adopted.

**3. Presentation/Discussion: Draft Alternative Payment Methodology Plan for Committee Review**

Cory King led the members of the Committee through the draft recommendations. Committee discussions followed each of the sections of the draft plan.

**3.1 Definitions**

Alok Gupta of RIQI asked if infrastructure payments that support care management would be included in the APM definition. Cory King stated that the wording should be clearer that infrastructure payments that support care management are included and that this is reflected in the APM target.

Sam Salganik requested that APM definitions be revisited in the fall meetings. Mr. Salganik also requested that we monitor for pernicious behavior that impedes patient access to care.

Dominic Delmonico requested that the word “penalty” be removed from the APM definition and simply say “be held responsible.” Cory King agreed to make this edit.

Cory King noted a typographical omission in the “non-fee for service target” list of included payments. Global capitation should have been included and will be added.

Sam Salganik asked why pay for performance was not included in the Non-Fee for Service Target. Cory King stated that pay for performance payments were included in the aggregate APM target, but were purposefully absent from the non-fee for service target. Mr. Salganik expressed concern that this construct relegates quality as a lower priority compared to efficiency and cost savings. The Committee agreed to include quality payments that are associated with non-fee for service payment in the non-fee for service target.

### **3.2 APM Targets**

Cory King reviewed the draft recommendations for the 2016 alternative payment methodology and non-fee for service targets. The recommendations call for insurers to increase the percentage of insured medical payments made through alternative payment methodologies by 7 percentage points, compared to the baseline percentage for 2014. The recommendations also call for insurers to increase the percentage of insured medical payments made through strictly non-fee for service methodologies by 1.5 percentage points compared to the 2014 baseline percentage.

Erik Helms of Blue Cross Blue Shield Rhode Island, Kevin Callahan of United Healthcare, and Patrick Tighe of Neighborhood Health Plan stated that the proposed targets are reasonable and that they support them. Todd Whitecross of Tufts Health Plan stated that the aggregate APM target is reasonable, but Tufts could not support the non-fee for service target out of concern that it sets up a false choice of insurers.

Pat McGuigan stated that setting targets for one year feels like a retreat, a punt. He encouraged the Committee to think about longer term goals.

Erik Helms stated that the Committee should think about multi-year goals. Cory King stated that the Committee could consider multi-year goals today, time permitting, or revisit them in the fall.

### **3.3 Identified Support for Value-Based Payment Reform**

Cory King led the Committee through the draft recommendations for support of value-based payment reform for the balance of 2015 and 2016. These include development of a core measure set, enhanced purchaser and consumer engagement, work around insurance plan design, and major work areas for the fall convening of the APM committee.

Patrick Tighe recommended that the core measure set recommendation be revised to incorporate some payer and provider flexibility around use of measures.

Kevin Callahan suggested that a reference to expanded employer representation be added to the section on “Expansion of Committee Representation.”

On the topic of provider assumption of financial risk, which will be on the Committee’s agenda for the fall, Chuck Jones stated that we need to be careful about providers assuming insurance risk, and also be careful to avoid providers being regulated for performance risk.

Pat McGuigan asked about integrating the two OHIC advisory committees in the fall. Cory King stated that the two committees will not be merged, but they will meet at the outset to exchange feedback on each other’s work streams. Erik Helms stated that the two committees should meet more than once, and ideally, their work should be more integrated.

#### **4. Review of Draft Cover Letter**

Cory King asked for Committee members to comment on the draft cover letter for the 2016 APM Plan. The draft cover letter includes an “Advisory Committee Perspective” which members of the Committee asked to be recorded during the May 1<sup>st</sup> meeting.

Chuck Jones stated that other bodies are working on the same issues; for example, Reinventing Medicaid and SIM. Mr. Jones hopes that these bodies will all share a common vision.

Erik Helms asked about our end state. What is our scorecard for success? Does the state have a scorecard?

Sam Salganik agreed that these bodies should share a common vision and he stated that someone from Medicaid should take part in OHIC’s work.

Committee members requested that the “Advisory Committee Perspective” include a point about state collaboration around a common vision for the health care system.

#### **5. Next Steps**

OHIC will make final revisions to the plan and circulate it to Committee members for a fixed period of time. Final comments will be due at the end of that period. After the comment period, the plan will go to the Health Insurance Commissioner for approval.

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

There was no public comment.