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OHIC Adopts New Standards Focused on Paying for Value

CRANSTON, R.I. (February 11, 2016) — Today, Health Insurance Commissioner Kathleen C Hittner, MD, announced policy initiatives that build on the efforts of Governor Gina M. Raimondo to strengthen the health care system for all Rhode Islanders. The new initiatives expand on a previous set of standards from July 2015, and align Rhode Island commercial insurance targets with use of innovative payment models in health care that focus on payment for quality, rather than volume. This enables commercial insurers to share goals with Medicare and the state's newly reinvented and nationally recognized, Medicaid program.

Under the new Alternative Payment Methodology Plan, Rhode Island's commercial health insurers will be required to direct 40% of medical payments through quality and efficiency-based payment models in 2017 and 50% in 2018, while also increasing adoption of value-based payment plans with specialists, in an effort to improve coordination with primary care providers. Additionally, the Care Transformation Plan requires commercial health insurers to continue to grow the primary care patient-centered medical home and outlines supports to continue this work.

"The Office of the Health Insurance Commissioner continues to advance policies designed to meaningfully improve the quality and efficiency of health care service delivery in Rhode Island," said Commissioner Hittner. "We are highly appreciative of the time, effort, and input that physicians, payers, employers and consumers have committed as we developed these affordability initiatives."

The new initiatives adopted by OHIC, along with the Raimondo Administration's efforts to innovate health care, signify a major step in transitioning to health care payments based on value and expanding models of care delivery that stress care coordination and increase quality of care. The initiatives support OHIC's mission of improving the affordability of health insurance for Rhode Islanders and insurers will be held accountable for meeting these new standards during OHIC's annual rate review process. The Alternative Payment Methodology Advisory and Care Transformation Advisory Committees will reconvene in fall 2016.

For more information about OHIC, including the referenced plans, visit www.ohic.ri.gov.