

## Commissioner Tigue Rejects Charges for Profits & Contributions to Reserves for Insurers

*OHIC Saves Rhode Islanders \$41,680,000 by Approving Significantly Modified Health Insurance Premiums*

Commercial health insurance premiums for 2022 have been approved by the State of Rhode Island's Office of the Health Insurance Commissioner (OHIC) with significant modifications. Health Insurance Commissioner Patrick Tigue has rejected all charges for profit and contributions to reserves in the 2022 rates that were filed with OHIC in May 2021 for review, citing the continued impact coronavirus disease 2019 (COVID-19) has had on the health and financial wellbeing of Rhode Islanders. In addition, several insurers were required to modify the actuarial assumptions set forth in their filings that produce additional savings for consumers. As a result of these changes, Rhode Islanders will save \$41,680,000 in 2022 compared to what the commercial health insurers requested.

“ Given the strong reserve positions of health insurers operating in the state, I did not believe that charges for profit and contributions to reserves for 2022 were consistent with the proper conduct of the insurers' business or consistent with the public interest.”  
- **Health Insurance Commissioner Patrick M. Tigue**

“As Rhode Islanders confront significant threats to their health and financial well-being due to the spread of COVID-19, my responsibility is to limit the burden of the cost of health insurance within the standards for review and approval set forth by law,” said Commissioner Tigue. “The cost of health care goods and services, what consumers and insurers pay doctors, hospitals, pharmaceutical companies, and other providers remain the major driver of insurance rate increases and consumer out-of-pocket spending. Consumers, employers, government, payers, and providers all must continue to prioritize efforts to make health care as affordable as possible through efforts such as the Rhode Island Health Care Cost Trends Project.”

OHIC received substantial public comments from a wide range of Rhode Islanders on the importance of affordability, especially in light of the burdens of COVID-19. Rhode Island remains the only state with an insurance commissioner who focuses specifically on health insurance, giving OHIC the authority and responsibility to view the state's health care system as a comprehensive entity and direct the state's insurers towards policies that improve the access, quality, and efficiency of the health care delivery system. As Rhode Islanders continue to face the economic hardships brought on by the spread of COVID-19, OHIC is committed to keeping the cost of insurance affordable.

▶ Since 2012, OHIC has saved Rhode Island consumers over **\$327,000,000** through the rate review process

▶ Rhode Islanders will save **\$41,680,000** in 2022 compared to what the commercial health insurers requested

## Approved Average Rate Changes for 2022

Company	Market	Members	Requested	Approved	Difference from Requested
BCBSRI	Individual	17,159	3.1%	0.1%	-3.0%
NHPRI	Individual	24,866	8.5%	3.5%	-5.0%
<b><u>Individual Market Summary</u></b>		<b><u>42,025</u></b>	<b><u>6.3%</u></b>	<b><u>2.1%</u></b>	<b><u>-4.2%</u></b>
BCBSRI	Small Group	40,255	2.9%	-0.3%	-3.2%
NHPRI	Small Group	1,730	6.5%	1.5%	-5.0%
TAHMO	Small Group	1,879	5.2%	4.7%	-0.5%
TICO	Small Group	946	5.1%	4.6%	-0.5%
UHC	Small Group	2,220	10.7%	1.3%	-9.4%
UHCNE	Small Group	906	17.5%	7.8%	-9.7%
<b><u>Small Group Market Summary</u></b>		<b><u>47,936</u></b>	<b><u>3.8%</u></b>	<b><u>0.3%</u></b>	<b><u>-3.5%</u></b>
AETNA	Large Group	0	9.0%	1.8%	-7.2%
BCBSRI	Large Group	68,936	7.4%	4.6%	-2.8%
CIGNA	Large Group	617	5.3%	0.0%	-5.3%
TAHMO	Large Group	3,430	9.1%	7.7%	-1.4%
TICO	Large Group	3,159	9.1%	7.7%	-1.4%
UHC/UHCNE	Large Group	15,461	14.1%	7.7%	-6.4%
<b><u>Large Group Market Summary</u></b>		<b><u>91,603</u></b>	<b><u>8.7%</u></b>	<b><u>5.4%</u></b>	<b><u>-3.3%</u></b>

*The requested and approved rate changes reflect the weighted average rate change, before accounting for age or experience (large group). Approvals are made at the insurer level. Market summaries representing the weighted average of requested and approved rate changes are also included.*

## Office of the Health Insurance Commissioner: Staff Spotlight

In 2004, the Rhode Island General Assembly passed legislation establishing OHIC as the first state agency in the nation dedicated solely to health insurance oversight. In addition to ensuring commercial health insurance is affordable, and accessible for Rhode Islanders, our office is charged with guarding the solvency of the state's health insurers, protecting the interests of consumers, encouraging policies that improve the quality and efficiency of health care service delivery, and directing insurers towards policies that advance the welfare of the public through overall efficiency, improved health care quality, and appropriate access. With such a large scope, that includes advocating on behalf of nearly 200,000 commercially insured Rhode Islanders, OHIC is run by only eleven staff members. For the next year in our monthly newsletters, we will feature one member of our staff to highlight our incredible employees and showcase the impact our small team has had on health care in Rhode Island.



**What I enjoy most about my role at OHIC is advocating on the behalf of consumers and assisting consumers as they navigate the health care market place."**

**Victor Woods** is a Health Economic Specialist for the Office of the Health Insurance Commissioner. He graduated magna cum laude from Rhode Island College in 2009 and has been with the OHIC since 2017. Prior to joining the OHIC team Victor worked for several years in the area of behavioral health as a Clinical Access Specialist at Butler Hospital. Consumer complaints, utilization review, and network plan matters are at the forefront of Victor's daily work at OHIC.

