

JULY 2022

OHIC NEWS

The Rhode Island Office of the Health Insurance Commissioner

RATE REVIEW

WHAT IS HEALTH INSURANCE RATE REVIEW?

OHIC's annual rate review process is a critical component of the office's efforts to control health insurance premium growth faced by consumers and employers. This month, as OHIC reviews premium rate changes, we are highlighting the importance of health insurance rate review. The rate review process thoroughly scrutinizes and provides transparency into health insurance rate changes and health care cost growth drivers, preventing insurers from unreasonably increasing commercial health insurance premiums. Each year, the state's commercial health insurers are required to submit their proposed premium rates for the following year to OHIC. Our office thoroughly reviews the proposed rates to ensure that they are in the interest of consumers, meet all benefit standards, are not discriminatory, and are based on accurate data and projections on future health care cost growth and utilization. Following the office's review, the Commissioner can accept, reject, or modify the insurance premiums.

WHY IS RATE REVIEW IMPORTANT?

The rate review process helps OHIC ensure that the state's insurers are held accountable for making health insurance more affordable. This is the most direct way that the state is able to lessen the burden of health care costs for Rhode Island individuals, families, and small businesses. Without a thorough rate review process, health insurers would be able to raise insurance rates without any justification, making the cost of health care inaccessible for many Rhode Islanders. Reviewing the proposed rates increases transparency and protects Rhode Island families and small businesses. Last year alone OHIC saved Rhode Islanders \$41,680,000 compared to the rates insurers requested.

CAN CONSUMERS AND HEALTH CARE ADVOCATES GET INVOLVED IN THE RATE REVIEW PROCESS?

Public comment from consumers and health care advocates is a critically important step in the rate review process and OHIC strongly encourages any and all public comment on the proposed premiums. All public comment received, both in person and written, is taken into consideration when the office is making their final decisions on the rates. When the final decision on the 2023 premiums is announced all public comments will become publicly available.

“My office is committed to rigorously reviewing these proposed rate increases to ensure that the rates that are ultimately approved are in the public interest and actuarially sound. These proposed rates demonstrate the continued need for shared accountability by insurers and providers to address the underlying costs of health care in order to promote affordability for Rhode Island consumers and businesses.” - *Health Insurance Commissioner Patrick Tighe*

OHIC TO CONDUCT COMPREHENSIVE REVIEWS OF ALL SOCIAL AND HUMAN SERVICES PROGRAMS CONTRACTED WITH THE STATE



Following the passage of the Fiscal Year 2023 State Budget, OHIC has been given the responsibility of reviewing all social and human service programs that have a contract with or are licensed by the state, including the State of Rhode Island Executive Office of Health and Human Services and each of the state agencies under its purview. As a part of OHIC's review, the office is required to create and submit analyses, reports, and studies on several important aspects of these programs including their rates, utilization, eligibility standards, and accountability standards. The set of deliverables will be published on January 1, 2023 and following this there will be two more sets of deliverables published next year on April 1, 2023, and September 1, 2023.

Through these sets of deliverables, OHIC will cover:

- ▶ Current rates being paid and the date of the last time these rates were increased
- ▶ Utilization trends
- ▶ Eligibility standards and processes
- ▶ Current structure of the state government as it relates to the provision of services
- ▶ Accountability standards
- ▶ Professional personnel requirements for established rates
- ▶ Current access levels
- ▶ National and regional Medicaid rates in comparison to Rhode Island rates
- ▶ Usual and customary rates paid in the private market for similar programs

Every other year, OHIC will complete a detailed assessment and review of the following components of these social and human services programs: eligibility, scope of services, relationship of social and human service providers and the state, national and regional rate comparisons, and accountability standards that results in recommended rate adjustments.