

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
OFFICE OF THE HEALTH INSURANCE COMMISSIONER  
1511 Pontiac Avenue, Building 69-1  
Cranston, RI 02920**

**NOTICE OF PROPOSED AMENDMENTS TO REGULATION 2  
AND NOTICE OF PUBLIC HEARING**

Notice is hereby given, in accordance with R.I.G.L. §§ 42-14-5, 42-14-17, 42-14.5-1 *et seq.*, and 42-35-3, that the Office of the Health Insurance Commissioner (“OHIC”) proposes to amend the following Regulation, as set forth below:

**OHIC REGULATION 2 – POWERS AND DUTIES OF THE OFFICE OF THE HEALTH INSURANCE COMMISSIONER**

1. The Proposed Amendments delete a portion of Section 9, and replace it with a new Section 10 “Affordability Standards”, designed to accomplish the following:
  - Primary Care Spend. The financial obligations of health insurers to support primary care providers are defined in terms of direct primary care spending, and in terms of indirect primary care spending.
  - Primary Care Practice Transformation. Goals and targets for the development of Patient-Centered Medical Homes are established, as well as health insurers’ obligations to support the achievement of those goals and targets.
  - Payment Reform. The revised Standards propose to promote the affordability of health insurance by:
    - Setting targets for population-based contracts with health care providers.
    - Increasing alternative payment mechanisms.
    - Codifying OHIC’s existing hospital contracting conditions, while revising the index against which annual hospital rate increases are measured.
    - Establishing budget targets for integrated systems of care.
  - Implementing provisions. Standards and procedures needed to implement the revised Affordability Standards are established.
2. The Proposed Amendments in Section 11 codify in regulation the Administrative Simplification Task Force established by RI Gen. Laws section 42-14.5-3(h), and implement the following administrative standards:
  - Retroactive terminations.
  - Coordination of benefits.
  - Appeal of “timely filing” denials.
  - Medical Records management.
3. Price Transparency. The Proposed Amendments in Section 12 codify in regulation the existing obligation of health insurers to disclose the prices of health services and products to consumers and referring physicians.

The remainder of the Proposed Amendments are changes to grammar and form.

Notice is also hereby given, in accordance with R.I. Gen. Laws § 42-35-3, that the Office of the Health Insurance Commissioner will hold a public hearing beginning at 10:00 a.m. on December 5, 2014 in the Main Conference Room of the Rhode Island Department of Labor and Training, Main Complex, 1511 Pontiac Avenue, Building 73-1, Cranston, RI 02920, regarding the Proposed Amended Regulation.

Copies of the Proposed Amendments are on file at the Office and copies may be obtained from the Office during normal working hours on regular business days or by mail upon request. The Proposed Amendments may also be obtained from the Office's website at [www.ohic.ri.gov](http://www.ohic.ri.gov).

In the development of the Proposed Amendments, consideration was given to overlapping approaches, overlap and duplication with other statutory and regulatory provisions and economic impact on small business and cities and towns.

All interested persons may submit their views, data or arguments regarding the proposed Regulation, including information relating to alternative approaches, duplication or overlap with other state rules or regulations and the economic impact of the proposed Regulation on small business and/or cities and towns, orally at the public hearing or in writing, either by delivering the same in person or United States mail with postage pre-paid thereon to the Office of the Health Insurance Commissioner, 1511 Pontiac Ave., Building 69-1, Cranston, RI 02920, attention Herbert W. Olson, Legal Counsel, or by e-mail to [HealthInsInquiry@ohic.ri.gov](mailto:HealthInsInquiry@ohic.ri.gov) attention Herbert W. Olson, Legal Counsel.

ALL WRITTEN SUBMISSION MUST BE RECEIVED NOT LATER THAN  
DECEMBER 5, 2014 AT 10:00 A.M.

The hearing room is accessible to the handicapped. Individuals requesting interpreter services for the hearing impaired must notify the Office at (401) 462-9517 or TDD 711 not less than ninety-six (96) hours in advance of the hearing date.

  
Kathleen C Hittner, Commissioner  
Office of the Health Insurance Commissioner