

# Evaluation of the OHIC Affordability Standards

Rhode Island Health Insurance Advisory Council Meeting  
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# Agenda

1. Quick Refresher: How are the Affordability Standards Currently Defined?
2. Overview of the Proposed Evaluation Approach
  - Review of Specific Measures
  - Recommendations
3. Discussion

# Quick Refresher: How are the Affordability Standards Currently Defined?

## 1. Primary Care Spend Standard

- Requires insurers to improve the state's primary care infrastructure by increasing the share of total medical payments made to primary care by one percentage point per year from 2010 to 2014 without raising premiums

## 2. Patient-Centered Medical Home Standard

- Requires issuers to provide financial support for the Rhode Island Chronic Care Sustainability Initiative (RI-CSI)

## 3. CurrentCare Standard

- Requires insurers to provide financial support to CurrentCare, the Rhode Island health information exchange

## 4. Hospital Contracting Standards

- Requires insurers to meet six conditions for contracts with Rhode Island hospitals upon contract execution, renewal, or extension

# Overview of Evaluation Approach

- Standards implemented in 2008. We will evaluate performance through 2012.
- Addressing three considerations for each standard:
  1. Insurer compliance
  2. Value of the standard, i.e., does it represent an efficacious policy to achieve OHIC's desired aims?
  3. Recommendations for modifications (if any)
- We will use external benchmarks for selected measures as a control to help isolate the impact of the CSI payments (Affordability Standard 2) from national and regional trends.

# Information Sources

- We are endeavoring to use currently available information from providers and other sources
- We recognize the importance of balancing the burden on the insurers of providing us with information with the need to assess the effectiveness of the Affordability Standards



# Standard 1: Impact on Access to Care

- We will assess data indicative of improved access to PCP services.
- We seek to use standard, nationally recognized measures and national or regional benchmarks, wherever possible.

## Previously Discussed

1. Incidence of Inpatient Hospitalization for Ambulatory Care-Sensitive Conditions
2. Incidence of ER visits for Ambulatory Care Sensitive Conditions

## Newly Proposed

1. Selected well-child, well-care, and access measures (HEDIS)
2. Selected patient survey measures regarding access to care (CAHPS)
3. PCP Visits/1000
4. Specialist Visits/1000
5. Inpatient Admissions (or Discharges)/1000
6. ED Visits/1000

# HEDIS and CAHPS Measures

- **HEDIS Measures Focused on Access**
  - Adults' Access to Preventive/Ambulatory Health Services
  - Children's and Adolescents' Access to PCP
  - Ambulatory Care: Emergency Department Visits/1000
  - Well-Child Visits in the first 15 months of Life
  - Well-Child visits in the 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> Years of Life
  - Adolescent Well-Care Visits
- **CAHPS Measures**
  - When you needed care right away, how often did you get care as soon as you thought you needed?
  - Not counting the times you needed care right away, how often did you get an appointment for your health care at a doctor's office or clinic as soon as you thought you needed?

# Standard 1: Impact on Primary Care Workforce

- Will seek information from insurers on the following changes in the PCP workforce:
  - PCP level of satisfaction
  - Number of PCPs
  - PCPs as a percentage of the physician workforce
- Will also seek information from selected large practices and the Medical Society regarding their:
  - Preference regarding types of payments made
  - Use of supplemental payments received
  - Ability to recruit and retain PCPs and whether CSI-based and other payments have had an impact on practice stability



# Standard 2: Patient-Centered Medical Home

- Focusing on the number of Rhode Island practices participating in the CSI over time
- Will use evaluative work done by CSI staff and consider the other work that BCBSRI has done on PCMH
- Goal is to assess
  - spread of PCMH model in RI
  - Physicians' understanding of the goals of the CSI
  - Physician's general satisfaction with CSI and how it could be improved



# Standard 3: CurrentCare

- OHIC changed standard from requiring payers to provide EMR incentives to requiring payers to support state's health information exchange (CurrentCare)
- CurrentCare is statewide and considered a more effective way to achieve OHIC goals of reducing medical expenses and positively impacting health outcomes.
- Payers can count EMR incentives towards Standard 1 requirements.



# Standard 4: Hospital Contracting

- We will take a statewide look at the nature of hospital inpatient and outpatient payment arrangements to assess the degree to which payments have moved away from a traditional fee-for-service methodology.
  - Will draw upon responses to the National Business Coalition on Health's *eValue8* survey
  - Will look at information from an industry-wide perspective, rather than from an individual payer perspective to assess potential impact on delivery system structure and costs
  - If national information becomes available in time, we will compare Rhode Island profile with regional profile

# Standard 4: Hospital Contracting (cont'd)

- Will review hospital contracts for inclusion of other OHIC-required provisions:
  - Language limiting rates of payment increases to the Medicare National Prospective Payment System Hospital Input Price Index
  - Inclusion of quality incentives based on nationally accepted measures worth at least an additional 2% of revenue
  - Language regarding respective obligations to address administrative simplification projects
  - Terms that promote and measure improved clinical communications between hospital and patients' PCPs, specialists, long-term care facilities
  - Language permitting public release of these contract terms

# Discussion Questions

- Rhode Island is on the forefront in terms of state policy with its Affordability Standards. What other content areas should the Affordability Standards address?
- What regulatory approach should OHIC adopt? Should the Standards be more specific and prescriptive or should they be stated as broad goals to allow industry innovation?

