



## **Health Insurance Rate Review Federal Grant Program: Summary of Rhode Island's Proposal for Submission in July 2011**

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**Summary of Opportunity:** Most states received funding in 2010 to establish state-based health insurance premium rate review programs or, in Rhode Island and other states with an existing rate review infrastructure, to enhance those programs. Additional funds are now available to continue enhancements of state rate review programs through the Center for Consumer Information and Insurance Oversight in the U.S. Department of Health and Human Services (HHS).

**Rhode Island's Efforts to Date:** The Office of the Health Insurance Commissioner (OHIC) received \$1 million in September 2010 to enhance Rhode Island's rate review process. OHIC will have used these funds to monitor the implementation of OHIC's Affordability Standards, improve rate review data collection, analysis, and reporting, engage stakeholders, and work with the Executive Office of Health and Human Services on studies of cost drivers.

**Proposed Activities:** OHIC proposes to use this second cycle of rate review funds to meet two goals: (1) institutionalize premium rate review in Rhode Island, and (2) engage carriers in delivery system transformation. Proposed activities in support of these goals include:

**Goal 1:**

- Develop an operations manual for rate review that documents process, procedures, and historical decisions; manual will be used to inform rule making
- Update and standardize supplemental data collection forms as part of the plans' annual reporting to OHIC,
- Support a community organization to partner with OHIC to engage individuals and the business community in rate review efforts
- Analyze the impact of commercial market reforms in 2014 on rate review, and communicate this impact to consumers
- Operational staffing

**Goal 2:**

- Continue to monitor the implementation of OHIC's Affordability Standards
- Fund state wide health care analytics under OHIC/EOHHS Memorandum of Understanding
  - Continue to study hospital reimbursement rates across both public and private payers
  - Continue to study hospital utilization of key measures, including preventable emergency room visits, preventable hospitalizations, and re-admissions
  - Support the development of Rhode Island's all-payer claims database
- Support ongoing all-payer medical home efforts in Rhode Island

**Amount Rhode Island will seek:** \$3.8 million. Amount requested is combination of HHS funding formula and incentive funds for which OHIC will be eligible.

**Funding Timeframe:** October 2011 – September 2014