



## ADMINISTRATIVE SIMPLIFICATION TASK FORCE

- The purpose of the Taskforce → to make recommendations to the Commissioner for streamlining health care administration so as to be more cost-effective, and less time-consuming for hospitals, providers, consumers, and insurers, and to carry out the purposes of RI Gen. Laws § 42-14.5-3(h).
- Most Recent Project → study trends in providers' ability to collect patient cost share liabilities, inclusive of deductibles, co-pays and co-insurance. Attachment A is an exhibit presenting the data the Taskforce has compiled to date.
- Based on the data collected nearly 90 solutions were brainstormed and then finalized into 12 categories. The Taskforce has prioritized the solutions by impact and ease of implementation. The 12 categories consist of:
  1. Plan Design
  2. Ease of Payment
  3. Deductibles/Cap
  4. HSA/Savings Tools
  5. Reimbursement
  6. Credit
  7. Claims Processing
  8. Insurance Collections
  9. Education/Best Practices
  10. Communications
  11. Collections
  12. State Functions

The Taskforce analyzed these 12 categories and prioritized their top five solutions.

1. Education/Best Practices → this is a short term solution that can provide the consumer and providers with knowledge on what a patient's plan requires for out of pocket expenses, as well as how to effectively collect those expenses. This solution would provide education to businesses about the impact of Health Savings Accounts ("HSAs") and the benefits they provide to their employees. Though this solution would be effective, we have to be aware that it can be a challenge to have all parties fully understand health insurance in the way that would be most beneficial to that particular party (i.e. what is explained to a provider will be different than what is explained to a consumer or broker). This also may be a challenge for providers because it would require them to properly train and educate their own customer service staff.
2. Plan Design → this is a short term solution that can be effective if there is a requirement to offer, for example an HSA or tiered product to every employer. There are many different plans out there, but plan design would be most effective if each plan was very well laid out to the consumer about what each

service would costs and what would be required of them under the plan they chose. Plan design may encompass a “tool kit” that would differentiate among providers, consumers, brokers, customer service, etc. These tool kits would provide very detailed information about plans, how to collect cost shares, how to inform consumers of what is required of them, what would be beneficial for an employer to inform their employees about in regards to plan options, etc. This solution can be effective but may have the potential to increase premiums. In addition, there are certain limitations on what can be done with plan design based on the Affordable Care Act (“ACA”). Some members of the Taskforce felt as though this concept may be too broad, but the Taskforce would like the opportunity to have further time to work towards this solution category.

3. Ease of Payment → this is a short term solution that can be effective by coming up with a way to collect payments electronically. There are the capabilities for consumers to electronically pay out of an HSA or checking account. That type of online payment can be expended upon. Some capabilities exist already and insurers expect more to develop in this area. This solution could cause complications for small providers who do not have online bill pay. However, this is a direction the Taskforce believes would be beneficial given how popular electronic bill paying is becoming in the retail market.
4. Communications → this is a short term solution that is similar to the education solution. The Taskforce agrees that it would be beneficial to provide “real time” information about a patient’s deductible status to the provider; however, what is considered “real time” is not exactly accurate due to the claims process system and health care service structure. This solution also looked at whether it would be beneficial to provide plans that are strictly co-payments and eliminate deductibles. The main focus is to properly educate providers on what information can be logistically accessed on a patient at each point of service.
5. HSA/Savings → this is a short term solution that can be effective if consumers were more educated on the use of HSAs. Educating a consumer on HSAs may be easier than some of the other insurance elements that are harder to understand. Also, if we can develop a way for a consumer to put a specific dollar amount in savings for services that may occur, this would ease the burden of unexpected bills. This solution can be very beneficial, but there are rules and limitations around what health care expenses are HSA qualified. Because of the nuances associated with HSAs, it may be challenging to educate the consumer or broker about HSA and/or a savings fund.

## **SENATE COMMISSION TO STUDY HEALTH PLAN PATIENT LIABILITY PROVISIONS ON ACCESS TO HEALTHCARE AND PROVIDER FINANCIAL CONDITIONS**

- Senate Commission Draft Recommendations → looked at 4 issues
  1. Affordability
  2. Provider and Patient Tracking of Patient Liability
  3. Access to Care
  4. Provider Financial Liability
  
- The Taskforce's top five solutions are aligned with the draft recommendations made to the Senate Commission
  
- RI REACH Survey → addresses the issue of whether healthcare consumers postpone or refuse care based on the out of pocket costs they will be responsible for. Attachment B is a copy of the Survey