

**State of Rhode Island Office of the Health Insurance Commissioner  
Health Insurance Advisory Council  
Meeting Minutes  
June 21, 2016, 4:30 P.M. to 6:00 P.M.  
State Department of Labor and Training  
1511 Pontiac Avenue, Building 73-1  
Cranston, RI 02920-4407**

**Attendance**

**Members**

Co-Chair Stephen Boyle, Co-Chair Commissioner Kathleen Hittner, Gregory Allen, Hub Brennan, Karl Brother, Al Charbonneau, David Feeney, Al Kurose, Vivian Weisman, Karina Gibbs, Bill Schmiedeknecht.

**Not in Attendance**

Howard Dulude, Mike Souza, Tammy Lederer, Pat Mattingly, William Martin, Rob Cagnetta, David Mathias, Wendy Mackie, Emmanuel Falck.

**Issuers**

Carolyn Rush, Gus Manocchia, Lauren Conway

**State of Rhode Island Office of the Health Insurance Commissioner**

Jay Garrett, Linda Johnson, Cory King, Sarah Nguyen

**Minutes**

**1. Welcome and Review of May Meeting Minutes**

Commissioner Hittner called the meeting to order and welcomed all Health Insurance Advisory Council (HIAC) members and others in attendance. Hub Brennan made a motion to accept the minutes from the May 17, 2016 meeting, seconded by Steve Boyle. The minutes were approved unanimously with no changes.

**2. RIREACH**

Karina Gibbs, RIPIN, reported that RIPIN was awarded the grant to run the ombudsman program for dual eligibles. These are consumers who are eligible for both Medicaid and Medicare. The Medical services will be coordinated through Neighborhood Health Plan. The goal of the program is to ensure members understand their rights, that they get help accessing services and that they have support with resolving complaints.

**3. SIM**

Marti Rosenberg provided the council with an update on the State Innovation Model (SIM) project. She reported that they've met their CMS deadlines and submitted drafts of the Operations Plan, Population Health Plan, and budget information that was requested. SIM will soon be taking the Population Health Plan on the road to obtain community feedback. SIM is also working in collaboration with the RI Department of Health (RIDOH) and the Department of Behavioral Health, Developmental Disabilities, Hospitals (BHDDH) on the Screening, Brief Intervention and Referral to Treatment program (SBIRT). SIM's test grant dollars will help fund staff training for the SBIRT program. Ms. Rosenberg feels that these interagency alignments are very effective because there are places each of these partners knows more about. SIM is getting started on in-state evaluation of alternative payment models by looking at how providers are engaging in them. They'd like to figure out how it is working and they will be taking this on the road to seek community feedback. At the close of Ms. Rosenberg's report, Commissioner Hittner complimented Marti for all her efforts in helping OHIC make their case to the State legislature.

Sarah Nguyen, OHIC, reported that the Feds are doing round two of the Patient Centered Medical Home (PCMH) initiative. She noted that there was a quick turnaround time. The team had lots of conversations with the Feds on whether this is the right program for Rhode Island. OHIC, CTC, Coastal, etc. worked together on designing a unique Rhode Island approach. They put conditions around the existing programs. Blue Cross took the lead on this, United applied on behalf of commercial, and Tufts applied as well. RI now needs to see if this unique practice transformation will work. Commissioner Hittner added that she would like to bring in the money but not if it is going to disrupt progress, and what has already been accomplished. Al Kurose concurred that this sets up a rational set of decisions for the state.

#### **4. Legislative**

Commissioner Hittner reported that because of the budget process some of the bills like the utilization review bill got lost in the shuffle. The direct pay bill did pass. Because there are a number of bills still pending, OHIC staff will meet on June 27 to review them.

Commissioner Hittner then spoke about the recent State budget process. She took the time to explain to members what actually occurred. OHIC submitted a budget based on the fact that our grants will go away. The Governor reviewed the budget and felt our work is extremely important. Tarah put together binders for all the leadership, and everyone thought this was a good proposal. The week before the budget vote, Tarah went in and spoke to the Leader, but she along with us was shocked. They kept our consulting money but 9 FTE positions were taken out of our budget. Even the Governor was taken aback; she advised us to get friends, colleagues, the media involved. Senators Josh Miller and Louis DiPalma and Senate leader Teresa Paiva -Weed were very supportive. Our advocacy was well organized. This wasn't just about us. Any new position in any state division was cut from the budget. It came down to this – House leadership does not believe that the State should sustain programs after federal dollars end. Commissioner Hittner believes that the advocacy efforts made led to the legislature restoring 3 of the 9 FTE positions. Since this occurred, Linda

Johnson, OHIC, called on the Feds and they are going to work with OHIC on a grant opportunity to keep an additional 2 staff. Commissioner Hittner stated that everybody acknowledges that OHIC has one of the best staff around. The staff's been meeting to discuss what they can continue to do well. Commissioner Hittner noted that mental health parity is the item that will take too much capacity and they won't be able to continue this because if they can't do it well, they should not do it at all. Right now, OHIC needs to be creative with re-tooling its budget. The Commissioner also mentioned that during the budget process the rumor mill was active. She assured everyone that there was no one lobbying against OHIC. It was about the budget.

Members then raised questions about OHIC's future priorities. Vivian Weisman asked if OHIC is going to speak with EOHHS about picking up the mental health parity. Linda Johnson, OHIC, said she believes EOHHS does not currently have the capacity to pick it up. Al Charbonneau then asked what else besides mental health parity would be ending, and is there a list of things we must do. Commissioner Hittner replied that form and rate review, consumer protection and regulations are OHIC's priorities. Co-chair Boyle asked how the cuts will impact RIREACH. Linda Johnson, OHIC, stated that RIREACH has 4 million in the budget and we are working with them on this. Commissioner Hittner believes that taking a little from them won't help. OHIC is going to look in other places for funding. The FTE cuts were 1/3 of the OHIC budget. Co-chair Boyle mentioned that so many came forward in support of OHIC, and he issued a thank you to them on behalf of HIAC. In closing, Commissioner Hittner stated that the OHIC staff is working together to be respectful and fair to each other, and she will keep members informed about how things work out.

## **5. 2016 Form & Rate Review Filings**

Linda Johnson, OHIC, reported that they are in the process of form review, making sure coverage and mandates are included and met. Readability is something OHIC wants to work on with the carriers, and PCP selection is something else they are taking a look at. Upon review, they need to assure that there are no parity and discrimination clauses in the documents. The law changes and how they will impact the filings is another factor to consider. Reviewing these documents is a very long process; in fact, one carrier's filing was over 2000 pages.

Sarah Nguyen, OHIC, reported on the rate review component. The rate review public input session is at the PUC tomorrow, June 22, 2016 starting at 5:30 pm. It is an opportunity, particularly for small businesses, to talk about how the rates affect their businesses and their employees. Some concerns this time were that some numbers were percent increases and others were a portion of the premium. OHIC decided to present both so comparisons can be made across carriers and across years.

Overall the rates did come in lower this year. They also looked at the ranges, and are having the actuaries look at the spread. Sarah Nguyen, OHIC, noted that the prescription drug line remains the highest and they are asking actuaries to look at this as well. It is a similar trend across the country. In addition they are looking at risk adjustment. The carriers made some assumptions on risk and the Feds will issue a report on this on June 30. This risk adjustment report could impact the review.

Linda Johnson, OHIC, reported that dental filings came in on June 13. There are 4 dental carriers, Blue Cross Dental, Delta Dental, Guardian and Integra. She also reported on another trend - deductibles are now applied right down to tier one on prescriptions. This will increase out-of-pocket costs.

Karl Brother asked if United Healthcare dropping out has had any impact. Commissioner Hittner replied that she is sad they pulled out because it gave us competition, but this was a national decision. So far no signs show that this has had any impact on rates.

Hub Brennan raised a concern about Neighborhood Health Plan's rates. He started by emphasizing that he is not a Neighborhood provider, but he is speaking on behalf of his colleagues. The Neighborhood rate is too low and we are afraid that this could cause another race to the bottom. Pediatricians, in particular, are being hit hard, especially if their patients are in Neighborhood. Medical Economics rated RI last; that does not allow practices to sustain. He wanted to bring this to everyone's attention. Al Kurose then asked to what extent is the effect of the reduced rates, and should OHIC be involved in provider reimbursement going forward.

Commissioner Hittner stated that Neighborhood's reason for rate reduction was low utilization. She would gladly assist in getting a dialogue going to discuss. Patrick Tighe, Neighborhood Health, responded by saying he can't talk about specific provider issues, but he knows that rate increase or decrease is not related to the provider reimbursement. The reason for lower rates is because the final experience has been lower. Mr. Tighe then went on to invite providers to sit down with Neighborhood to discuss. Hub Brennan, in response to Mr. Tighe, recommended that Neighborhood look at this possibility of race to the bottom. Al Kurose again asked for clarification on OHIC's role with provider reimbursement. Commissioner Hittner stated that OHIC's involvement is adequacy of networks, but provider reimbursement is not part of what we do. At this point in the conversation, an audience member, pediatrician Dr. Richard Ohnmacht, asked if he could speak on this matter, and permission was granted. In his statement, Dr. Ohnmacht concurred with Hub Brennan; he believes that the Neighborhood proposal is on the back of the pediatricians. Right now Neighborhood's rates are so low because basically they are paying commercial at Medicaid rates. In his opinion, Neighborhood will lose many providers because of this.

Co-Chair Boyle then compared this loss of doctors to what happens in the business community. Businesses constantly are switching carriers because of rate increases, and this sometimes causes employees to lose access to their important doctors. Everyone wants lower rates, but we need consistency for our businesses and employees. To address this concern, the recommendation was for Neighborhood Health Plan and the providers to open up dialogue on this matter.

Karl Brother moved on to ask why BCBS assumptions on primary care are so much higher. Sarah Nguyen, OHIC, replied by saying that OHIC staff and the actuaries are just starting to delve into this.

## **6. Public Comment**

No public comment

Co-Chair Boyle made motion to adjourn, motion accepted.