

# INNOVATIONS AT WORK: OFFICE OF THE HEALTH INSURANCE COMMISSIONER



## AFFORDABILITY STANDARDS

- 2010 OHIC Affordability Standards set inflation caps, and required commercial insurers to increase spending on primary care without raising premiums.
- Rhode Island has increased investment in primary care infrastructure from 5.7% of total medical spend in 2008 to 11.6% of total medical spend in 2016.
- Support of high-quality primary care -- Patient-Centered Medical Homes. RI is ranked 3rd in the nation for PCMH-designated providers per capita.

## AFFORDABILITY STANDARDS: EVALUATION

- 2019 study by Harvard Medical School and Stanford University evaluating the impact of the Affordability Standards, concluded that these standards curbed cost-growth significantly:
  - ❖ “State regulators in RI achieved among the largest total health care spending changes observed from payment reforms to date.”
- Study results showed that the RI regulations reduced fee-for-service spending among Rhode Islanders by \$76 per enrollee, or a decline of 8% over projected (control group) expenses.



INCREASING  
BEHAVIORAL  
HEALTH  
ACCESS

- OHIC has prioritized the integration of behavioral health into the primary care setting as a cost-effective way of increasing access to behavioral health services.
- OHIC is working to encourage mental health parity by ensuring the major carriers in the state are in compliance with state and federal coverage laws.

RHODE ISLAND  
APPROVED TO CREATE  
A REINSURANCE  
PROGRAM

- The program began as a recommendation from the Market Stability Workgroup, it was championed by Governor Raimondo, approved by the General Assembly, and developed by HealthSource RI.
- The federal innovation waiver to implement the program was approved in September.
- With the reinsurance program, many Rhode Islanders on the individual market will be paying less in premiums in 2020 than they did in 2019.

SMALL BUSINESS  
INSURANCE GROUP  
ON MARKET  
STABILITY

- As health care costs increase, the ability of Rhode Island small businesses to provide group coverage is impacted and fewer small groups participate in the small group risk pool.
- The Small Business Insurance Group was formed to investigate these issues, identify the problems, and consider recommendations to improve the affordability and quality of the Small Group Market.
- The group consists of representatives from businesses, patients/community entities, and insurers.

## COST TRENDS PROJECT

- The Cost Trends Project is a collaboration between OHIC, the Rhode Island Executive Office of Health and Human Services (EOHHS), Brown University, and the Peterson Center on Healthcare.
- The project is led by steering committee of government, business, and community leaders committed to improving the health care system.
- Phase I set a target of 3.2% for overall RI health expenditures annual growth. Phase 2 focus on measuring performance toward the target and claims data analysis and reporting on cost drivers.