MAKING HEALTHCARE AFFORDABLE

Care Transformation Collaborative Rhode Island

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Marie Ganim, PhD, Health Insurance Commissioner
Office of the Health Insurance Commissioner (OHIC) is legislatively charged to:

- Protect consumers
- Guard insurer solvency
- Encourage fair treatment of providers
- Improve quality, access and affordability
Setting Rates for Commercial Insurers

+ Innovative Regulatory Approaches to Healthcare Reform

Compliance with State & Federal Statute & Regulation

Affordability Standards

Care Transformation
Payment Reform
Cost Growth Containment

Smarter Spending
Better Care
Healthier Population

Cost Growth Containment

OHIC Theory of Action
The Affordability Standards were written into regulation in 2010 to influence the affordability of healthcare by focusing on three key strategies:

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Description</th>
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<tbody>
<tr>
<td>Care Transformation</td>
<td>Improving the efficiency and quality of care by transforming primary care practices</td>
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<tr>
<td>Payment Reform</td>
<td>Moving from volume to value by increasing the amount of payments that are tied to quality and cost efficiency</td>
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<tr>
<td>Cost Growth Containment</td>
<td>Slowing the rate of rising healthcare costs by limiting the rate increases of hospital based services and ACO total cost of care budgets</td>
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**Innovative Regulation: OHIC Affordability Standards**

<table>
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<tr>
<th>Implementation</th>
<th>Process</th>
<th>Compliance</th>
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<td>The Affordability Standards influence affordability by setting requirements on:</td>
<td>OHIC convenes &amp; engages stakeholders in a way that is:</td>
<td>Insurer compliance with the Affordability Standards is assessed annually through:</td>
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| • Provider Contracts  
• Healthcare Financing | • Transparent  
• Collaborative  
• Data Driven | • Rate Review  
• Data Reporting |
Rhode Island is leading the way in primary care investment

• Affordability Standards have increased primary care spending in Rhode Island from 5.8% before 2010, to 13% today

• Results: lower premium growth, decreased hospitalizations, improved quality and outcomes

• 3rd-highest among states in number of Patient-Centered Medical Homes per capita
The care transformation and payment reform components of the Affordability Standards are fundamental to the success of SIM

- OHIC activities are described in the SIM operational plan as crucial strategies in moving toward a value-based delivery and payment system
- SIM investments align with and support Affordability Standards work

Where possible, OHIC has made diligent efforts to align with Medicaid, to promote efficiency and lessen the administrative burden on payers and providers who must operate under the policies established by both OHIC and Medicaid

- APM definitions and targets are aligned
- Medicaid will be present in discussions around the creation of a primary care APM
OHIC committed to ensuring mental health and substance use disorder parity:

• Market Conduct Examination of RI’s major commercial insurers for behavioral health parity - the first of its kind

• Insurers end prior authorization for opioid use disorder medication assisted treatment

• Legislation to set mental health and substance use disorder counseling and medication maintenance visit co-pays at primary care level (1/1/2019)

• Blue Cross & Blue Shield of RI and RI Foundation new Behavioral Health System Improvement Fund
Thank You