

# MAKING HEALTHCARE AFFORDABLE

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Care Transformation Collaborative Rhode Island

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Marie Ganim, PhD, Health Insurance Commissioner

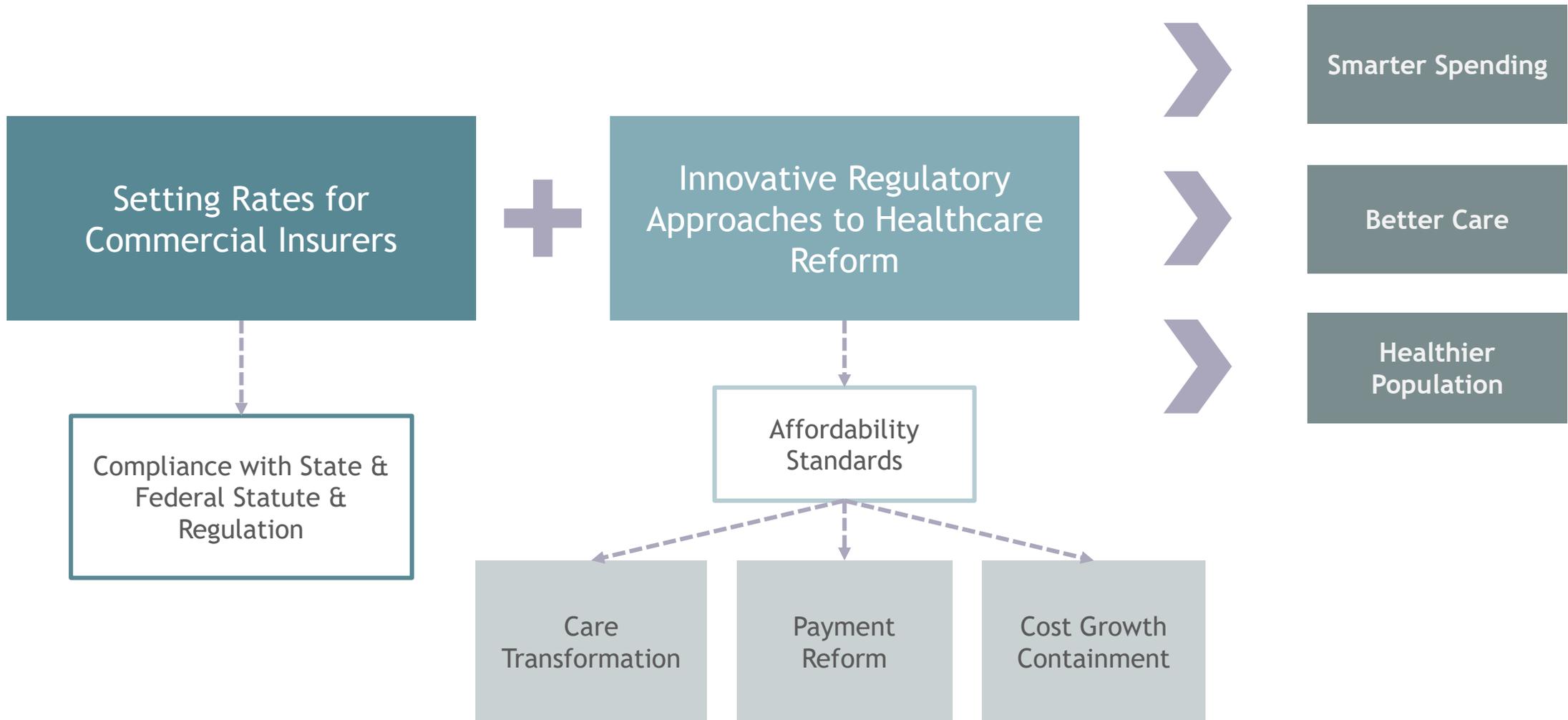
## A Resource for Rhode Island



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

# OHIC Theory of Action



# Innovative Regulation: OHIC Affordability Standards

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



## Care Transformation

Improving the efficiency and quality of care by transforming primary care practices



## Payment Reform

Moving from volume to value by increasing the amount of payments that are tied to quality and cost efficiency



## Cost Growth Containment

Slowing the rate of rising healthcare costs by limiting the rate increases of hospital based services and ACO total cost of care budgets

# Innovative Regulation: OHIC Affordability Standards

## Implementation

The Affordability Standards influence affordability by setting requirements on:

- Provider Contracts
- Healthcare Financing

## Process

OHIC convenes & engages stakeholders in a way that is:

- Transparent
- Collaborative
- Data Driven

## Compliance

Insurer compliance with the Affordability Standards is assessed annually through:

- Rate Review
- Data Reporting

# Transforming the Healthcare Delivery System

## 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
- 3<sup>rd</sup>-highest among states in number of Patient-Centered Medical Homes per capita

# Affordability Standards & Alignment



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

# Protecting Consumers: Behavioral Health Parity Enforcement



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

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