

Health Insurance Advisory Council
November 18, 2008
4:30-6:00 PM – DLT Main Conference Room

Minutes

Attendance:

Members: Bill Martin, Bill Schmiedeknecht, Hub Brennan, DO, Chris Koller (Co-Chair), Ed Quinlan, Phil Papoojian, Howard Dulude, Roland Benjamin, Domenic Delmonico, Karen Fifer Ferry, Pat Mattingly

Health Plans: Ken Pariseau, Jason Martiesian, Lauren Conway

OHIC Staff: Deb Faulkner, Angela Sherwin, John Cogam, Adrienne Evans

Not in Attendance: Denise Lynn, Elizabeth Walsh Serena Sposato MD, Rick Brooks (Co-Chair) Ted Almon, Peter Quattromani

1. Introductions
 - Members of the Council introduced themselves.
2. Minutes
 - Minutes from the September 16 were reviewed and approved with no changes.
3. Updates
 - There were no informational updates presented.
4. Discussion/Feedback

Work continued on the Council's major fall item – *refining medical cost improvement priorities in Rhode Island for health plans as a condition of approval of medical cost rate factors in large and small group rate filings.*

Deb Faulkner reviewed a working document which eventually will be approved by the Council. The document outlines the process the Council is going through to select priority initiatives for the health plans as part of the annual large and small group rate factor review process. She noted, in response to a question, this process will include Tufts as it files its factors.

At its October meeting, the Council generated a list of ideas ("A proposed course of activity by a health plan which – if successfully implemented by all commercial health plans in RI – would reduce some of the systematic cost drivers in the state's medical care system and which no health plan would do by itself".

Subsequent to the meeting, OHIC staff and consultants reviewed the list with United and BCBSRI officials, who gave significant feedback. For tonight's discussion, the Council was presented with a descriptive list of 21 potential ideas grouped into seven categories –

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Primary Care, HIT, Physician Reporting, Hospital Payment, Transparency, Wellness, and Comprehensive Reforms.

The staff also presented suggested standards for rating the ideas, based on the criteria of "Feasibility" and "Value"

After this overview, the remainder of the meeting was spent helping Council members understand and react to the 21 ideas. The discussion moved from category to category. Comments included.

Primary Care:

- Should we focus more narrowly on the place where good primary care could help most – then emergency room or hospital readmissions?
- Any of these presume that provider networks and ways of paying them are not a competitive differentiation point for plans. That is probably true in this market.
- We would benefit from data showing the return on primary care or on a specific piece of it. Will regional parity get us lower costs over all or a fairer system going forward?

HIT

- Would this be duplicating the work of the Quality Institute or building on it?
- United now joining BCBSRI in EMR incentive – what would OHIC add to that?
- Again – where is the return?

Physician Reporting/All Payer Data Base

- Unfunded law currently exists creating this in DOH. It is very popular in other states as way of getting data public and analyzed. No assessment of effect.

Hospital Payment

- Note Boston Globe story on the Partners' Effect – 30% payment premium to partners over other hospitals because of their size and reputation.
- Can you evaluate rate increases without evaluating the base?
- Does this get OHIC into role of hospital rate setting? Should that be legislative direction? Will require resources.

Transparency

- This would be a less expensive version of all payor data base.
- No evidence of return.

Wellness Standards

- Would have to be narrowed and better-defined.

Broader Reforms

- These were included at suggestion of consultant to put a longer term direction on the plans' work with OHIC.
- The definition of evidence based coverage and how it would be promoted was not immediately obvious to Council members. They understood the need to reduce practice variation based on accepted guidelines, but how to implement?

- Can you do payment reform without public payors? What would be needed legislatively?

Summary of Plan conversations

- Council Members asked for a summary of plan feedback. It included:
 - i. Don't send us in different direction from what we are already doing.
 - ii. What happens to affordability plans we are doing?
 - iii. Should pilot projects play out or be expanded?
 - iv. Let the plans innovate and compete
 - v. Pressure from self insured consultants is intense and not always in synch with this.

Council needs

- Council members said if you want us to choose among these we have to have better understanding of what will really generate a return. That is where we should focus. Council members understood the information might be directional, not definitive. Also – staff understand feasibility better than Council members. Finally – the initiatives should make sense and hang together well.

Next steps

- Rather than go through the formal rating grid. Council members agreed to evaluate each of the 21 initiatives based on the discussion tonight and their own preliminary assessment of value and feasibility. These are to be forwarded to OHIC in one week.
- At the next meeting, OHIC will present possible groupings of the initiatives based on Council feedback. It will also compile best info available on value for each of these projects. The Council will make preliminary recommendations at the December meeting.

The meeting then adjourned.

Next Meeting of the Council
December 16, 2008

4:30 pm DLT Main Hearing Room (note new Time)

Topics – Initial Recommendations for Plan Affordability Activities.