

**Health Insurance Advisory Council**  
**September 15, 2009**  
**4:30-6:00 PM – DLT Main Conference Room**

**Minutes**

**Attendance:**

Members: Rick Brooks (Co-Chair), Chris Koller (Co-Chair), Phil Papoojian, Hub Brennan, DO, Michael Souza for, Bill Schmiedeknecht, Domenic Delmonico, Roland Benjamin, Pat Mattingly, Peter Asen, Karen Fifer Ferry, Howard Dulude

Health Plans: Tom Boyd, Maria LaFerriere, Patrick Ross, Jason Martiesian

OHIC Staff: Adrienne Evans, John Cogan

Not in Attendance: Bill Martin, Ed Quinlan, Peter Quattromani,

Guests: Rachel Benoit, Gregg Allen, Joel Cooper

1. Introductions

- Members of the Council and public attendees introduced themselves.
- Chris Koller reviewed the summary of the Council's Activities for 08/09. This annual report is required by OHIC statute and addressed to legislative leadership.

2. Charter:

1. Chris Koller circulated a copy of the HIAC charter. He notes that this has to be updated to reflect changes in the OHIC statute which were passed by the legislature in a budget article at the close of the current session.
2. The conversation focused on these changes. A copy of the relevant section of the budget article which addressed OHIC was circulated. The changes were put in place at the time OHIC funding was restored. Although there are numerous small changes, the once which will significantly change the workings of the Council and the Office are as follows:
  - OHIC is required to hold quarterly public meetings "throughout the state" rather than an annual one. In addition to previous agenda, the item "efforts to bring new insurers into the state" was added. Members of the Council agreed that the Council should take responsibility for these meetings by moving their meetings around in the course of the year. Several ideas were offered for locations – including meeting at places that would encourage attendance by particular stakeholder groups – such as hospitals, insurers and businesses.
  - OHIC is to deliver recommendations regarding health insurance regulation to the House of Representatives and the Senate Finance committees and no longer the joint legislative committee on health.

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- The Advisory Council is to develop “proposals to allow the market for small business health insurance to be affordable and fairer”.
  - In addition to its annual report, the Advisory Council is to present the findings and recommendations of the report at hearings before the house and senate finance committees.
  - The provider/health plan work group – which is currently not staffed – is to report to both the House and Finance Committees annually.
3. The Advisory Council asked that the Charter for the Council, with the revisions listed here incorporated, be circulated in October for approval.
  4. There was a brief discussion of the events affecting the Office at the time of the 2009/2010 Budget proposal and passage. The Office was restored after an amendment to the Budget which passed unanimously and was made possible by the efforts of many people, including members of the Council. Members of the Council expressed support for the work of the Office and the Council and several ideas were offered to increase the visibility of its work and the legislature’s understanding of it.
  5. New Members. Over the summer, new members to the Council were solicited by Mr. Koller. Several candidates were identified and they are in attendance as guests tonight. If there is mutual interest, they will attend as members next month. (The OHIC statute does not specify an election process for new members.)
3. Election of co-chair
    - As noted in at the June meeting, Rick Brooks is relinquishing his responsibilities as co-chair. A motion was made, seconded and passed unanimously thanking Mr. Brooks for his leadership and commitment in helping to establish the Council.
    - Bill Martin of the Council has expressed an interest in serving as co-chair. Mr. Martin is a partner and co-founder of Epi- Vax in Providence. Chris Koller has met with him about he responsibilities and the work for the year. He is traveling out of the country currently and could not be at the meeting. Further nominations were solicited from the floor at the meeting. There were no additional. After a motion and second, Mr. Martin was unanimously voted in to serve a two year term as Co-Chair of the Council.
  4. 2009/2010 Work Agenda for HIAC
    - Chris Koller circulated a draft Agenda for HIAC for the 09/10 year. It reflects the following goals for the year:
      - Monitor Plans’ implementation of OHIC Affordability Priorities and Standards.
      - Monitor Commercial Insurance Trends in RI – including finances and rate review regulations.
      - Continue to review and compare Health Plan Administrative Costs.
    - The Council had the following comments on the draft Agenda:
      - The November session should focus specifically on Administrative Costs and comparisons between plans and across the region.

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- The December session should focus on the potential effects of any Federal Health Reform. The Office will also have a study on trends in uninsured rates available by then.
- Two items added to January agenda: trends in Consumer Directed Health Plans and what criteria should OHIC use for calling a hearing for rate factors?
- The Council also urged OHIC to be more aggressive in publicizing this agenda and the specific meetings of Council – using the web and e-mails. The goal is to raise the profile of the Council and its work.
- The Council adopted the 2009/2010 Work agenda, as modified.

#### 5. Updates:

##### a. Implementation of Affordability Priorities and Standards

- OHIC has been meeting with plans during the summer to develop budgets and activities for the anticipated increase in spending in 2010. Plans have been committed and cooperative. Tufts will not commit to a budget because of its small membership numbers, but will commit to the remaining three priorities. The plans are presenting their ideas – publicly - to an advisory group of primary care docs convened by the Department of Health. It is anticipated that by the time the insurers plans are presented to OHIC, they will be vetted and coordinated, so there will be little needed in the way of formal approval. The October meeting of Council will focus on this. In addition, Mr. Koller noted that grant funding has been secured for the coming year to pay for consultant work on monitoring and implementing these standards.

##### b. Rate Factors Review

- The three commercial health plans withdrew their requests for changes (and increases) in the rate factors used to calculate large and small group rates in July. The withdrawals were voluntary and in effect for six months. Since then OHIC has been meeting with the plans individually to review the rate factors submissions. Tufts has since reversed their decision and refiled rate factors which would result in an average increase of 8.5% - vs the original 9.7%. A public comment period is concluding and then the Commissioner will make a decision. There is no word on whether United and BCBSRI will refile early.

##### c. Provider Survey

- Chris Koller briefly reviewed the results of the annual OHIC provider survey, which was conducted in the spring and released in August. Although comparisons to last year were not made, there were significant differences in providers' views of the services provided by the plans, with United scoring the worst. Mr. Koller asked the Council what follow up should be done, given the limited resources of the Office. The Council felt that it was important for the Office to conduct the survey and publicize the results - this would raise awareness among others about the performance of the plans and make the plans feel accountable to the Office, to providers and to employers for

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improvement. The Council did not recommend specific actions by the Office based on the survey.

d. Upcoming Filings

- John Cogan reported that in addition to large and small group rate factor filings, the Office anticipates several Medicare supplemental insurance filings in the coming weeks and in the fall BCBSRI will file its direct pay (individual market) rates. He noted that these are the filings affecting a significant number of people – at any time the Office is reviewing between 10 and 20 filings from national insurers for smaller groups of covered lives.

e. Effect of State Budget

- Mr. Koller noted that although the Office has an opening for another FTE, because of the state-wide hiring freeze, the position has not been posted.

6. Other Business

- There was no other business presented.

The meeting then adjourned.

Next Meeting of the Council  
October 20, 2009  
4:30 pm DLT Main Hearing Room

Topics

- Revised HIAC work plan
- Health Insurers plans for meeting affordability standards.
- Locations for future meetings (to comply with statute).