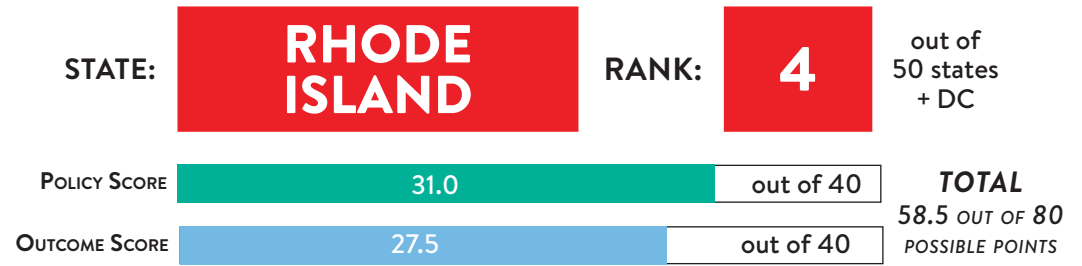
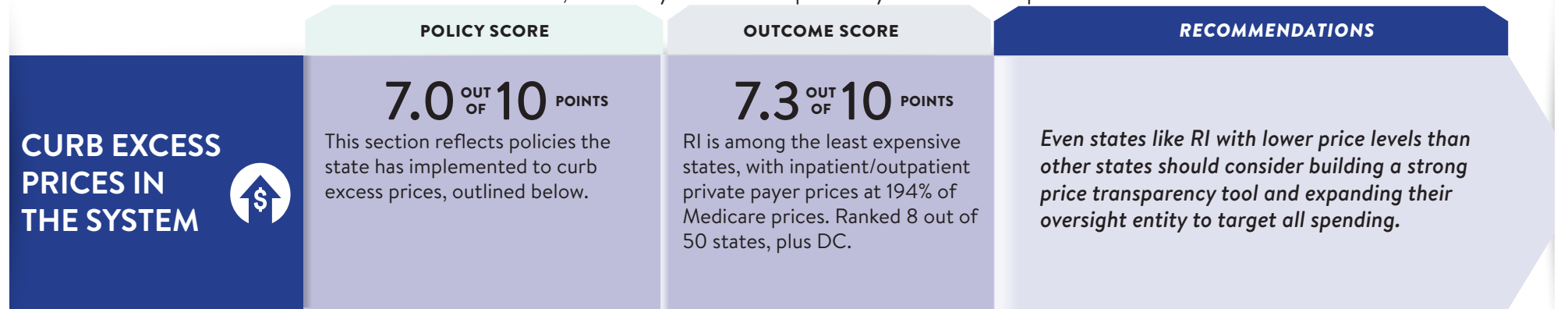


2022 Healthcare Affordability State Policy Scorecard

This Scorecard looks at both policies and related outcomes across four affordability-related areas that were implemented as of Dec. 31, 2021. Lawmakers, regulators, consumer advocates and the public can use the Scorecards to understand how their state performs when it comes to healthcare affordability policies and outcomes relative to other states and identify opportunities to improve.



Setting the stage: According to SHADAC, 22% of Rhode Island adults experienced healthcare affordability burdens as of 2020. According to the Personal Consumption Expenditure, healthcare spending per person in Rhode Island grew 19% between 2013 and 2021, totaling \$7,916 in 2021. Please note some of the outcome measures in this Scorecard include data from 2020, which may have been impacted by the COVID-19 pandemic.



THIS CHECKLIST IDENTIFIES THE POLICIES THAT WERE EVALUATED FOR THIS SECTION.

| | |
|--|---|
| | Create an all-payer or multi-payer claims database to analyze healthcare price inflation, price variation and utilization Rhode Island has had a state-managed all-payer claims database (APCD) since 2010, including Medicaid and private insurer data (Medicare available only through 2018, and pharmacy through 2017). Some utilization and cost data is available to the public in dashboard form, and more detailed data is available upon request for a fee. |
| | Create a permanently convened health spending oversight entity Rhode Island has a permanently convened health spending oversight entity that targets hospital spending. The permanently convened Office of the Health Insurance Commissioner has the opportunity to impose affordability standards during Rhode Island's rate review process. These impose price controls—particularly inflation caps and diagnosis-based payments—on contracts between commercial insurers and hospitals and clinics and require commercial insurers to increase their spending on primary care and care coordination services. |
| | Create all-payer healthcare spending and quality benchmarks for the state Rhode Island's affordability standards, which are part of the state's rate review process and mandatory for all providers, have successfully curbed hospital costs by limiting contracted hospital prices from rising any more than inflation plus 1%. In 2022, the Rhode Island Governor proposed creating the Health Spending Accountability and Transparency Program in his 2023 budget, building on the existing benchmark. Actions will include publicizing insurer and provider performance on healthcare cost growth relative to the predetermined benchmark target, and holding annual public meetings on performance relative to the target. |
| | Implement free, public-facing healthcare price transparency that reflects negotiated rates and features treatment- and provider-specific prices Rhode Island did not have a tool that met the criteria to receive credit. To receive credit, a state's tool has to be public-facing, searchable by specific procedure and hospital and show the negotiated rate paid by insurance plans/patients (not chargemaster rate). |

KEY: = implemented by state = not implemented by state = the state has implemented policies, but could be enhanced

Full report and additional details at www.HealthcareValueHub.org/Affordability-Scorecard/Rhode-Island

Healthcare Affordability State Policy Scorecard

STATE:

RHODE ISLAND

RANK:

4

out of 50 states + DC

POLICY SCORE

9.0 OUT OF **10** POINTS

RI has taken important steps to measure the extent of low-value care being provided. They require some forms of patient safety reporting. 100% of hospitals have adopted antibiotic stewardship.

OUTCOME SCORE

5.0 OUT OF **10** POINTS

16% of RI residents have received at least one low-value care service, placing them in the middle range of states. Ranked 16 out of 50 states, plus DC.

RECOMMENDATIONS

RI is the rare state that has taken the key initial steps to identify low-value care. RI should consider the next step by enacting a multi-stakeholder campaign to reduce the use of the services identified.

REDUCE LOW-VALUE CARE



THIS CHECKLIST IDENTIFIES THE POLICIES THAT WERE EVALUATED FOR THIS SECTION.



Analyze claims and electronic health records data to understand how much is spent on low- and no-value services

As part of the Rhode Island Health Care Cost Trends Collaborative Project, Brown University School of Public Health conducted a thorough analysis of claims data in Rhode Island's APCD and performed initial ad hoc analyses focused on the cost impact of low-value care on healthcare spending in the state. Although the state has measured low-value care being provided, it has not yet enacted a campaign to reduce the use of identified services.



Require validated patient-safety reporting for hospitals

Central line-associated bloodstream infections (CLABSI) and catheter-associated urinary tract infections (CAUTI) are two common forms of hospital-acquired infections. In Rhode Island, reporting of CLABSI/CAUTI is voluntary, but validation is required if there is a report.



Universally implement antibiotic stewardship programs using CDC's 7 Core Elements

Improper use of antibiotics is another type of low-value care. Antibiotic stewardship is the effort to measure and improve how antibiotics are prescribed by clinicians and used by patients, and states were scored on what share of their hospitals follow the CDC's stewardship program. 100% of Rhode Island hospitals have adopted antibiotic stewardship. States with 90% adoption or more get the most credit.

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STATE:

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RANK:

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out of 50 states + DC

| | POLICY SCORE | OUTCOME SCORE | RECOMMENDATIONS |
|--|--|--|--|
|  <p>EXTEND COVERAGE TO ALL RESIDENTS</p> | <p>8.8 OUT OF 10 POINTS</p> <p>RI Medicaid coverage for childless adults extends to 138% of FPL. Only some immigrants can access state coverage options (see below). RI uses reinsurance to reduce costs in the non-group market. Private payer rates are subject to affordability review.</p> | <p>8.9 OUT OF 10 POINTS</p> <p>RI is among the states with the least uninsured people, still 4% of RI residents are uninsured. Ranked 5 out of 50 states, plus DC.</p> | <p><i>RI should consider additional options for residents earning too much to qualify for Medicaid, like a Basic Health plan, premium subsidies, Medicaid buy-in or a Public Option. RI should also consider offering coverage options for undocumented children and adults.</i></p> |

THIS CHECKLIST IDENTIFIES THE POLICIES THAT WERE EVALUATED FOR THIS SECTION.

| | |
|--|---|
|  | <p>Expand Medicaid to cover adults up to 138% of the federal poverty level</p> <p>Rhode Island has expanded Medicaid.</p> |
|  | <p>Provide high-quality, affordable coverage options for people whose incomes are too high to qualify for Medicaid, e.g., Basic Health Plan, reinsurance or augmented premium subsidies</p> <p>Rhode Island received approval in 2019 to implement a reinsurance program from 2020 through 2024.</p> |
|  | <p>Provide options for immigrants that don't qualify for the coverage above</p> <p>Rhode Island offers Medicaid coverage to lawfully residing immigrant children without a 5-year wait, and provides comprehensive benefits similar in scope to pregnancy-related Medicaid/CHIP regardless of immigration status through CHIP's "unborn child" option. The state offers no coverage options for undocumented children/non-pregnant adults.</p> |
|  | <p>Conduct strong rate review of fully insured, private market options</p> <p>Rhode Island incorporates affordability criteria into rate review and is an 'active purchaser,' which helps keep premiums down on the exchange. Rhode Island limits contracted hospital prices from rising more than inflation plus 1% and requires insurers to comply with criteria related to care infrastructure and comprehensive payment reform for premium increases to be approved.</p> |

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4

out of 50 states + DC

POLICY SCORE

6.2 OUT OF **10** POINTS

RI has banned or heavily regulated short-term, limited-duration health plans and has partial protections against surprise medical bills. RI caps cost-sharing for some high-value services.

OUTCOME SCORE

6.3 OUT OF **10** POINTS

RI ranked 12 out of 50 states, plus DC on affordability burdens but 22% of adults faced an affordability burden: not getting needed care due to cost (8%), delaying care due to cost (8%), changing medication due to cost (11%), problems paying medical bills (12%) or being uninsured due to cost (sample size too small).

RECOMMENDATIONS

RI should consider a suite of measures to ease consumer burdens, such as enacting surprise medical bill protections not addressed by the federal No Surprises Act and requiring standard plan design on their exchange.

MAKE OUT-OF-POCKET COSTS AFFORDABLE



THIS CHECKLIST IDENTIFIES THE POLICIES THAT WERE EVALUATED FOR THIS SECTION.



Limit the availability of short-term, limited-duration health plans

Rhode Island has heavily regulated short-term, limited duration health plans (STLDs) to the point that no plans are offered. Some people choose STLD health plans for their lower monthly premiums compared to ACA-compliant plans. However, they offer poor coverage, can discriminate against people with pre-existing conditions and pose financial risks for consumers. States received credit depending on how much they limit these plans.



Protect patients from inadvertent surprise out-of-network medical bills

Rhode Island has partial protections against surprise medical bills (SMBs). 'Comprehensive' protections include emergency departments and hospitals, apply to all insurance types, hold consumers harmless/prevent balance billing and adopt adequate payment standard or dispute resolution process. States with only some of these policies have 'partial' protections. The federal No Surprises Act prohibits SMBs in most plans effective January 2022. However, it does not cover ground ambulances. States can still implement protections in this area—32% of ground ambulance rides in Rhode Island charged to commercial insurance plans had the potential for SMBs (2021).



Waive or reduce cost-sharing for high-value services

In 2021, Rhode Island's governor signed into law a bill that requires insurers to cap the total cost consumers pay for insulin at \$40 for a 30-day supply, and this coverage cannot be subject to any deductible. The law takes effect in Jan. 1, 2022. Another 2021 bill prohibits clauses in pharmacy contracts that prevent pharmacists from offering customers more affordable prescription options or telling customers how much they will pay for a prescription drug. This law took effect upon passage.



Require insurers in a state-based exchange to offer evidence-based standard plan designs

Rhode Island has a state-based exchange but has not implemented standard plan design. Standard plan design makes cost-sharing the same across plans within metal tiers, making it easier for consumers to compare plans. They also help regulators and exchanges negotiate or set rates with insurance carriers, which may translate to lower prices for consumers.

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