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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

J O I N T R E S O L U T I O N

**CREATING A SPECIAL LEGISLATIVE COMMISSION TO STUDY THE IMPACT OF
HEALTH PLAN PATIENT LIABILITY PROVISIONS ON ACCESS TO HEALTHCARE AND
PROVIDER FINANCIAL CONDITION**

Introduced By: Senator Joshua Miller

Date Introduced: June 05, 2014

Referred To: Senate Health & Human Services

1 WHEREAS, It is the intention of state and federal law to ensure that Rhode Islanders
2 have reasonable access to healthcare facilitated by health insurance coverage; and

3 WHEREAS, Individuals, employers, and employees select insurance coverage based on
4 the balance between the level of coverage, reflected in the patient liability for services, and the
5 cost of coverage, reflected in the premiums; and

6 WHEREAS, The reduced premiums associated with high deductible health plans and
7 those that include other significant patient liability provisions have driven a sharp increase in the
8 membership of these plans nationally and in Rhode Island; and

9 WHEREAS, The likelihood of collecting significant patient financial obligations, in the
10 form of deductibles and other similar patient obligations, by healthcare providers diminishes
11 sharply once the patient leaves the site of services; and

12 WHEREAS, The cost of healthcare provider time and resources required to bill and
13 collect patient financial obligations significantly increases once the patient leaves the site of
14 service; and

15 WHEREAS, Patient financial obligations can be of such a magnitude that it creates
16 extreme personal financial hardship, hinders access to needed care, steers patients toward
17 inappropriate places of service (such as hospital emergency departments) and in the event it is not
18 paid, creates financial hardship on the part of the healthcare provider; and

19 WHEREAS, These provisions can cause unintended consequences that are in opposition

1 to the objectives of access to coverage, availability of care, and the financial stability of
2 healthcare providers; now, therefore be it

3 RESOLVED, That a special legislative commission be and the same hereby is created
4 consisting of seventeen (17) members: one of whom shall be a member of the Senate, to be
5 appointed by the Senate President, who shall serve as co-chairperson; one of whom shall be a
6 member of the House, to be appointed by the Speaker of the House, who shall serve as co-
7 chairperson; one of whom shall be the Commissioner of the Rhode Island Office of Health
8 Insurance Commissioner, or designee; one of whom shall be the President/CEO of Blue Cross
9 and Blue Shield of Rhode Island, or designee; one of whom shall be President of United
10 Healthcare of Rhode Island, or designee; one of whom shall be the CEO of Neighborhood Health
11 Plan of Rhode Island, or designee; one of whom shall be the Executive Director of the RI
12 Business Group on Health, or designee; one of whom shall be a health insurance broker, to be
13 appointed by the Health Insurance Commissioner; one of whom shall be the President of the Drug
14 and Alcohol Treatment Association, or designee; one of whom shall be the President of the
15 Community Health Center Association, or designee; one of whom shall be the President of the
16 Council of Community Mental Health Organizations, or designee; one of whom shall be the
17 Executive Director of the Rhode Island Medical Society, or designee; one of whom shall be the
18 President of the Rhode Island Academy of Family Physicians, or designee; two (2) of whom shall
19 be the Acting President of the Hospital Association of Rhode Island, or designee, plus an
20 additional designated representative, to be appointed by the Acting President of the Hospital
21 Association of Rhode Island; one of whom shall be a representative of a hospital in Rhode Island
22 that is not a member of the Hospital Association of Rhode Island, to be appointed by the
23 Governor; and one of whom shall be a representative of state government with expertise in
24 computer technology and information system compatibility, to be appointed by the Governor.

25 In lieu of any appointment of a member of the legislature to this commission, the
26 appointing authority may appoint a member of the general public to serve in lieu of a legislator,
27 provided that the public member is a resident of the State of Rhode Island.

28 The purpose of said commission shall be to make a comprehensive study and make
29 recommendations regarding the impact of significant patient liability provisions within health
30 plans (to include coinsurance and deductibles), and individuals' and employers' desire for choice
31 in the cost of coverage resulting from different levels of patient liability and their relationship to a
32 person's access to healthcare, health insurance, personal financial well-being and the financial
33 condition of healthcare providers. In studying this issue, the commission is encouraged to:

34 (1) Examine trends, current policies, and available data pertaining to the growth in

1 membership in health insurance plans containing significant patient liability provisions;

2 (2) Examine the impact upon the growth of coverage under the Affordable Care Act
3 (ACA) of insurance plans with significant enrollee liability provisions and the coverage
4 alternatives to such plans;

5 (3) Identify the volume of healthcare services rendered to patients with such coverage
6 provisions and how much of the patient liability is collected and remains uncollected, and the
7 time frames for billing and collection;

8 (4) Identify the barriers to access to necessary primary and specialty health care related to
9 insurance coverage and potential financial barriers of patient liability provisions in coverage;

10 (5) Examine the degree to which health insurers, payers and employers evaluate the
11 ability of potential members to afford the designated cost share prior to providing a plan that
12 includes them, while similarly considering the impact of cost sharing on premiums, how that
13 affordability of premiums improves access to health insurance and the degree to which coverage,
14 even with cost sharing, is preferable to an individual or employee being uninsured;

15 (6) Survey the use of software applications that enable real-time determinations of a
16 patient's deductible status and examine the feasibility of an application to be used by healthcare
17 providers for utilization at the time care is provided; and

18 (7) Examine the implication and feasibility of policies and legislation that would (i)
19 establish a baseline means test for affordability of significant patient financial obligations prior to
20 their purchase, recognizing that coverage with cost sharing is preferable to being uninsured, (ii)
21 educate Rhode Islanders about the availability of Medicaid or other state assistance, premium
22 subsidies (advance premium tax credits) and cost sharing subsidies under the ACA, and (iii)
23 educate patients about their obligation to satisfy their financial liability to their healthcare
24 provider.

25 Forthwith upon passage of the resolution, the members of the commission shall meet at
26 the call of the Speaker of the House and the President of the Senate. The commission shall have
27 the authority to organize and form subcommittees, when deemed appropriate by a majority of the
28 members.

29 Vacancies in said commission shall be filled in the same manner as the original
30 appointment.

31 The membership of said commission shall receive no compensation for their services.

32 All departments and agencies of the state shall furnish such advice and information,
33 documentary and otherwise, to said commission and its agents as is deemed necessary or
34 desirable by the commission to facilitate the purposes of this resolution.

1 The Joint Committee on Legislative Services is hereby authorized and directed to provide
2 suitable quarters for said commission; and be it further

3 RESOLVED, That the Commission shall report its findings and recommendations,
4 including any proposed legislation, to the Governor, the Commissioner of the Office of Health
5 Insurance Commissioner, and the General Assembly no later than February 1, 2015, and said
6 commission shall expire on July 1, 2015.

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