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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

SENATE RESOLUTION

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 20, 2014

Referred To: Placed on Senate Calendar

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

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

30 (1) Examine trends, current policies, and available data pertaining to the growth in
31 membership in health insurance plans containing significant patient liability provisions;

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

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

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

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

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

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

21 Forthwith upon passage of this resolution, the members of the commission shall meet at
22 the call of the President of the Senate and organize.

23 Vacancies in said commission shall be filled in the same manner as the original
24 appointment.

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

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

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

31 RESOLVED, That the Commission shall report its findings and recommendations to the
32 Senate on or before February 3, 2015, and said commission shall expire on July 1, 2015.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
SENATE RESOLUTION
CREATING A SPECIAL LEGISLATIVE COMMISSION TO STUDY THE IMPACT OF
HEALTH PLAN PATIENT LIABILITY PROVISIONS ON ACCESS TO HEALTHCARE AND
PROVIDER FINANCIAL CONDITION

1 This resolution would create a seventeen (17) member special legislative study
2 commission whose purpose it would be to study the impact of health plan patient liability
3 provisions on access to healthcare and provider financial condition, and who would report back to
4 the Senate, on or before February 3, 2015, and whose life would expire on July 1, 2015.

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