



Rhode Island Executive Office of Health and Human Services
74 West Road, Hazard Building, Cranston, RI 02920

FOR IMMEDIATE RELEASE

MEDIA CONTACTS:

Mike Raia (OHHS)
401-462-1834 (o)
401-862-4603 (c)
Michael.Raia@ohhs.ri.gov

Sophie O'Connell (OHHS)
401-462-0854
Sophie.OConnell@ohhs.ri.gov

Raimondo's Healthcare Innovation Group Recommends Creation of Dedicated Health Policy Office

*Group proposes plan for global healthcare spending target; Outlines population health goals
Recommendations aim to achieve better outcomes, lower costs for all Rhode Islanders*

PROVIDENCE, R.I. (December 1, 2015) – While the Affordable Care Act has helped cut Rhode Island's uninsured rate in half, rising healthcare costs remain a concern for Rhode Island families, businesses, taxpayers and healthcare providers. Governor Gina M. Raimondo's Working Group for Healthcare Innovation presented its recommendations today to improve the state's healthcare system, support better health outcomes, lower costs and provide businesses with more predictability.

The group is calling for the creation of an Office of Health Policy to better coordinate health policy decisions that affect all Rhode Islanders. The group also provided the framework for Rhode Island to establish a global healthcare spending target designed to align the rate of growth in healthcare costs with the growth of the State's economy.

"It's easier to make it in Rhode Island when everyone has access to high-quality, affordable healthcare," said Raimondo. "And businesses are more likely to invest here if Rhode Island can offer predictable costs. I challenged the Working Group to help us innovate and make our healthcare system work better for all Rhode Islanders. I look forward to reading the recommendations and taking action to build healthier communities and a stronger economy in Rhode Island."

As recommended by the Working Group, the Office of Health Policy would oversee the implementation of statewide health policy goals, work to better align health policies across state agencies, and create a comprehensive state health plan for Rhode Island.

The group also focused on establishing population health goals to support healthier communities and an expansion of the state's analytic capabilities, use of health information technology and focus on alternative payment models to drive better care at more sustainable costs.



“We can take action to build a stronger, more effective healthcare system—and make Rhode Island a leader in healthcare innovation in the process,” said Health and Human Services Secretary Elizabeth Roberts. “I am grateful to the Working Group members for lending their time and expertise to develop these recommendations, and look forward to moving towards implementation, at the Governor’s direction. This is just the beginning of what we can do when we bring everyone to the table and focus on finding solutions to some of our state’s biggest challenges.”

Between 2003 and 2013, the average yearly commercial insurance premium for a family in Rhode Island jumped from \$9,500 to over \$16,000, more than a quarter of the median household income in the state. Nationally, healthcare costs increased approximately 85 percent between 2000 and 2010. Unpredictable increases in healthcare spending create uncertainty for business owners and are often cited as one of the top hurdles for expanding and creating new jobs.

The group’s proposed spending target is modeled loosely on Massachusetts’ global healthcare spending goals which have been shown to have early success in slowing the rate of growth in individual and commercial insurance markets and Medicare. The Working Group recommendation would hold providers and payors accountable for the total costs of healthcare through increased transparency and annual cost trend hearings conducted by the Office of Health Policy. Similar to Massachusetts’ policy, the Working Group does not propose punitive measures if providers or payors exceed the target. However, it would empower the Office of Health Policy to request performance improvement plans that detail why the provider exceeded the target.

The recommendations are the result of nearly six months of public meetings, including two community listening sessions in Warwick and Providence. The Working Group is comprised of more than 40 stakeholders representing all parts of Rhode Island’s healthcare system, including the business community, local government and consumer advocates.

###

