

# 2021 Healthcare Affordability State Policy Scorecard

Polling data repeatedly shows that healthcare affordability is the number one issue that state residents, on both sides of the political aisle, want their policymakers to work on. This scorecard identifies areas where Rhode Island is doing well and areas where it can improve. It reflects policies implemented as of Dec. 31, 2020.

STATE:

**RHODE ISLAND**

RANK:

**2**

out of  
47 states  
+ DC

**TOTAL SCORE: 58.1 OUT OF 80 POSSIBLE POINTS**

Rhode Island has many policies to address affordability, but still has much work to do to ensure wise health spending and affordability for its residents. According to SHADAC, 9% of RI adults could not get needed medical care due to cost as of 2019, and the share of people with other affordability burdens is far higher. While RI's uninsurance rate (4.1%) may be a factor, healthcare is increasingly unaffordable largely due to high costs that affect everyone. According to the PCE, healthcare spending per person in RI grew 19% between 2013 and 2019, totaling \$7,889 in 2019.\*

	POLICY SCORE	OUTCOME SCORE	RECOMMENDATIONS
<b>CURB EXCESS PRICES IN THE SYSTEM</b> 	<b>7.0 OUT OF 10 POINTS</b> RI is a leader in this area, with an active APCD, a hospital spending oversight entity and spending targets. However, their policies can still be expanded.	<b>9.5 OUT OF 10 POINTS</b> High private prices are one factor driving costs. RI is among the least expensive states, with inpatient private payer prices at 137% of Medicare prices. Ranked 2 out of 48 states, plus DC.	Year-over-year increases in healthcare prices overwhelmingly drive state healthcare spending. Even states like RI with lower price levels than other areas should consider strong price transparency requirements and expanding their oversight entity to target all spending beyond hospitals.
<b>REDUCE LOW-VALUE CARE</b> 	<b>9.0 OUT OF 10 POINTS</b> RI requires some forms of patient safety reporting. Encouragingly, 100% of hospitals have adopted antibiotic stewardship. RI has taken important steps to measure the extent of low-value care being provided.	<b>2.0 OUT OF 10 POINTS</b> RI has more low-value care than any other state. Ranked 51 out of 51 states, including DC.	RI is the rare state that has taken the key initial steps to identify low-value care, but the problem persists. The next step is enacting a multi-stakeholder campaign to reduce the use of the services identified.
<b>EXTEND COVERAGE TO ALL RESIDENTS</b> 	<b>8.1 OUT OF 10 POINTS</b> Medicaid coverage for childless adults extends to 138% of FPL. Only some immigrants can access state coverage options (see back). RI uses reinsurance to reduce costs in the non-group market. Private payer rates are subject to affordability review.	<b>9.3 OUT OF 10 POINTS</b> RI is among the states with the least uninsured people, still 4% of RI residents are uninsured. Ranked 3 out of 50 states, plus DC.	RI should consider offering coverage options for residents earning too much to qualify for Medicaid, like premium subsidies, a Basic Health Plan, Medicaid buy-in and a public option, as well as coverage options for undocumented children and adults.
<b>MAKE OUT-OF-POCKET COSTS AFFORDABLE</b> 	<b>3.6 OUT OF 10 POINTS</b> RI has banned or heavily regulated short-term, limited-duration health plans and has partial surprise medical bill protections.	<b>9.6 OUT OF 10 POINTS</b> RI ranked well in terms of affordability burdens (3 out of 49 states, plus DC), but 9% of adults could not get needed medical care due to cost. The share of people with other affordability burdens is far higher.	RI should consider a suite of measures to ease consumer burdens, such as: surprise medical bill protections not addressed by the federal No Surprises Act; waiving or reducing cost-sharing for high-value services; and requiring standard plan design on their state exchange.

APCD = All-Payer Claims Database CHES = Consumer Healthcare Experience State Survey CMS = Centers for Medicare and Medicaid Services EHR = Electronic Health Records FPL = Federal Poverty Level PCE = Personal Consumption Expenditure (Healthcare PCE measures spending growth among households as well as nonprofit, commercial and government hospitals/nursing homes) SHADAC = State Health Access Data Assistance Center SMB = Surprise Medical Bill STLD = Short-Term, Limited-Duration

Full report and additional details at [www.HealthcareValueHub.org/Affordability-Scorecard/Rhode-Island](http://www.HealthcareValueHub.org/Affordability-Scorecard/Rhode-Island)

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## RHODE ISLAND NOTES

### Methodological Notes:

State rank reflects the weighted sum of the policy and outcome scoring components. A lower state rank number (i.e. close to 1) reflects a higher overall score and better performance when compared to other states. For a complete discussion of methodology, please see [healthcarevaluehub.org/affordability-scorecard/methodology](https://healthcarevaluehub.org/affordability-scorecard/methodology).



### Curb Excess Prices in the System:

In order to receive credit for price transparency tools, a state's tool had to be public-facing, searchable by specific procedure and hospital and show the negotiated rate paid by insurance plans/patients (not chargemaster rate). Rhode Island did not have a tool that met this criteria. RI has a healthcare spending oversight entity that targets hospital spending and all-payer spending benchmarks or price controls that are mandatory for all. RI has an APCD. RI's affordability standards have successfully curbed hospital costs by limiting contracted hospital prices from rising any more than inflation plus 1 percent.



### Reduce Low-Value Care:

According to the Johns Hopkins Overuse Index created using Medicare data, RI's overuse of low-value care is 1.7 standard deviations above the national average, which is undesirable. 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 RI's APCD and performed initial ad hoc analyses focused on the cost impact of low-value care on healthcare spending in Rhode Island. In Rhode Island, reporting of CLABSI/CAUTI is voluntary, but validation is required if there is a report. 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—states were scored on what share of their hospitals follow the CDC's stewardship program.



### Extend Coverage to All Residents:

RI received approval in 2019 to implement a reinsurance program from 2020 through 2024. RI offers Medicaid coverage to lawfully residing immigrant children without a 5-year wait. Some level of prenatal care is available, regardless of immigration status, through CHIP's "unborn child" option. RI does not offer coverage options for undocumented children/adults. RI incorporates affordability criteria into rate review and is an 'active purchaser,' which helps keep premiums down on the exchange. RI limits contracted hospital prices from rising more than inflation plus 1 percent and requires insurers to comply with criteria related to care infrastructure and comprehensive payment reform for premium increases to be approved.



### Make Out-of-Pocket Costs Affordable:

High-deductible health plans create barriers to care for many families. According to SHADAC, the average family deductible among employer insurance plans in RI rose 69% between 2013 and 2019, totaling \$4,031 in 2019. States should consider exploring new policies to reduce financial barriers to care for people with high-deductible health plans, although there are limits to how much states can influence employer insurance and Medicare. In response to rising insurance costs, some people turn to STLD health plans, which offer lower monthly premiums compared to ACA-compliant plans. However, these policies offer less coverage, can discriminate against people with pre-existing conditions and pose significant financial risks for consumers. States received credit depending on how much they limit or protect against these plans. RI has partial protections against surprise medical billing. 'Comprehensive' surprise medical billing 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 surprise medical billing in most plans effective January 2022. However, it does not cover ground ambulances which often result in surprise bills. States can still implement protections in this area—32% of ground ambulance rides in RI charged to commercial insurance plans had the potential for surprise medical billing.\*

\* Informational data, not used in state score or ranking. Scorecard Updated: Oct. 27, 2021