

# The Health of Health Care in RI

Every year we set out to write about the state of the state's healthcare industry - from the perspective of all involved. That includes patients, physicians, insurers and hospital systems.

A lot has changed in the field over the last couple of decades and change has been even more intense over the last few years. In the years we've been covering this, much of what we've reported has been positive. True, healthcare has been a mess, and it's still a mess. But it's seemed like technology and policy were catching up with some problem areas, and improvement - or at least optimism - was heavily in evidence the last few years.

Control of costs has been the lingering boogeyman in this process, and no one has come up with a comprehensive proposition for how to do this fairly and effectively. One of the components of Obamacare - that it was built on a graduated implementation (a little more each year) - was an aggressive attempt to pry funding from medical device/equipment manufacturers and pharmaceutical companies. Proponents pointed out that these are elements of the system that are often opportunistically high-profit (and thus flush with potential tax money). Opponents felt that higher taxes on these endeavors would reduce incentive to develop new drugs, devices and treatments. The successful tech innovations produce a lot of return to balance out the majority of attempts, which, because science is a fickle mistress, tend to fail and pull down significant investments with them.

We'll likely never know which of these outcomes would prove true - this element of Obamacare is the one most clearly and directly targeted by Republicans and the incoming administration, and these provisions will probably be removed before they even fully kick in.

Other elements of Obamacare will be much harder to remove. It seems, from comments made by Trump's administration and new healthcare czar Tom Price, that the ability to factor in pre-existing conditions and charge or deny coverage because of them will probably not come back. It seems like Republicans would like to keep Medicaid available to people in need (many of their core constituents rely on these services). But they are also pretty determined to remove the requirement that all citizens must have health care - a requirement Obamacare encouraged with rising taxes on anyone who chose not to be insured.

So it looks like the upcoming replacement for Obamacare wants to keep most of the same services, but remove the mechanisms by which Obama sought to pay for them. How will new counter-proposals cover the finances? That, when you boil it down, is what everyone's nervous about. Reduced services? Higher premiums? New taxes in some other sector? Some actual control of costs?

On the local level, this will probably translate to a tug of war between the state and federal government over who will pay what percentage of coverage costs for patients on Medicaid and other assistance. Rhode Island may be hard-hit in this process, because we have a higher-than-average percentage of our population on Medicaid. But we might also get a boost in bargaining power from the fact that our independently operated exchange has reduced cost-per-capita over its four years of operation, a rare feat that certainly outperforms what was happening with the federal exchange (See sidebar. And we're talking about HealthSource, not UHIP, here).

This year, *Motif* reporters had a lot more trouble getting quotes and responses from our usual hospital

sources. No one in hospital administration is looking backward and touting their successes this year, perhaps because the entire landscape seems poised for change, and it seems likely to be change that has little relationship to what was or was not working, but rather change driven primarily by politics.

While hospital systems were mostly pleading no comment, Blue Cross Blue Shield pointed out that they were continuing to introduce new tools to help Rhode Islanders manage their health, including an enhanced mobile app, secure mobile messaging and new custom wellness tools as well as numerous smaller outreach improvements (full disclosure - one part of this outreach is that BC/BS also provides sponsored content for *Motif* in the form of healthy recipes. See "Healthy Habits" on page xxx.) "These innovations are the next steps in BCBSRI's longstanding philosophy of meeting members where they are to make healthcare easier and more accessible," says spokesperson Stacy Paterno.

HealthSourceRI has shareable success stories galore like this one, provided during our conversation with Director Zachary Sherman:

*"A member of our customer service team shared an anecdote with me this past November that I could not forget. A young woman needed to become her brother's caretaker after he fell ill with a severe condition. He couldn't afford all the care he needed because he didn't have insurance. After thanking our customer service representative for helping her pick the right health plan, she went on to say that not only did having coverage save her brother's life, but it saved their entire family. The customer has made strides in his recovery, is now back on his feet and has returned to work. This is a great example of the impact of the Affordable Care Act (ACA)."*

Similarly, no one we spoke with was eager to look forward, because there's simply not enough information right now to do that sensibly.

There are a couple of things that are reassuring, though. Even though, at the time of this writing, Congress seems poised to repeal the ACA (Affordable Care Act, aka Obamacare), nothing is going to change immediately. Even the most aggressive Republican proposals (and there are dozens flying about right now without any general consensus) include at least two years of phasing out and phasing in. Remember, healthcare reform was one of Obama's top priorities coming into office. Its most dramatic elements took four or five years to kick in, and it still isn't completely realized eight years later. The healthcare industry is a huge beast with many overlapping systems and a bureaucratic momentum that is difficult to turn without concerted long-term effort, whether the people trying to drive know what they're doing or not.

Turning can happen though, and it will certainly be interesting to see where things go next. But the biggest message for this year seems to be, "Don't panic."

"We have a five-year commitment for the levels of expansion that ... we expect, and the rate of federal participation (federal funding that covers roughly 90% of Medicaid costs)," explained Senator Josh Miller, head of the Senate's Health and Human Services Committee in an interview with RI NPR's Kristin Gourlay. After that, the balance between state and federal funds may change, but Sen. Miller is inclined to believe that the political fallout from cutting off large numbers of Medicaid recipients won't be worth taking that approach. "There is no scenario that we can anticipate that would drop people who

are currently enrolled,” he adds. (hint hint - if grandfathering is a part of a future plan, you may want to make sure your enrollment is up-to-date).

Paterno of Blue Cross Blue Shield of Rhode Island says, “We understand that many of our customers have questions about the impact of the election on their health insurance coverage. Coverage remains in effect for all of our members. We are working with federal and state lawmakers to ensure that all Rhode Islanders have access to high-quality healthcare at a price they can afford.”

*If you wish to enroll for health insurance before this year’s open enrollment ends on January 31, go to [healthsourceri.com](http://healthsourceri.com), call 1-855-840-4774 Monday through Saturday 8am - 7pm, or visit HealthSource’s Contact Center for in-person assistance at 401 Wampanoag Trail in East Providence. Also, multi-lingual health insurance Navigators are available in every community across the state to help - just call 211 to find one near you.*

#### *Sidebar: Key Stats*

*RI uninsured rate in 2012: 12%*

*RI uninsured rate now: 4.5%*

*2017 average premium decrease in RI: .6%*

*2017 average premium INCREASE nationally: 22%*

*Average benchmark premium for a 27-year-old in RI: \$214*

*Average benchmark premium for a 27-year-old nationally: \$302 (\$88 more)*

*Data courtesy of HealthSourceRI*