

June 23, 2009

The Honorable
William J. Murphy, Speaker
House of Representatives
State House
Providence, RI 02903

Re: In support of OHIC

Dear Speaker Murphy:

It is vital that the Office of the Health Insurance Commissioner remain intact and that its oversight authority and functions be preserved. We therefore ask that Article 5 of the state budget proposal be amended to restore Chapter 42-14.5, the Rhode Island Health Care Reform Act of 2004 – health insurance oversight.

In the five years since its creation by the General Assembly in 2004, OHIC has made substantial contributions. Some of these have had an immediate salutary impact for the community, others have developed over time, and still others will come to fruition and pay significant dividends to the community over the coming years.

Specifically, OHIC has:

- Saved purchasers millions of dollars in premiums while protecting payer solvency.
- Prevented UnitedHealthcare of New England from diverting at least \$59 million of Rhode Island premiums to its out-of-state parent corporation.
- Worked successfully for two years with payers and professionals to create the Chronic Care Sustainability Initiative (CSI), a comprehensive new system of primary care practice that is a unique and promising model for the nation to control costs and improve care. CSI currently involves five entities and all payers (except Medicare but including Medicaid). CSI has been up and running since October 2008 and is slated for progressive expansion in the coming years under OHIC supervision.
- Designed and promulgated a new mandate for payers to double the proportion of premiums that support primary care over the course of the next five years (2010-2014). Like CSI, OHIC's "Affordability Standards" represent a progressive model for the rest of the nation to control costs and improve quality.
- Achieved a number of practical reforms that have reduced administrative burdens on medical practices and enhanced efficiency in the delivery system.
- Promoted far more constructive, informed and productive public and private dialogue about health care costs than was the case in Rhode Island for three decades prior to 2004.

- Fostered greater transparency, mutual trust and confidence in payers' relationships with purchasers, beneficiaries and the community of health care professionals than was the case prior to 2004.

OHIC has achieved these things by working collaboratively with stakeholders and exercising strong leadership in fulfillment of the General Assembly's charge. Given the size, importance, complexity and cost of Rhode Island's health care system, OHIC is indispensable. Moreover, given OHIC's strong credibility, its record of success and the future promise of its innovative initiatives, OHIC's positive contributions to Rhode Island's economy and business climate are far out of proportion to its tiny footprint in the state budget. It would be a false economy for the state and a grave disservice to the community to abolish OHIC. OHIC's good work for Rhode Island must continue.

Diane R. Siedlecki, MD
President, Rhode Island Medical Society

Erin Sharaf, PA-C
President, Rhode Island Academy of Physician Assistants

Laurie Miner, DPT
President, Rhode Island Chapter of the American Physical Therapy Association

Frank Conner, DDS
President, Rhode Island Dental Association

Michael A. Bellucci, OD
President, Rhode Island Optometric Association

Donna Policastro, RNP
Executive Director, Rhode Island State Nurses Association

c: Members of the House of Representatives
House Majority Leader Fox
House Minority Leader Watson
Senate President Paiva-Weed
Senate Majority Leader Connors
Senate Minority Leader Algieri