

April 1, 2025

The Honorable Susan Donovan
Chair, House Committee on Health and Human Services
By Email To: HouseHealthandHumanServices@rilegislature.gov

Re: **H-6119 and H-5255 – OHIC Primary Care Review**

Dear Chair Donovan:

RIPIN supports giving OHIC the authority and resources to analyze primary care reimbursement and make recommendations. Between these bills being heard today, **RIPIN prefers the approach in H-6119, which is better tailored to the special context of primary care.** While H-5255 simply borrows from the approach taken for Medicaid social and human services, H-6119 is specifically designed for primary care. Primary care is different and important enough to deserve a review process designed specifically for the sector.

RIPIN continues to applaud the General Assembly for its enactment of the landmark 2022 law tasking OHIC with a review of Medicaid social and human service programs and reimbursement rates. We also thank the McKee administration, especially OHIC, for its rigor and professionalism in completing that review, which resulted in significant investments into long-neglected social and human services. RIPIN is a huge believer in the power of a transparent and professional review process to provide policymakers with a reliable roadmap for investments. RIPIN is also a big believer in the necessity of investments into primary care.

RIPIN prefers H-6119 over H-5255 for four reasons. First, the H-5255 proposal's timeline of requiring OHIC reports by September 30, 2025 is probably not feasible. OHIC's work on its 2025 social and human services review started months ago, with consultants already analyzing data. With this infeasible deadline, this proposal is not clear on when reports would actually be due. **We propose making primary care recommendations due in September of 2026,** as provided in H-6119, which would also put the biennial primary care review on an alternating schedule with the biennial social and human services review.

Second, the H-5255 **only empowers OHIC to make recommendations with respect to Medicaid reimbursement rates.**¹ That structure might make sense for social and human services where Medicaid is the dominant payer, but it is misplaced in the context of primary care. The typical adult primary care practice receives less than 20% of its revenue from Medicaid. **Commercial insurance and Medicare play a far more important role in financing primary care than Medicaid does, yet the proposed framework largely ignores these other payers.** H-5255 allows OHIC to look at commercial and other benchmarks, but does not task or empower OHIC to make recommendations as to these rates. OHIC has existing statutory powers and a historical role in regulating commercial insurance, including commercial insurance investments into primary care. H-6119 integrates that existing authority, role, and expertise into its approach.

¹ In fact, the statute and guidance issued implementing the 2022 law limit the recommendations to Medicaid fee-for-service rates, not rates paid by Medicaid MCOs. See OHIC Bulletin 2022-3, Social and Human Service Review Scope, (Issued Sept. 7, 2022), at <https://ohic.ri.gov/sites/g/files/xkgbur736/files/2022-09/OHIC%20Bulletin%202022-3%209-7-22%20Final.pdf>. EOHHS did include MCO rates in its FY25 budget request, but the rate review statute did not require the agency to do so.





Third, **H-5255 likely excludes community health centers from its scope.** Community health centers (like Providence Community Health Center, Thundermist, etc.) provide primary care to half of the State's Medicaid population. But these health centers have rates set through a different statutory framework, and OHIC guidance implementing their social and human service review considers "rates that are determined through statutorily mandated methodologies to be out of scope."² **H-6119 includes community health centers in its scope.** (Any OHIC primary care review should be carefully coordinated with other legislative and/or administrative efforts to review community health center reimbursement rates.)

Fourth, **primary care providers receive a variety of revenue streams outside of fee-for-service reimbursement,** including ACO shared savings payments, quality bonuses, capitation, and care management payments. These alternative payment methodologies make up a large and growing share of primary care financing, and many policy experts and primary care leaders want to see that share continue to grow. Social and human services, in contrast, are largely paid on a fee-for-service basis, and the OHIC rate review process was designed accordingly. H-6119 clearly incorporates these alternative payment methodologies into its scope, and allows OHIC to make recommendations about an appropriate balance of payment methodologies, not simply new fee-for-service rates.

RIPIN strongly supports giving OHIC authority to analyze primary care reimbursement and financing, and to make recommendations to strengthen the system. We hope that the statute granting OHIC this authority will follow the model of H-6119, which:

- ✓ Develops recommendations by September of 2026 and every two years thereafter, on an alternating year schedule with the social and human service review;
- ✓ Uses an "all-payer" lens, allowing understanding of the different roles played by Medicaid, commercial insurance, and Medicare;
- ✓ Leverages the State's authority in regulating commercial insurance, in addition to its role in financing Medicaid;
- ✓ Analyzes and makes recommendations not just about fee-for-service reimbursement levels, but also about alternative payment methodologies; and
- ✓ Does not exclude community health centers from its scope.

Simply put, primary care has a different set of payers, different payment methodologies, different legal constraints, different policy levers, and different stakeholders than social and human services. H-6119 is RIPIN's preferred approach because it is designed to suit the unique needs of primary care. Thank you for your careful consideration of this testimony.

Sincerely,
/s/
Samuel Salganik, JD
Executive Director
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² OHIC Bulletin 2022-3, Social and Human Service Review Scope, (Issued Sept. 7, 2022), page 2, at <https://ohic.ri.gov/sites/g/files/xkqbur736/files/2022-09/OHIC%20Bulletin%202022-3%209-7-22%20Final.pdf>