NEXT GENERATION AFFORDABILITY STANDARDS

NOVEMBER 18, 2022

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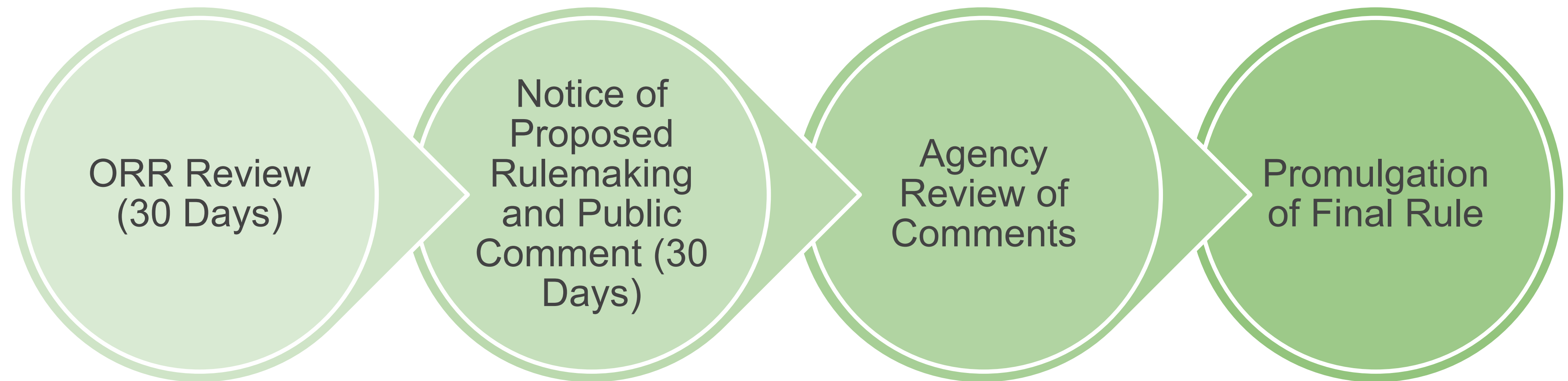
Affordability Standards Background

OHIC developed the Affordability Standards to systematize regulatory requirements for insurers to follow to demonstrate their efforts to improve affordability and quality.

The Standards comprise the following:

- Primary care spending requirements
- Support for primary care practice transformation and integrated behavioral health
- Payment reform
- Contracting guardrails and requirements to mitigate cost growth and encourage quality

Overview of rulemaking timeline



Behavioral Health Investment for Children and Adolescents

Behavioral Health Investment for Care of Children and Adolescents

- Health insurers will be required to report annual expenditures on behavioral health care services for their fully insured population in a form and manner determined by the health insurance commissioner.
- This includes stratifying the data by setting of care and age.
- The commissioner will publish reports on insurer behavioral health care expenditures in total and with a specific focus on children and adolescents.
- By January 1, 2024 each health insurer shall increase baseline per member per month (PMPM) expenditures on community-based behavioral health care for children and adolescents by 200%. Behavioral health care comprises mental health care and substance use treatment and is diagnosis based.

Health Equity

Health equity requirements for health insurers

- A new Health Equity subsection is created in § 4.10 of Regulation 4 that articulates a set of actions that health insurers should undertake to establish foundational processes for measuring health disparities in order to close those disparities.
- This requires that health insurers obtain National Committee for Quality Assurance (NCQA) Health Equity Accreditation or NCQA Health Equity Accreditation Plus by July 1, 2024.
- Health insurers will be required to follow demographic data collection principles and demographic data use principles.
- Health equity measures will be tied to provider financial incentives.

Professional Provider Contracts

Professional Provider Contracts

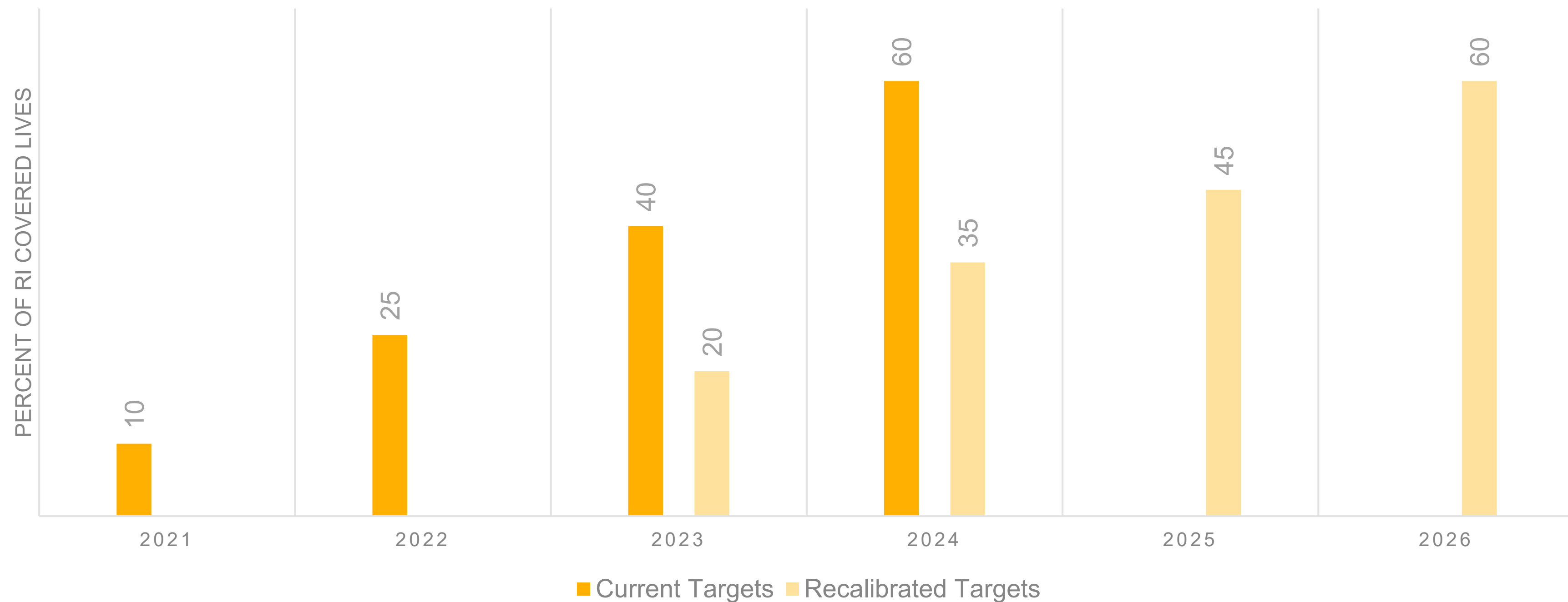
Health insurers will be required to include terms that relinquish the right of either party to contest the release of their contracts with professional providers, or parts thereof, to OHIC.

The health insurance commissioner will periodically access these contracts for purposes of:

- monitoring professional provider fee schedule increases,
- substantiating unit cost trend data filed as part of the health insurers' rate filings, and
- assessing compliance with state laws and regulations adopted pursuant to Titles 27 or 42 in which the health insurance commissioner holds jurisdiction.

Primary Care APM Targets

Primary Care APM Targets



Other Proposed Changes

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- OHIC is proposing more form and structure around the determination of the consumer price index input into the annual hospital price growth cap and population-based contract budget growth cap.
- Changes to the patient-centered medical home definitions that create alternative pathways to sustainability payments outside of NCQA recognition.