



## **Guiding Principles for Evaluating Applications**

### **Reviewed by the Office of Health Systems Development**

The Rhode Island Department of Health (RIDOH) uses the guiding principles described below to evaluate applications reviewed by the Office of Health Systems Development ("OHSD"), including Certificate of Need, Change in Effective Control, Initial Licensure, and Hospital Conversions, etc. These guiding principles are derived from the RIDOH's [three leading priorities](#), as well as the health reform goals expressed in the State Health Innovation Plan, the State Innovation Model (SIM) application, the reports of Governor Gina M. Raimondo's Working Group for Reinventing Medicaid, the report of Raimondo's Working Group for Healthcare Innovation, and the [2015 Rhode Island Department of Health \(RIDOH\) Statewide Health Inventory](#).

#### **Needs of the population**

RIDOH will evaluate a proposed new service for its ability to improve the health of Rhode Islanders in line with RIDOH's population health goals. In particular, RIDOH will evaluate the availability of the new service to the people of Rhode Island, including factors such as the volume and utilization in existing facilities that offer the service, as well as the strength of clinical evidence supporting the use of the service, national recommendations for availability of services per capita by type, and the expected benefit to population health. The extent to which new services effectively address social and environmental factors, which affect health outcomes, will be assessed. RIDOH will strive to limit and reduce excess capacity in services, particularly those that do not address the most important factors in the health of Rhode Islanders, especially those social and environmental elements.

#### **Health reform goals**

RIDOH will seek to align decisions with the state's broader health reform goals. Rhode Island's health reform goals are anchored by the triple aim of improved health outcomes, an enhanced patient experience of care, and a reduction in per-capita healthcare costs. Applications reviewed by OHSD will be reviewed in light of these aims and the extent to which the application affects any or all of them. In addition, through review of the state's health reform documents, RIDOH has identified the shift to alternative payment models, the establishment of systems of care, the continued integration of physical and behavioral care, the maintenance of consumer choice, the improvement of health equity, the elimination of health disparities by addressing structural factors that determine gaps in health outcomes, and the reduction in

waste and overcapacity as further goals for the state. RIDOH expects that approved new services will align with these goals.

### **Quality**

RIDOH will consider the ability of the applicant to provide high-quality services to the people of Rhode Island. Applicants will be expected to have strong quality records as demonstrated by performance measurement reports either in Rhode Island or elsewhere. These reports should include quality measures endorsed by national professional societies or national measure endorsement organizations, as applicable. In addition, RIDOH will consider whether the applicant has received recognition or accreditation from applicable national entities, depending on the type of services provided. RIDOH will ensure the new service will receive appropriate staffing, including the quantity, skill mix, and training of providers. New services should have sufficient volume to ensure physicians and other providers have ample experience to maintain skills to provide high-quality patient outcomes while not unduly adversely affecting the volume and quality of services delivered by existing providers.

### **Affordability**

RIDOH will consider the ability of the state to afford the proposed service, with the goal of ensuring all Rhode Islanders have access to high-quality, affordable care. In particular, RIDOH will evaluate the projected effect on health insurance expenses of adding the new service, including the projected increase or decrease in health insurance premiums in the commercial market and the projected increase or decrease in State spending through the Medicaid program. In performing this analysis, RIDOH will consider the additional demand generated by new facilities and services as well as the benefits of shifting care to lower-cost settings. In keeping with the goal of affordable healthcare with predictable costs, RIDOH will examine the likelihood of new services causing sudden significant increases in healthcare expenses.

### **Accessibility**

RIDOH will consider the ability of the new service to improve health equity and eliminate health disparities. RIDOH will also consider the benefits of improving access to care relative to national standards of geographic adequacy, and the impact on public health outcomes. In particular, RIDOH will review the proposed service's role in improving the provision of care for underserved populations, including older adults, people with disabilities, those without adequate education, people enrolled in Medicaid, underrepresented racial and ethnic groups, and others. Likewise, applicants should demonstrate how their proposal will help correct imbalances in the distribution of care, such as by assisting the underinsured who are disproportionately impacted by medical costs, by ensuring that necessary support functions that address social and environmental factors are available, and by reducing the travel time to such essential services.

## **Innovation**

RIDOH will seek opportunities to align new services with the broad goal of supporting innovation in healthcare, such as clinical research, professional education and training, and other academic activities. Innovation may also include the creation of new systems of care designed to pilot new delivery models, payment system reform, or other health reform goals aligned with the triple aim.