



**Nancy Wyman**

LIEUTENANT GOVERNOR  
STATE OF CONNECTICUT

## Healthcare Cabinet Meeting Minutes

November 14, 2017

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**Members in Attendance:** Lt. Governor Nancy Wyman, Ellen Andrews, Pat Baker, Kurt Barwis, Miriam Delphin-Rittmon (DMHAS), Theodore Doolittle (OHA), Marguerite Giuliano, Dr. William Handelman, Frances Padilla, Dr. Raul Pino (DPH), Jordan Scheff (DDS), Robert Tessier, Jim Wadleigh (Access Health CT), Dr. Ricka Wolman (DCF), Kate McEvoy (DSS), Shelly Sweatt, Anne Foley (OPM), Susan Adams, Nichelle Mullins (CHC) and Joshua Wojcik (OSC)

**Members via Phone:**

**Members Absent:** Bonita Grubbs, Gary Letts, John Oraziotti, Lawrence Santilli, Greg Stanton, Katharine Wade (CID), Hussam Saada

**Others present:** Victoria Veltri (Lt. Governor's Office)

Agenda Item	Topic	Discussion	Action
1.	<b>Call to order &amp; Introductions</b>	The Lieutenant Governor welcomed everyone to the meeting.	
2.	<b>Public Comment</b>	No public comment was made	
		<p>1. Leslie Woods (PhRMA) comments</p> <p>Leslie appreciates the challenges the state is facing in managing costs, but is concerned about the unintended consequences of cost controls over pharmaceutical industry. This could limit access to innovative new products, and inadvertently increase costs.</p> <p>She proposed that the state should take a holistic approach towards health reforms, and not focus solely on pharma. Currently, the industry pays a lot of rebates to help offset the costs of some medications, including but not limited to: \$28 billion to Medicaid, \$57 billion to PBMs.</p> <p>2. Wendy Foster, Senior State Advocate for the U.S. Pain Foundation</p> <p>Wendy expressed concerns about proposals to limit the use of co-pay coupons for some members. These coupons often are the difference in patients being able to afford their meds and remain compliant with their course of treatment. Cost of meds is an important part of the medical decision-making process for many.</p>	
3.	<b>Review &amp; Approval of minutes</b>	Lt. Governor asked for a motion to vote to approve the Minutes of the October 10, 2017 meeting.	Motioned by Bob Tessier and seconded by Susan Adams.

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4.	Update on Healthcare Items in the Budget	<p>1. Vicki Veltri reviewed several items in the budget implementer of interest to the Cabinet (see attachment on Cabinet site for detailed list)</p> <p>No questions from members</p> <p>2. Anne Foley reviewed several items in the budget that concern health care, specifically Public Health, Medicaid, Insurance, Long Term Care and OPM (see attachment on Cabinet site for detailed list) She also noted that the legislature is in session today and tomorrow, voting on language regarding the hospital tax that the Governor vetoed.</p> <p>Kate McEvoy added that DSS would be discussing the Medicaid-related provisions of the budget in more detail at the MAPOC this Friday. She also reminded the Cabinet that the fate of the CHIP program remains pending in DC, despite some movement, and worries that many states will run out of funds for the program soon, and that some already are. In CT there are about 18,000 utilizing the program who would be affected.</p> <p>Pat Baker thanks Vicki and Anne for their presentations. She asked Nichelle about any news about funds for the Community Health Centers.</p> <p>Nichelle noted that she had recently been to DC to advocate for renewed funding for these programs. The CT delegation is committed to getting funding, and there is some legislative language being worked on to do this. She did not have a sense that this would be resolved soon.</p>	

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		<p>Bob Tessier thanked Anne for the presentation and asked if the reduction in Medicaid reimbursement from 100% of Medicare rates to 95% was significant for providers.</p> <p>Kate acknowledged they may need to research that, but noted that when the increase from prior rates to 100% of Medicare initially occurred, there was a significant improvement, although the revision was only for a small set of codes. Important to note that these rates work in concert with other funding mechanisms (i.e. PCMH+, EHR, etc.)</p> <p>Vicki promised to keep the Cabinet apprised of news about legislation in CT and DC.</p> <p>She then noted that in preparation for the implementation of the Office of Health Strategy, an organizational development process was already underway to ensure a smooth transition, and introduced Leslie Gabel-Brett, the consultant assisting with that process.</p> <p>Anne Foley thanked Kelly Sinko for her work on the summary materials the Cabinet members received.</p>	
5.	<b>Update on Access Health CT</b>	<p>The Lt. Gov. thanked Vicki and Anne for their presentations, and introduced Jim Wadleigh to update the Cabinet on open enrollment.</p> <p>Jim noted that since the AHCT Board of Director's meeting is Thursday, his team is in the process of compiling the most up to date data, so he only has limited information today. He thanks all of the organizations across the state that have been working with AHCT to get the word out</p>	

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		<p>about open enrollment, which runs from 11/1/17 to 12/22/17 this year. Twice the business in half the time should drive more enrollment earlier than in prior years.</p> <p>Currently, 14,000 customers have come to AHCT as re- or new enrollees. The website has seen a 16% increase in use. An improved mobile app increases the user experience and access, and has shown a significant increase in use over prior versions.</p> <p>The new vendor running the Call Center has seen a big increase in volume, but there is more 1<sup>st</sup> call resolution over prior years. They're answering different, more complex questions now.</p> <p>Great results from In-Person Assistance and brokers, including the Community Health Centers with whom AHCT is working closely.</p> <p>Auto re-enrollment will begin at the end of November, with about 80,000 members set to re-enroll.</p> <p>More specifics will be available at the Board meeting on Thursday, 11/16/17.</p> <p>Ellen Andrews asked if AHCT would be reaching out to Husky A parents affected by the reduction in income eligibility.</p> <p>Jim acknowledged that they would be working with DSS and others, as in past years.</p>	

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		<p>Kate also noted that the Husky A changes would be discussed this Friday at the MAPOC meeting, and that Temporary Medical Assistance would be available for many of those affected.</p> <p>Ellen then asked Jim to expand on the auto-renewal process.</p> <p>Jim confirmed that it would operate as it did in prior years, with consumers with existing AHCT plans being re-enrolled into the same plan for 2018, if available, or the most comparable alternate plan, if the 2017 plan is not offered in 2018. People should have already been notified about their options, and will get additional reminders.</p> <p>Bob Tessier asked Jim to confirm that people have the right to change plans, and Jim agreed they did, noting that about 8,000 people have already done so.</p>	
6.	<b>Work Group Recommendations</b>	<p>The Lt. Gov. asked Frances Padilla for an update from the Cost Determination and Cost Containment Work Group.</p> <p>Frances began presenting the group's recommendations (see presentation posted on the Cabinet site), with Josh Wojick completing the review for the members.</p> <p>The Lt. Gov. asked if there were any questions for this group.</p> <p>Ellen Andrews noted that there should be very strong conflict of interest provisions for any Drug Review Board members.</p>	

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		<p>Vicki clarified that OSE stood for the Office of State Ethics.</p> <p>Josh then added that it's important to note that many of the elements they discussed need resolution for full clarity of CT's options. For example:</p> <ul style="list-style-type: none"> <li>- The Maryland law on pricing is being challenged</li> <li>- There remains a question of whether states can regulate brand name pricing, or if it's preempted by patent law</li> </ul> <p>Vicki asked if there's anything on prescription costs broken out in the insurer's rate filings with the Insurance Dept.</p> <p>Paul Lombardo explained that the unit cost per year is included, but that the information is less granular than other states, like California.</p> <p>The Lt. Gov. then introduced Marguerite Giuliano, who continued the presentation of the Cost Determination and Cost Containment Work Group's recommendations. She noted that there are many efforts in this area in other states, which should make it easier to find legislative language from successful models.</p> <p>Bob Tessier asked for clarification about the audits discussed, noting that some PBMs have a lot of control of that process, and that we would need more research about how to best approach that.</p>	

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		<p>Paul Lombardo noted that consumers are paying the net cost for meds at the pharmacy, and that rebate is currently built into the rate. Some of the proposed changes could increase premiums 3.5-4%.</p> <p>Ted Doolittle mentioned that currently, rebates are spread across all members, but under one of the proposals they would benefit only the member receiving the medication.</p> <p>Paul L confirmed that the premium increases he mentioned would be a one-time occurrence.</p> <p>Ellen A opined that these proposals could result in a shift in costs to people using their prescription benefit, adding that prescription costs are the primary driver of increasing healthcare costs.</p> <p>The Lt. Gov. departed to preside over the Senate. Pat Baker led the remainder of the meeting.</p> <p>Vicki mentioned the AV calculator, which complicates efforts to adjust cost savings. She also noted, in response to one proposal to have prescription price information posted online, that doing so would likely be very difficult.</p> <p>Dr. Handelman raised a concern that formularies could become more restrictive as a result of some of these proposals.</p> <p>Marguerite suggested that removing co-pays could increase patient adherence.</p>	

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		<p>Jim Wadleigh noted that some of the recommended changes to the AV and tiers could increase costs of plans. He also asked if there has been prior consideration of not permitted pharmaceutical advertising in CT.</p> <p>Vicki explained that had been considered years ago, but that it had been determined it was preempted under federal law.</p> <p>Ellen A suggested that there could be other options to try – enhanced disclosure about pricing or additional taxes.</p> <p>Frances P reported that in California, an analysis of the impact of removing co-pays showed that costs did not increase.</p> <p>Paul L added that some of the recommendations could increase premiums, but could also decrease out of pocket costs, and suggested that the CA analysis may have incorporated savings from better adherence.</p> <p>Pat Baker introduced Josh to deliver the Value Based Pricing Work Group’s recommendations (see presentation on Cabinet website).</p> <p>Following the presentation, Pat asked if there were any questions.</p>	

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		<p>Dr. Handelman noted that 50% of all drugs prescribed aren't taken.</p> <p>Pat Baker introduced Ted Doolittle to present the Legislative &amp; Administrative Initiatives Work Group recommendations (See presentation and five additional documents on Cabinet site).</p> <p>Pat asked if there were any questions.</p> <p>Vicki opined if the Drug Review Board, mentioned in a prior presentation, could be tied to the Value Based Insurance Design initiative.</p> <p>Pat Baker introduced Susan Adams to present the recommendations of the Education Work Group (See presentation on the Cabinet site).</p> <p>Frances Padilla asked if Susan could clarify and perhaps refine the suggested definition of "transparency" in the presentation.</p> <p>Vicki thanked all of the Work Groups for their hard work, and discussed the next steps. The chairs for each Work Group need to meet to develop legislative proposals that incorporate all of the recommendations. Emphasized the need to be cognizant of the timing, since any proposals need public comment before being presented to the legislature.</p>	

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		<p>Pat asked for clarification what the Work Groups need to develop. Is it language for legislation?</p> <p>Vicki confirmed that they only need develop proposals, with a goal of getting them to the legislature by January.</p> <p>Pat summarized the next steps:</p> <p>If draft proposals are complete and posted for comment in December, this is feasible. She emphasized that less is more, and stressed the importance of synthesizing the work groups' recommendations to highlight the key issues succinctly, and with appropriate prioritization.</p> <p>Bob Tessier agreed with this concept, but expressed concern. He noted that the Cabinet has and will be spending a lot of time on these recommendations, but wants members to remember that the focus of this effort is to find ways to contain the cost of healthcare in Connecticut, citing the current example of the contract dispute between Hartford Hospital Corporation and Anthem as indicative of an important cost driver. Challenges for the parties and consumers in this dispute, and Yale New Haven Hospital's contract with Anthem expires next year, so this could be repeated.</p>	

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		<p>He suggested that the Cabinet must examine options for legislative proposals to mitigate the impact of these situations, as they did in Massachusetts.</p> <p>Pat Baker thanked him and noted that these points would make an excellent focus for the Cabinet for next year.</p>	
5.	<b>Next Meeting</b>	December 12, 2017 9:00 AM - 12:00 PM	
7.	<b>Adjourn</b>	Motion to adjourn	Ted Doolittle motioned and Bob Tessier seconded.

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