

Connecticut's Cost Growth Benchmark, Primary
Care Target and Quality Benchmarks Initiative:
A Presentation to the Connecticut
Consumer Advisory Council
June 9, 2020

Today's Discussion Topics

- Governor Lamont's Charge
- Healthcare affordability and disparities in Connecticut
- Connecticut's Cost Growth Benchmark, Primary Care Target and Quality Benchmarks initiative
- Stakeholder engagement plan
- Questions for the Consumer Advisory Council



We want
your
input!

Governor Lamont's Executive Order #5 Directs OHS to:

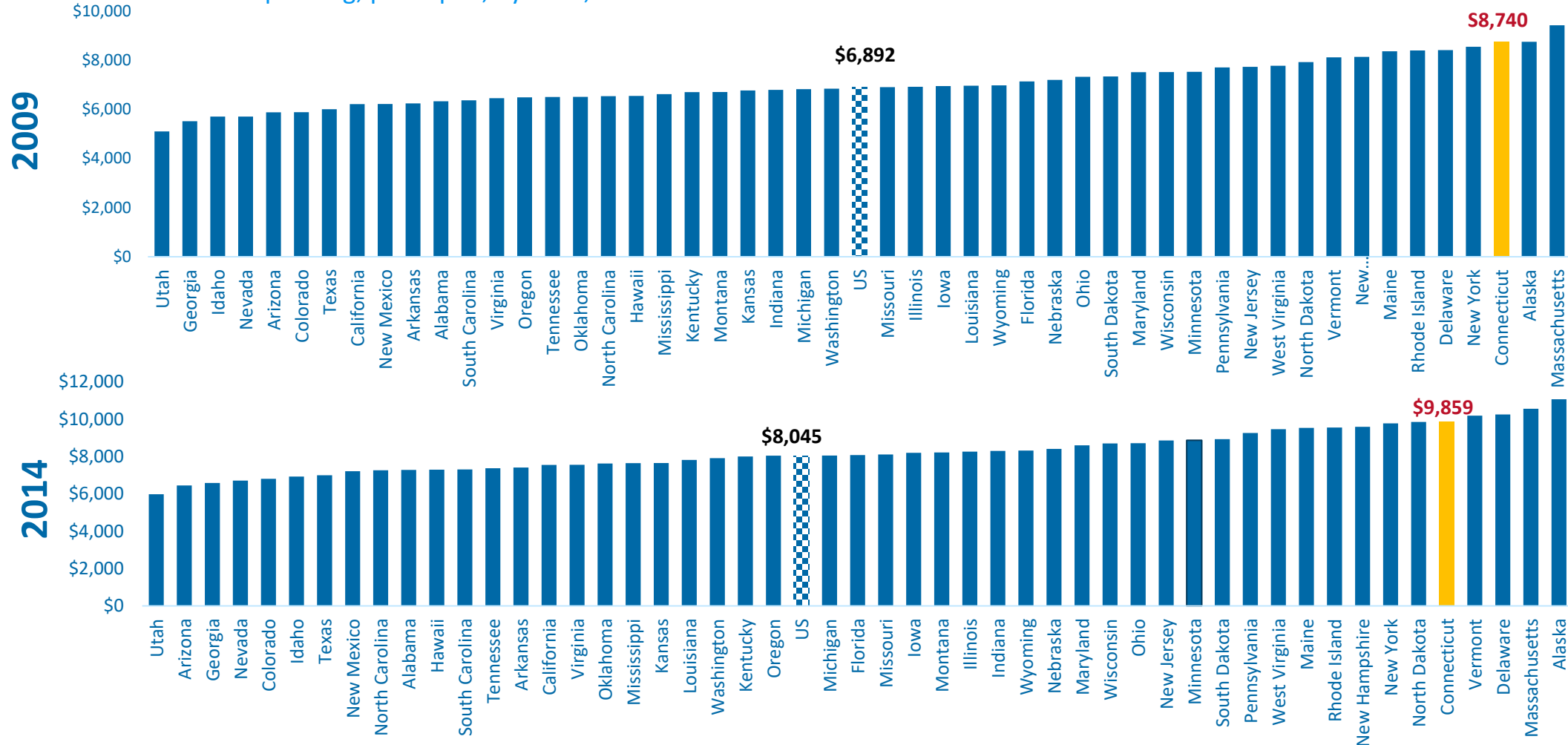
1. Develop annual healthcare cost growth benchmarks by December 2020 for CY 2021-2025.
2. Set targets for increased primary care spending as a percentage of total healthcare spending to reach 10% by 2025.
3. Develop quality benchmarks across all public and private payers beginning in 2022, including clinical quality measures, over/under utilization measures, and patient safety measures.
4. Monitor and report annually on healthcare spending growth across public and private payers.
5. Monitor accountable care organizations and the adoption of alternative payment models.

OHS Cost Growth Initiative Uninterrupted, On Schedule

- Given the staggering healthcare costs incurred this year to combat COVID-19, the need for cost growth and quality benchmarks has never been greater.
- Healthcare finances for current year will be skewed across-the-board
 - Excessive costs for pandemic response will be compounded by lost revenue from canceled or postponed procedures, and missed appointments
- But none of this negates the need to establish cost and quality benchmarks and transparency
- OHS remains on deadline – and on schedule – to meet this obligation

Connecticut is one of the states that spends the most on health care...

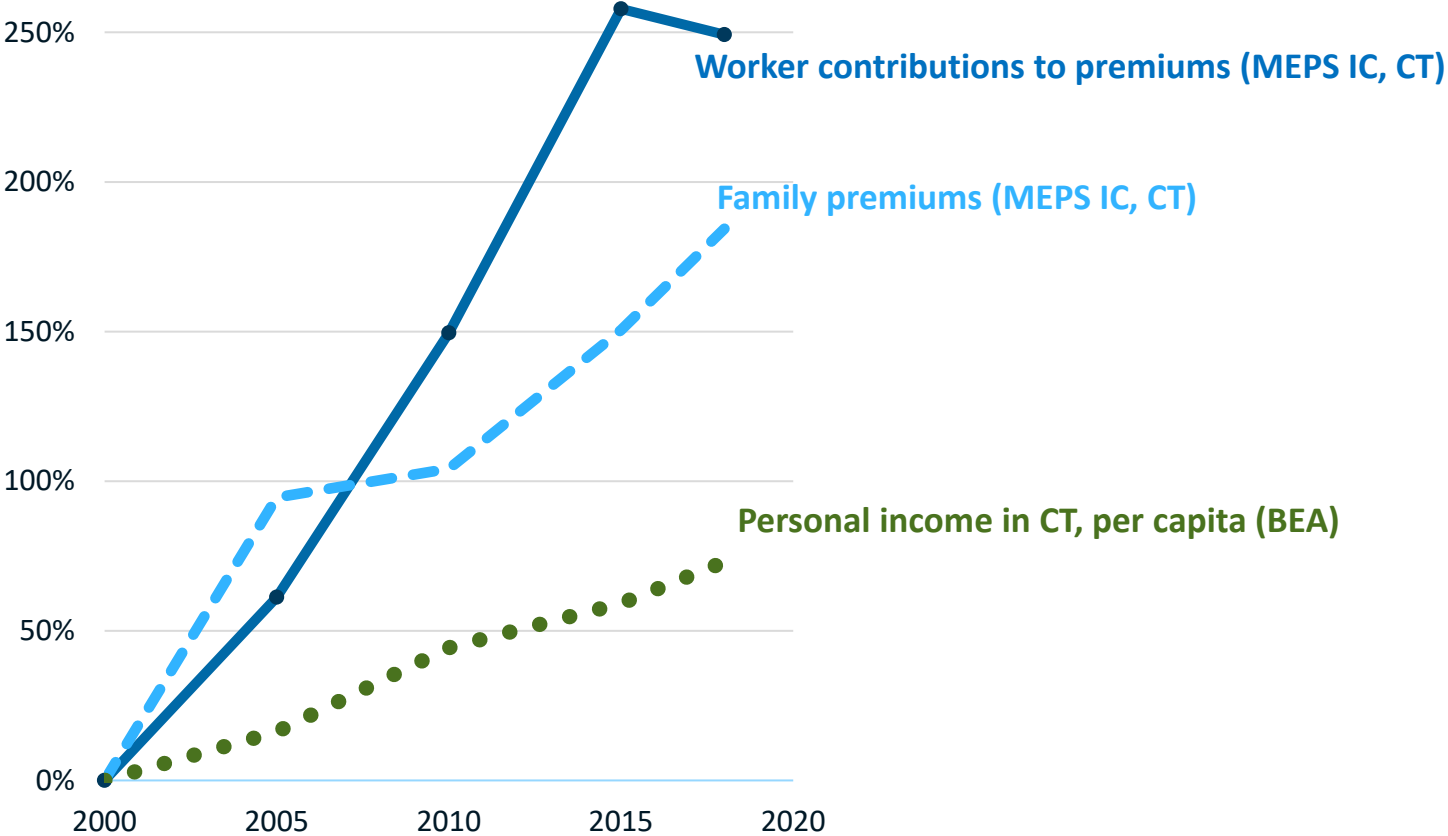
Personal health care spending, per capita, by state, 2009 and 2014



Source: Centers for Medicare and Medicaid Services, State Health Expenditure Accounts, 2009 and 2014

Yet healthcare remains unaffordable to many

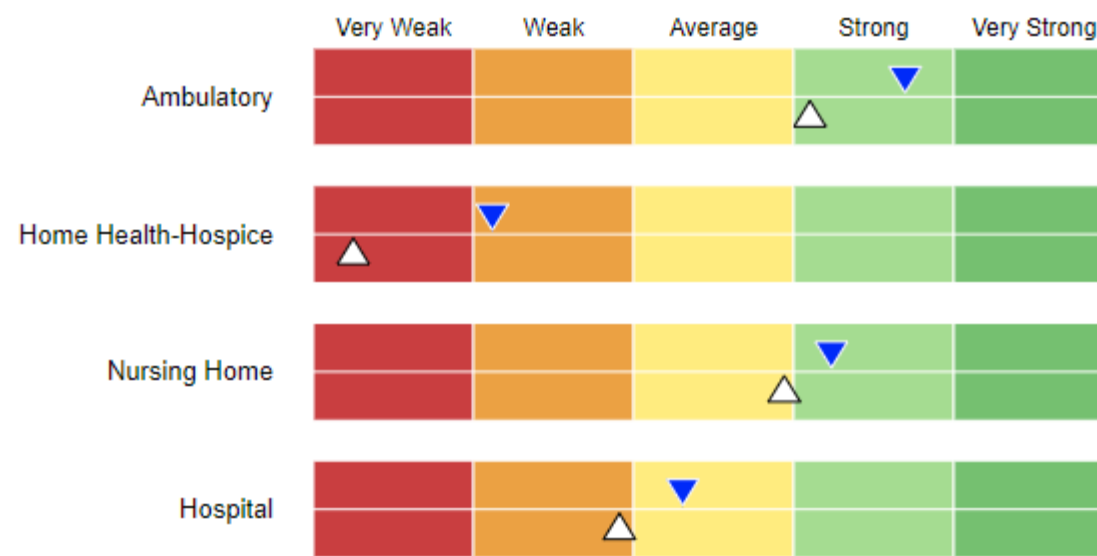
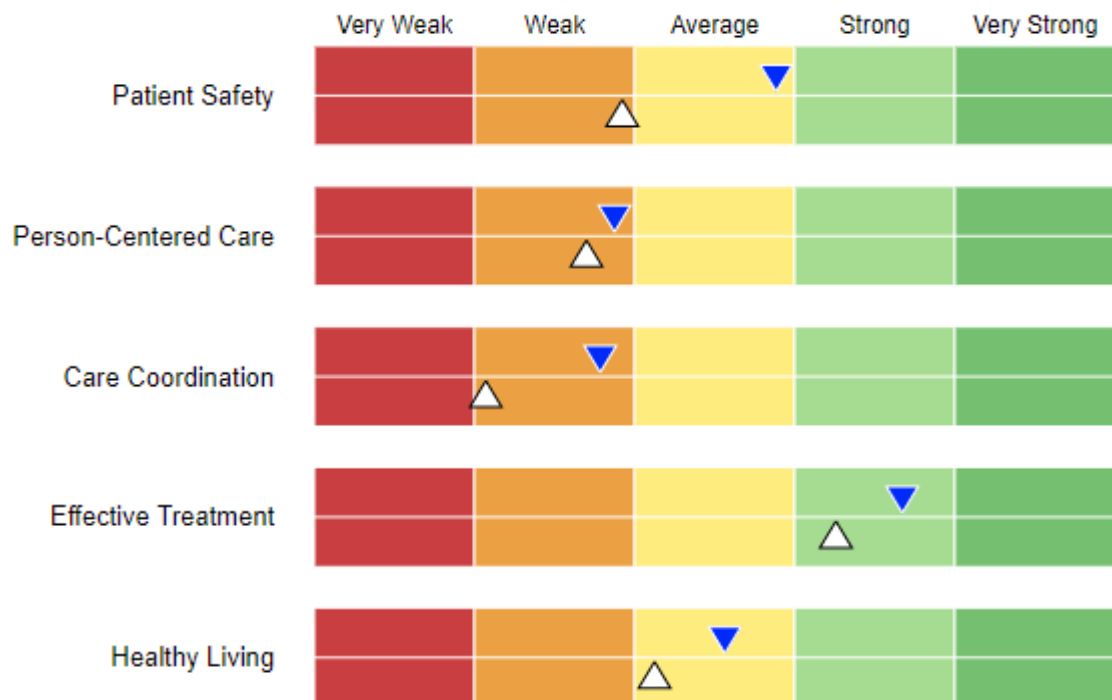
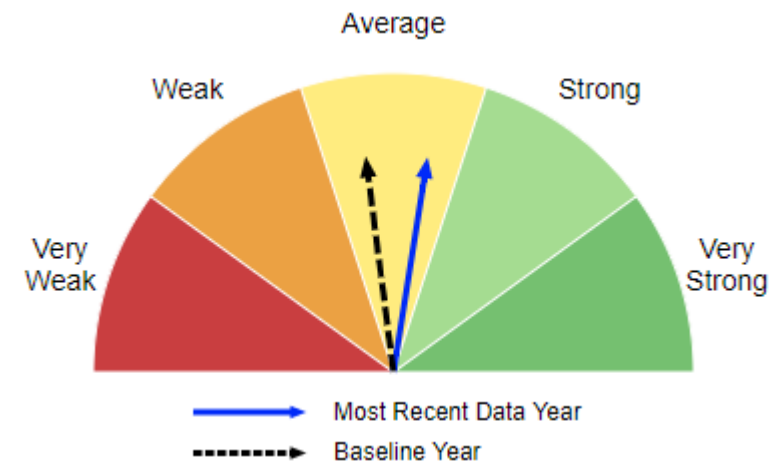
Since 2000, Connecticut employer-sponsored insurance premiums have grown **two and half times** faster than personal income



Source: Medical Expenditure Survey, Tables D.1 and D.2 for various years

National Healthcare Quality and Disparities Report

Overall, Connecticut's quality is in the "average" range compared to other states and has opportunity for improvement in several key categories of quality measurement.



Source: AHRQ. Measurement time period varies by measure. Blue arrows indicate performance most often between 2015-2017 and white arrows indicate performance from 2000-2012. <https://nhqrnet.ahrq.gov/inhqrdr/Connecticut/dashboard>

Technical Team Members

- Vicki Veltri Office of Health Strategy (*Chair*)
- Paul Grady Connecticut Business Group on Health (*Vice Chair*)
- Rebecca Andrews American College of Physicians, Connecticut Chapter (*Appointed*)
- Angela Harris Phillips Metropolitan CME Church (*Appointed*)
- Luis Pérez Mental Health Connecticut, Inc. (*Appointed*)
- Patricia Baker Connecticut Health Foundation (*Appointed*)
- Zack Cooper Yale University (*Appointed*)
- Melissa McCaw Office of Policy and Management (*Designated*)
- Deidre Gifford Department of Social Services (*Designated*)
- Paul Lombardo Connecticut Insurance Department (*Designated*)
- Rae-Ellen Roy Office of the State Comptroller (*Designated*)

Stakeholder Advisory Board Members

- **Vicki Veltri** Office of Health Strategy (*Chair*)
- **Reginald Eadie** Trinity Health of New England
- **Kathleen Silard** Stamford Health
- **Janice Henry** Anthem Blue Cross and Blue Shield of CT
- **Robert Kosior** ConnectiCare
- **Richard Searles** Merritt Healthcare Solutions
- **Ken Lalime** Community Health Center Association of Connecticut
- **Margaret Flinter** Community Health Center, Inc.
- **Karen Gee** OptumCare Network of Connecticut
- **Marie Smith** UConn School of Pharmacy
- **Tekisha Everette** Health Equity Solutions
- **Pareesa Charmchi Goodwin** Connecticut Oral Health Initiative
- **Howard Forman** Yale University
- **Nancy Yedlin** Donaghue Foundation
- **Fiona Mohring** Stanley Black & Decker
- **Lori Pasqualini** Ability Beyond
- **Sal Luciano** Connecticut AFL-CIO
- **Kathy Flaherty** Connecticut Legal Rights Project
- **Hector Glynn** The Village for Families and Children
- **Rick Melita** SEIU Connecticut State Council
- **Ted Doolittle** Healthcare Advocate, Office of the Healthcare Advocate
- **Jonathan Gonzalez*** Patient representative
- **Susan Millerick*** Patient representative
- **Kristen Whitney-Daniels*** Patient representative

*New members as of 6/11/2020

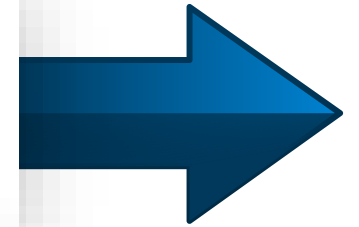
Connecticut Benchmarks and Target Program

1



Cost Growth
Benchmark

Recommendations for a cost growth benchmark that covers all payers and all populations for 2021-2025.

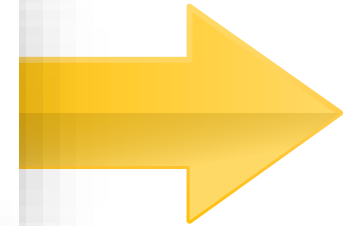


2



Primary Care
Target

Recommendations for getting to a 10% primary care target that applies to all payers and populations as a share of total health care expenditures for CY 2021-2025.

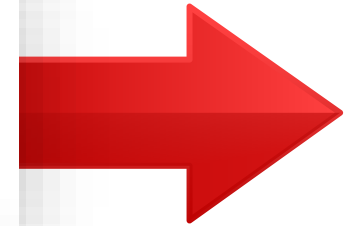


3



Data Use
Strategy

This is a complementary strategy that leverages the state's APCD to analyze cost and cost growth drivers.



4

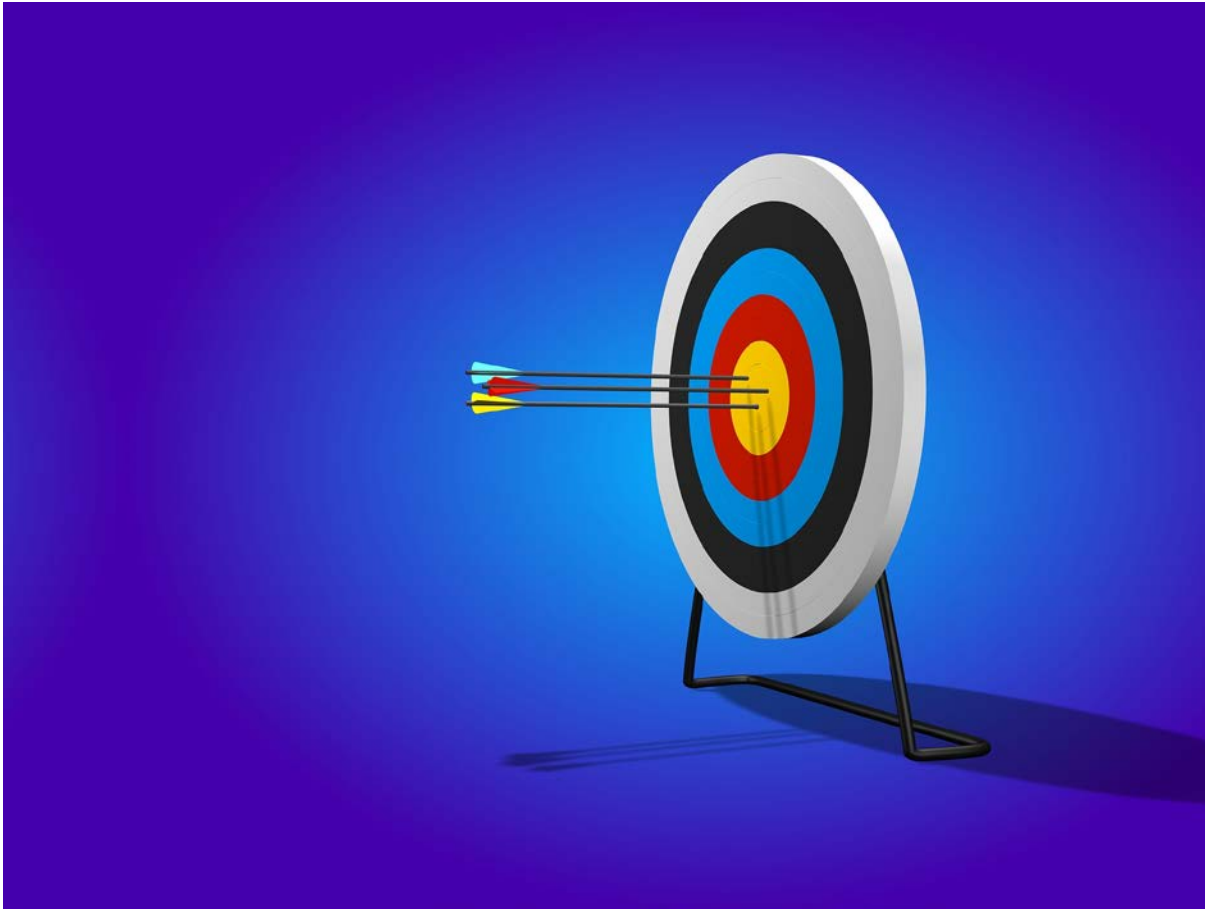


Quality
Benchmarks

Beginning in CY 2022, quality benchmarks are to be applied to all public and private payers.



What Is a Cost Growth Benchmark?



A healthcare cost growth benchmark is a per annum rate-of-growth benchmark for healthcare spending in the state.

When implemented, Connecticut will be one of five states to have a statewide cost growth benchmark.

What is a Primary Care Spending Target and Why Set One?

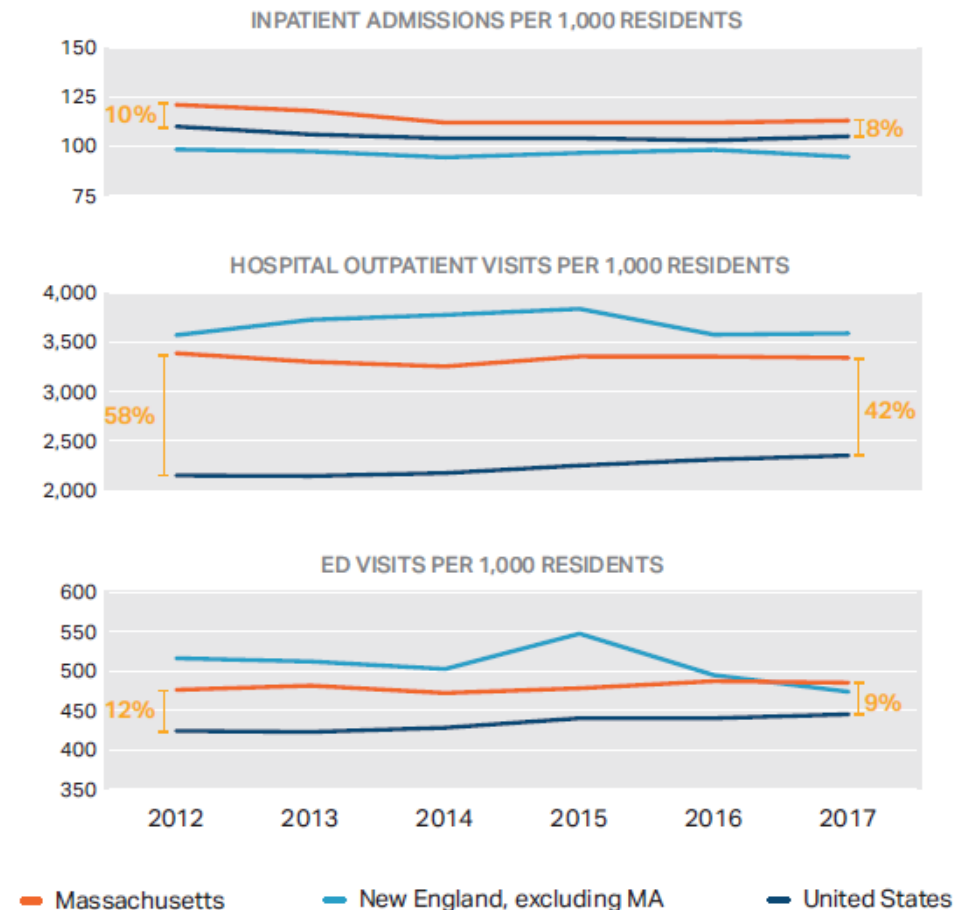
- A primary care target is an expectation for what percentage of healthcare spending should be devoted to primary care.
- The U.S. healthcare system is largely specialist-oriented. Research, however, has demonstrated that greater relative investment in primary care leads to better patient outcomes, lower costs, and improved patient experience of care.
- States have elected to utilize primary care to strengthen the healthcare system by:
 - a) ***supporting improved primary care delivery*** (e.g., expanding the primary care team, supporting advanced primary care model adoption)
 - b) ***increasing the percentage of total spending that is allocated towards primary care.***

What are Quality Benchmarks?

- Quality Benchmarks are targets which all public and private payers, providers and the State must work to achieve to ensure the maintenance and improvement of healthcare quality in the state.
- The Benchmarks may include clinical quality measures, under-and-over utilization measures, and patient safety measures.
- When implemented, Connecticut will be the second state to have statewide quality benchmarks. (Delaware was the first.)

Will the Benchmark Reduce Utilization?

- Stakeholders have raised concerns that the Cost Growth Benchmark will cause an unintended consequence of reduced utilization.
- In MA, there has been no evidence of reduced utilization as a result of the state's benchmark.
- Since the benchmark has been in place in MA, inpatient admissions, hospital outpatient visits and ED visits have been largely unchanged.



SOURCES: Data are from the Kaiser Family Foundation State Health Facts, accessed Nov. 2019; Graphic is from the Massachusetts Health Policy Commission, 2019.

Stakeholder Engagement Plan: Objectives

1. Gather input from key stakeholders to inform work of the Technical Team and Stakeholder Advisory Board during its initial formative phase: May to September 2020.
2. Analyze stakeholder input to identify potential implementation concerns, challenges and unintended consequences.
3. After the annual cost growth benchmark and primary care targets are established, educate key stakeholders about what they mean and their impact.
4. Gather input from key stakeholders related to the development of quality benchmarks for CY 2022.

Stakeholder Engagement: Two Phases

Phase I

- Outreach to engage stakeholders and solicit their input on the healthcare cost growth benchmark and primary care target during their formative stages from May to September 2020.
- Outreach to engage stakeholders on the State's quality benchmarks.
...while immediate focus is on cost growth and primary care target, we will gather input on quality targets during Phase I.

Phase II

- Starting in October 2020, focus on communication and education related to the State's cost growth benchmark, primary care target, and quality benchmarks, while also gathering input on quality benchmarks

Questions for the Consumer Advisory Council

- What questions do you have about this initiative? We want to hear from you!
- What concerns do you wish to share today?
- What suggestions do you have for how we can help communicate this initiative?
- What suggestions do you have for educating key groups about the impact of the program?



We need
your
suggestions!