

**STATE OF CONNECTICUT**

**BY HIS EXCELLENCY**

**NED LAMONT**

**EXECUTIVE ORDER NO. 5**

**WHEREAS**, health care costs continue to grow in Connecticut at a rate that outpaces the growth of the Connecticut and regional economies; and

**WHEREAS**, the rate of growth of health care costs impacts the ability of individuals and consumers to afford needed health care services and other necessary expenses; and

**WHEREAS**, health care costs generally can affect the desirability of Connecticut as a business location; and

**WHEREAS**, the growth of health care expenditures affects the state's budget; and

**WHEREAS**, disparities in health care outcomes persist in Connecticut among people of color, LGBTQ+ individuals, and other demographic factors; and

**WHEREAS**, Connecticut must address the challenge posed by health care costs for all residents of Connecticut, regardless of payer and provider; and

**WHEREAS**, Connecticut needs to improve health outcomes while reducing the rate of growth of health care costs; and

**WHEREAS**, the state's Office of Health Strategy (OHS), pursuant to Section 19a-754a of the Connecticut General Statutes (CGS), is responsible for developing and implementing a comprehensive and cohesive health care vision for the state, including, but not limited to, a coordinated state health care cost containment strategy; and

**WHEREAS**, OHS is responsible for convening forums and meetings with state government and external stakeholders, including, but not limited to, the Connecticut Health Insurance Exchange, to discuss health care issues designed to develop effective health care cost and quality strategies; and

**WHEREAS**, the Department of Social Services is the single state agency charged with administering the Medicaid program for the State of Connecticut; and

**WHEREAS**, the Connecticut Insurance Department is charged with overseeing the regulation of fully-insured health plans in the State of Connecticut;


**NOW, THEREFORE, I, NED LAMONT**, Governor of the State of Connecticut, by virtue of the authority vested in me by the Constitution and the laws of the State of Connecticut, do hereby **ORDER AND DIRECT**:

1. The Executive Director of OHS, consistent with her statutory authority, shall monitor health care spending growth across all public and private payers and populations in Connecticut, report annually to the Governor on such growth, and, by December 2020, develop annual health care cost growth benchmarks.
2. The Executive Director of OHS shall develop such initial annual benchmarks for calendar years 2021 through 2025.
3. The Executive Director, pursuant to her statutory authority under CGS Section 4-8, shall convene a Connecticut Cost Benchmark Technical Advisory Board to assist her in developing such benchmarks. The members of such Technical Advisory Board shall be named within the next thirty days and include the Secretary of the Office of Policy and Management and the Commissioners of the Department of Social Services and the Insurance Department, or their designees, and representatives of health care stakeholders.
4. Such health care cost growth benchmarks shall be based on total health care expenditures, defined as the per capita sum of all health care expenditures in this state from public and private sources for a given calendar year.
5. Such health care cost growth benchmarks shall account for current primary care spending and set targets within each annual benchmark for increased primary care spending as a percentage of total health care expenditures to reach a target of 10% by calendar year 2025.
6. To ensure the maintenance and improvement of health care quality, the Executive Director of OHS, with the input and assistance of the Commissioners of the Social Services, Public Health, and Insurance, shall use the existing OHS Quality Council to assist in the development of quality benchmarks across all public and private payers beginning in calendar year 2022. Such quality benchmarks may include clinical quality measures, under- and over-utilization measures, and patient safety measures.
7. The Executive Director shall continue to monitor the development of accountable care organizations and the adoption of alternative payment methodologies in the State of Connecticut.

8. The Executive Director may make recommendations for legislation to fulfill the purposes of this order.

This order shall take effect immediately.

Dated at Middletown, Connecticut, this 22<sup>nd</sup> day of January, 2020.

  
\_\_\_\_\_  
Ned Lamont  
Governor

By His Excellency's Command

  
\_\_\_\_\_  
Denise W. Merrill  
Secretary of the State

