



*Via Electronic Email*

December 17, 2021

Dear Advanced Networks, FQHCs and Payers:

On January 22, 2020, Governor Lamont signed Executive Order Number 5 directing the establishment of a statewide healthcare cost growth benchmark. A healthcare cost growth benchmark is a targeted annual per capita rate of spending growth that payers, large provider entities (as outlined in Attachment A) and the State should endeavor to stay below to make healthcare more affordable. Executive Order 5 directed the Office of Health Strategy (OHS) to develop annual healthcare cost growth benchmarks for calendar years (CY) 2021-2025. While Governor Lamont signed this Executive Order before the onset of the COVID-19 pandemic, the work to keep healthcare affordable for Connecticut citizens continues; COVID-19's financial impact has worsened families and employers' ability to spend more on healthcare.

**OHS established Connecticut's healthcare cost growth benchmark in the fall of 2020 in consultation with a technical team of advisors, a multi-stakeholder advisory board and public input.** The cost growth benchmark values are a blended rate of forecasted state economic and personal income growths, and are expressed in per capita terms. **Connecticut's 2022 healthcare cost growth benchmark is 3.2%.**

OHS will publicly report the per capita change in Connecticut's healthcare spending from one calendar year to the next, along with contextual information intended to highlight reasons spending was above or below the cost growth benchmark.

The Executive Order also directed OHS to establish a primary care spending target with the aim of strengthening Connecticut's primary healthcare services system. **The primary care spending target establishes a goal for increasing statewide primary care spending as a percentage of total state healthcare expenditures to 10% by 2025.** **Connecticut's 2022 primary care spending target is 5.3%.** This means the State has set a goal that for 2022 at least 5.3% of Connecticut's total healthcare spending should be on

primary care.<sup>1</sup> In subsequent years leading up to 2025, targets increase at approximately equal intervals in order to achieve the final goal of 10%. OHS has developed a strategy to complement these targets, which is outlined in the [Roadmap for Strengthening and Sustaining Primary Care](#), so that increased primary care investments yield meaningful and measurable benefits.

Finally, the Executive Order directed OHS to **establish quality benchmarks to maintain and improve healthcare quality in the State** alongside the healthcare cost growth benchmark and primary care spend target. OHS established the quality benchmarks in fall 2021 in consultation with the Connecticut Quality Council, an advisory group of consumer advocates, payers, providers and state agencies. **OHS is implementing quality benchmarks in two phases, and is setting separate quality benchmark values for the commercial, Medicaid and Medicare Advantage markets.** The first phase will become effective on January 1, 2022, and will include interim annual targets, as presented in the table below. The second phase will become effective on January 1, 2024.

Quality Benchmark Measure	2022 Commercial Benchmark	2022 Medicaid Benchmark	2022 Medicare Advantage Benchmark
<b>Asthma Medication Ratio (Ages 5-18)</b>	79%	66%	N/A
<b>Asthma Medication Ratio (Ages 19-64)</b>	78%	63%	N/A
<b>Controlling High Blood Pressure</b>	61%	61%	73%
<b>Hemoglobin A1c (HbA1c) Control for Patients with Diabetes: HbA1c Poor Control</b>	27%	37%	20%

OHS intends to publicly report results of the healthcare cost growth benchmark, the primary care spending target and quality benchmarks at the state, insurance market, payer and large provider entity (Advanced Networks and FQHCs) levels by annually

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<sup>1</sup>To assess statewide spending against the target established in Executive Order 5, OHS will track investments in primary care services that are delivered by providers of traditional primary care specialties. These include MDs and DOs with an Internal Medicine specialty when practicing primary care; Family Medicine, Pediatric and Adolescent Medicine, and Geriatric Medicine when practicing primary care; and NPs and PAs when practicing primary care.

collecting spending data from payers. All Advanced Networks, FQHCs, and payers will have an opportunity to review, comment and/or correct cost growth benchmark, primary care spending target and quality benchmark results prior to publication.

For more information on OHS's Healthcare Benchmarks program, please visit <https://portal.ct.gov/OHS/Services/Cost-Growth-Quality-Benchmarks-Primary-Care-Target> or contact OHS via email at [OHS@ct.gov](mailto:OHS@ct.gov).

OHS thanks you and your organizations for your role providing healthcare to Connecticut residents during this especially difficult phase of the pandemic. We appreciate your continued commitment to providing high quality healthcare during the public health crisis.

Sincerely,

Victoria Veltri JD, LLM  
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