CONNECTICUT Health Strategy

Healthcare Benchmark Initiative Data Analytics Workgroup

Meeting Date	Meeting Time	Location
April 3, 2024	2:00 pm – 3:00 pm	Zoom Meeting: https://us02web.zoom.us/j/87801527743?pwd=U0FzbnNJNFgyZ2hRUWQ0ZnZIYXl2dz09

Participant Name and Attendance | Council Members

Kati Villeda	R	Sandra Czunas (for Josh Wojcik)	R	Michaela Dinan	R
Adrian Devia	X	Lisa Douglas	R	Gui Woolston	X
Joe Quaranta	R	Olga Armah	R	Vijaya Gorty	R
Sarah Carr	R				

Others Present

Krista Moore, OHS	R	Hanna Nagy, OHS	R	Michael Bailit, Bailit Health	R
Alex Reger, OHS	R	Lisa Sementilli, OHS	R	Matt Reynolds, Bailit Health	R
		R = Attended Remotely; IP = In Person; X = Did Not Attend			

Agenda

	Topic	Responsible Party	Time
1.	**Welcome and Roll Call**	**Krista Moore**	**2:00 PM**
	Krista Moore welcomed everyone to the eighth Data Analytics Workgroup meeting. Krista invited Matt Reynolds to conduct a roll call. There was a quorum present.		
2.	<u>**Action: Approval of February 7th, 2024 Meeting Minutes**</u>	**Workgroup Members**	**2:05 PM**
	Joe Quaranta motioned to approve the meeting minutes. Lisa Douglas seconded the motion. There was no opposition, nor any abstentions. The minutes were approved.		
3.	**2022 Cost Growth Benchmark Results**	**Michael Bailit**	**2:10 PM**

Michael Bailit shared that Connecticut's Total Health Care Expenditures grew 3.4% in 2022, just above the 3.2% 2022 benchmark value. Michael noted that Connecticut's Total Medical Expense trends for the commercial and Medicaid markets did come in under the 2022 benchmark at 2.4% and 0.6% growth respectively. The Medicare market Total Medical Expense exceeded the benchmark, growing 3.7% in 2022. Michael then reviewed the drivers of spending growth for each market, noting that retail pharmacy and, to a lesser extent hospital outpatient, were the primary drivers of spending growth across markets, while professional spending growth contributed more to cost growth than in prior years.

- Lisa Douglas asked what was included in the non-claims service category. Michael Bailit replied that the non-claims category primarily includes value-based payments.
- Joe Quaranta asked if OHS could assess the impact of utilization vs payment per unit for professional physician spending growth. Michael Bailit replied that the aggregate data provided by payers to assess performance against the benchmark did not allow for that level of analysis, but the All-Payer Claims Database data did.

Finally, Michael reviewed payer and Advanced Network performance against the benchmark by market.

- Joe Quaranta asked why ConnectiCare's confidence interval was much larger than that of other payers. Michael replied that ConnectiCare's smaller enrollment size was the cause for the wider confidence interval.
- Michael Bailit noted that Elevance's Medicare Advantage trend of 17% was much higher than other Medicare Advantage payers due to changes in product mix during 2022.
- In response to the high Advanced Network Medicare Advantage trends, Joe Quaranta theorized that there was still pent-up demand and therefore utilization in 2022, particularly for the Medicare

population. Joe also wondered about the potential impact of low denominator sizes, yearly Medicare Advantage enrollment changes, and dual eligibles.

- o Michaela Dinan asked if there was a way to account for change and variation in Medicare Advantage plan type (e.g., PPO, HMO, private fee-for-service) because research shows that the Medicare Advantage plan types are associated with different spending patterns. Michael Bailit replied that OHS could investigate this option, cautioning that if OHS pursued the approach denominator sizes would get even smaller.

Michael shared the following takeaway observations:

- Connecticut did not meet the cost growth benchmark in 2022 but came significantly closer to doing so than in 2021
- It is concerning that spending still grew faster than the benchmark the year after spending surged due to people seeking care deferred from 2020.
- The prospects for 2023 and 2024 are worrisome given recent rate requests submitted to the Insurance Department, the introduction of new costly drugs, and the anticipated ripple effect of high inflation during late 2022 and early 2023 on 2024 spending, specifically.

Michael posed the following questions to Workgroup members:

1. What reactions did members have to the 2022 cost growth benchmark results?
2. A Steering Committee member recommended that in the future, OHS request more detailed aggregate spending data from payers. What did members think of this suggestion?
3. What analyses did members recommend that OHS conduct to help inform the development of cost growth mitigation strategies?

- Michaela Dinan recommended drilling down further into pharmacy claims, similar to the approach that OHS previously took to look at high-volume services.
  - o Michael Bailit replied that OHS' analytic contractor was developing an interactive pharmacy dashboard for OHS.
  - o Lisa Douglas agreed with Michaela that OHS should look deeper into pharmacy trends such as the impact of brand vs generic and different drug classes.
    - ▪ Michael Bailit replied that past data have shown that while the vast majority of prescriptions are for generic drugs, the vast majority of spending is on brand name drugs, with immunologic agents being the drug class most contributing to spending.
- Joe Quaranta recommended looking more in depth at medical pharmacy and trying to understand the causes of the elevated trends for Medicare Advantage.
- Vijaya Gorty asked for clarification on what "more detailed data" from payers would entail. Michael Bailit replied that the request would be for data by sub-service category at a level that would allow for the roles of utilization and payment per unit to be parsed out.
  - o Joe Quaranta said he was not opposed to engaging insurers about submitting more detailed data but stated that he was comfortable with using APCD data.
  - o Sarah Carr said she thought asking payers for more granularity would be time consuming, so she recommended using the APCD for now while determining if asking payers for more data would be feasible.
  - o Lisa Douglas said she would be comfortable using the APCD if OHS had found APCD service category trends closely aligned with the service trends in the cost growth benchmark data. Michael Bailit replied that OHS would look into this comparison.
- Lisa Douglas noted that non-hospital-affiliated Advanced Networks appeared to have higher spending trends and she was curious to understand what could be driving that. Michael Bailit noted that OHS could look to see if this trend was present in 2021 as well.

4.	Public Comment	Members of the Public	2:50 PM
	Krista Moore offered the opportunity for public comment. There were no public comments.		
5.	Wrap-Up and Next Steps	Krista Moore	2:55 PM
	Krista Moore noted that the next meeting was scheduled for Wednesday, June 5th at 2 pm, contingent on OHS having sufficient content to present to the Workgroup for discussion. Krista also noted that OHS would soon be		

	publishing a report on the state of advanced payment model adoption in Connecticut. Finally, Krista noted that OHS would be holding the statutorily required annual public hearing on the cost growth benchmark, primary care spending target, and quality benchmark results on Tuesday, June 25th at the Legislative Office Building.		
6.	**Action**: Adjournment	**Workgroup Members**	**3:00 PM**
	Joe Quaranta motioned to adjourn. Lisa Douglas seconded the motion. The meeting adjourned at 2:59 pm.		

Upcoming Meeting Dates:
June 5, 2024
August 7, 2024
October 2, 2024
December 4, 2024

All meeting information and materials are published on the OHS website located at:
https://portal.ct.gov/OHS/Pages/Data-Analytics-Workgroup