

Healthcare Benchmark Initiative Steering Committee

Meeting Date	Meeting Time	Location
August 22, 2022	3:00 pm – 5:00 pm	Zoom Meeting Recording https://us02web.zoom.us/j/84111237738?pwd=a1dnWnAydW1CZkZVLys3cURKOEfmUT09

Participant Name and Attendance		Steering Committee Members			
Ben Alvarez	X	Deidre Gifford	R	Cassandra Murphy	R
Stephanye Clarke	R	Paul Grady	R	Chris O'Connor	X
Tiffany Donelson	R	Claudio Gualtieri	R	Fiona Scott Morton	X
Ted Doolittle	X	Ken Lalime	R	Kathy Silard	R
Judy Dowd	R	Paul Lombardo	R	Chris Ulbrich	R
Jeff Flaks	R	Andy Markowski	R	Josh Wojcik	R
Lou Gianquinto	R	Karen Moran	R		
Kim Martone, OHS	R	Tina Hyde, OHS	R	Michael Bailit, Bailit Health	R
Krista Moore, OHS	R	Olga Armah, OHS	R	Matt Reynolds, Bailit Health	R
Mayda Capozzi, OHS	R	Hanna Nagy, OHS	R		
R = Attended Remotely; IP = In Person; X = Did Not Attend					

Agenda			
	Topic	Responsible Party	Time
1.	Welcome and Roll Call	Claudio Gualtieri	3:00 pm
	Claudio Gualtieri welcomed everyone to the August Steering Committee meeting and invited Matt Reynolds to conduct a roll call. There was a quorum present. Claudio then reviewed the agenda for the meeting.		
2.	Public Comment	Members of Public	3:05 pm
	Claudio Gualtieri offered the opportunity for public comment. There were no public comments.		
3.	July Meeting Recap and <u>Committee Action</u>: Approval of July 25, 2022 Minutes	Steering Committee Members	3:10 pm
	<p>Karen Moran motioned to approve the July 25th meeting minutes. Kathy Silard seconded the motion. There was no opposition nor were there any abstentions. The minutes were approved.</p> <p>Claudio Gualtieri reviewed virtual meeting etiquette expectations, asking that, to the greatest extent possible, all members keep their cameras on and give their full attention to the meeting proceedings.</p> <p>Claudio updated the Steering Committee that Mathematica had received more recent APCD claims data, now including Medicaid data. Claudio clarified that the Medicaid data delay was not caused by the Department of Social Services (DSS).</p> <p>Claudio recapped some of the main messages shared during the July Steering Committee meeting, highlighting that members agreed on the need to look at the broader picture and collaborate on models that work for all parties.</p>		
4.	Returning to In-Person Meetings	Claudio Gualtieri	3:20 pm
	Claudio stated that OHS would like the Steering Committee to consider returning to in-person meetings in September, perhaps starting with in-person meetings every other month. Claudio asked that members email Krista Moore at krista.moore@ct.gov within the next week with any concerns about returning in some fashion to in-person meetings.		

Stephanye Clarke asked where in-person meetings would be held. Claudio said that meetings would most likely be held in Hartford within the Legislative Office Building.

Chris Ulbrich shared that Ulbrich Steel in North Haven could also host the Steering Committee. Krista Moore noted that the meeting would have to be open to the public. Chris replied that remote/virtual access would be possible in Ulbrich Steel's office.

Kathy Silard stated that a halfway point between Fairfield County and Hartford would be preferred.

Paul Lombardo asked if a hybrid format would be possible or if the expectation would be that all members would have to attend in person for any in-person meetings. Claudio noted that, based on prior experience, he would be worried about engagement of virtual attendees at an otherwise in-person meeting.

Ken Lalime asked if broadcast capability was required. Claudio said it would not be necessary, but noted that at least Zoom/virtual access capability would be required.

Deidre Gifford shared that she preferred to have in-person meetings at least periodically and suggested potentially moving the meeting location around the state.

Stephanye Clarke suggested quarterly in-person meetings.

5.	Recap of Benchmark and Cost Driver Analyses	Michael Bailit	3:25 pm
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Michael Bailit reviewed the pre-benchmark and cost growth driver analyses that had previously been presented to the Steering Committee to set the stage for discussing potential cost growth mitigation strategies.

6.	Cost Growth Mitigation Strategies	Michael Bailit	3:40 pm
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Michael Bailit reminded the Steering Committee of its agreed-upon goal to select two cost growth mitigation strategies to advance in 2023 by year-end. Michael then provided a high-level overview of five strategies being implemented or considered in other states, noting that OHS was presenting the strategies for educational and discussion purposes, not as recommendations.

The five strategies included:

1. Pharmacy price growth limitations
2. Accelerated multi-payer adoption of advanced Value-Based Payment (VBP) models
3. Expanded regulatory constraints on market consolidation
4. Caps on commercial price growth and/or prices
5. Expanded insurer rate review

Josh Wojcik stated that as the Steering Committee considers identifying two strategies to try to advance in 2023, members should consider feasibility of success, noting that in particular a lot of state-level pharmacy price control strategies appeared challenging to pass. Michael Bailit agreed, but noted that while action on pharmacy prices may be difficult, pharmacy price growth was also a leading driver of health care cost growth in Connecticut and across the country.

Kathy Silard stated she was concerned about “nipping around the edges of pricing” without addressing the underlying fee-for-service environment. Kathy stated that if the Steering Committee was truly dedicated to making healthcare in the state more affordable, it needed to come up with a vision to pay for outcomes, which would also lead to improving the health of the state. Kathy shared an example of positive outcomes resulting from Stamford Hospital being paid for reducing readmission rates to nursing homes.

Paul Grady stated that he thought the Medicaid maternity episode-based payment example, if the concept was applied across markets, was something this group could sink its teeth into.

Deidre Gifford asked about the nexus between rate review authority and the usual lack of authority over ERISA plans. Michael Bailit replied that expanded insurer rate review would only apply to insured plans, which he noted was a limitation of insurance rate review.

Chris Ulbrich asked for additional details on how Connecticut is similar and dissimilar to the states that have implemented or attempted these strategies, such as Oregon and Rhode Island. Michael Bailit noted that while there are certainly some similarities, no two states are the same and yet those differences do not mean it is not possible to draw insights from other states.

Karen Moran expressed concern with provider price caps or price growth caps being set arbitrarily. Karen noted that ConnectiCare was not permitted to agree to rate caps for clients and added that she would not be supportive of capping premiums. Michael Bailit clarified that the caps were on payments from insurers to providers, not on premiums. Karen replied that the two went “hand-in-glove,” and added that it would be hard to establish caps without a lot of very deep study, as she was concerned about unintended consequences. Karen stated that ConnectiCare would be open to discussing expanded rate review further.

Michael Bailit asked members what other strategies they would propose for the Steering Committee to consider.

Kathy Silard observed that she did not think the savings seen in states that had implemented the proposed strategies had been all that meaningful. Kathy thought Value-Based Payment was the best approach but thought it would require meaningful change to the infrastructure of the reimbursement system in the state. Kathy thought it was necessary to incentivize providers to keep people healthy and reduce episodes of care, which would require extreme payment reform. Kathy reiterated that the strategies of putting caps “around the edges” would not have the desired impact. Kathy said that any VBP strategy had to be multi-payer and that the type of payment reform she had in mind was not “on the menu” of those presented. Finally, Kathy stated that any strategy that did not address extreme underpayment by government payers would not be effective.

Deidre Gifford agreed that wholesale change was needed but also challenging, and conveyed her belief that the Steering Committee should focus on tackling areas where there was highest cost growth, i.e., hospital and pharmacy. Deidre thought the state could start with VBP models that focus on some of these high-cost growth areas coupled with efforts to expand primary care.

Chris Ulbrich noted that across industries, improving quality often improves costs. Chris thought this was a better approach than capping prices. Tiffany Donelson replied that in the United States, we spend more on health care but get lower quality. Tiffany asked what data other states have on the impact of the proposed strategies beyond cost savings, such as how quality and access were improved. Michael Bailit replied that many of the implemented strategies had not yet been evaluated and those that had generally did not look at the impacts on quality or access. Michael shared that one example he was aware of found that price caps had no impact on quality in either direction. Michael noted that broad-based collaborative strategies were a relatively recent phenomenon. Tiffany Donelson concluded by saying that there had to be a middle ground between the VBP ideas posed by Kathy and Deidre.

Lou Gianquinto agreed with Kathy Silard that Medicaid and Medicare rates do impact the commercial market. Lou stated that he thought driving collaboration between payers and providers on VBP was the best approach. Lou added that innovation in the VBP space was continuing to happen and he thought a state-wide mandated approach would limit the ability to leverage innovation. Lou noted that a VBP approach would help to solve the problem slowly over time. Lou also added that he thought the Steering Committee was overlooking community and public health. He noted that acute patients were increasing over time and that OHS needed to look at what could be done from a public health and prevention perspective to reduce onset of acute cases. Lou said that the Steering Committee could help to elevate conversations on VBP in broader groups to identify successes and failures and promote shared learning. Lou noted that there were a lot of “upside-only” value-based contracts in the market at present, but that there ultimately needed to be movement towards shared-

risk. Lou thought that potentially funding could be considered for absorbing some downside risk and to try increasing the level of risk in the state through VBP.

Claudio Gualtieri asked what options existed around consumer empowerment. Josh Wojcik agreed that incentives should also be applied to health plan participants, rather than just payers and providers, so that incentives were aligned. Kathy Silard agreed on the importance of getting patients to see a primary care provider (PCP) and to engage with their PCP longitudinally.

Jeff Flaks stated he was a tremendous proponent for new payment models including full risk adoption and subscription-based healthcare. Jeff said he thought moving towards paying for outcomes was needed. Jeff added that he thought access was one of the greatest challenges in Connecticut and that delays in treatment due to access challenges posed an issue. Jeff stated that he did not want Connecticut to become an exporter of healthcare and so he wanted the state to focus on expanding its healthcare workforce and research capacity. Noting that several of the proposed strategies were being attempted in Rhode Island, Jeff commented that there was great instability in Rhode Island’s healthcare systems and that the state exports patients to Boston. Jeff stated that Connecticut’s healthcare facilities were in desperate need of capital infusion to increase quality, and he concluded by saying that the health system needed to be less dependent on hospital-related services and more reliant on community-based services.

Paul Grady stated he would be interested in hearing what the Office of the State Comptroller was doing on primary care and what Medicaid was doing related to maternity bundles.

Deidre Gifford stated she believed OHS was working on a monitoring strategy for VBP penetration, which she thought would be very helpful for this Steering Committee to learn more about.

Michael Bailit stated that OHS would send members of the Steering Committee a “check-all-that-apply” survey asking which cost growth mitigation strategies they would like to explore in further detail during upcoming meetings.

Tiffany Donelson noted that national experts like NASHP would be good to hear from regardless of the survey results. Kathy Silard also asked that any experts come prepared with estimates on the likelihood of success for the strategy that they come to discuss.

7.	Wrap-Up and Next Steps	Claudio Gualtieri	4:55 pm
	Claudio Gualtieri thanked everyone for their participation and shared that the next meeting would be held on Monday, September 26 th from 3-5 pm.		
8.	<u>Committee Action:</u> Adjournment	Steering Committee Members	5:00 pm
	The meeting concluded at 4:57 pm.		

Upcoming Meeting Dates:

- Monday, September 26th
- Monday, October 24th
- Monday, November 21st
- Monday, December 19th

All meeting information and materials are published on the OHS website located at:

<https://portal.ct.gov/OHS/Pages/Healthcare-Benchmark-Initiative-Steering-Committee/Meeting-Agendas>