Healthcare Benchmark Initiative Steering Committee

Meeting Date	Meeting Time	Location			
May 23, 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	R	Paul Grady	X	Fiona Scott Morton	R
Stephanye Clarke	X	Ken Lalime	R	Wendy Sherry	X
Tiffany Donelson	R	Paul Lombardo	R	Kathy Silard	R
Ted Doolittle	R	Andy Markowski	R	Chris Ulbrich	X
Judy Dowd	R	Karen Moran	R	Vicki Veltri	R
Jeff Flaks	X	Cassandra Murphy	R	Josh Wojcik	X
Christine Cappiello (for Lou Gianquinto	R	Chris O'Connor	X		
Deidre Gifford	R	Michael Posner	X		
Brent Miller, OHS	R	Olga Armah, OHS	R	Michael Bailit, Bailit Health	R
Krista Moore, OHS	R	KeriAnn LaSpina, Mathematica	R	Matt Reynolds, Bailit Health	R
Mayda Capozzi, OHS	R	Tristan Lutz, Mathematica	R	Keri Calkins, Mathematica	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**	**Victoria Veltri**	**3:00 pm**
	Vicki Veltri welcomed everyone to the May Steering Committee meeting and invited Matt Reynolds to conduct a roll call. There was a quorum present.		
2.	**Public Comment**	**Members of Public**	**3:05 pm**
	Vicki Veltri offered the opportunity for public comment. There were no public comments.		
3.	<u>**Committee Action:** Approval of March 28, 2022 Minutes</u>	**Steering Committee Members**	**3:10 pm**
	Karen Moran motioned to approve the March 28th meeting minutes. Kathy Silard seconded the motion. There was no opposition, nor any abstentions. The minutes were approved.		
4.	**House Bill 5506 and Other New Legislation**	**Victoria Veltri**	**3:15 pm**
	Vicki Veltri informed the Steering Committee that House Bill 5506 put the Healthcare Cost Growth Benchmark Initiative into statute. Vicki also reviewed key information from the bill:		

- By July 1, 2025, and every five years thereafter, OHS must set benchmarks for the next five years and hold one informational public hearing prior to doing so.
- OHS must review current and projected inflation annually to determine whether to modify the benchmark for the coming year.
- Payers must submit data to OHS by August 15th of each year and OHS must meet with any payer or provider who so requests to validate their data.
- OHS must report its findings by March 31st of each year and identify payers, providers, and other entities that exceeded the benchmark by May 1st of each year.
- OHS must hold an informational public hearing on its findings by June 30th of each year and may require any entity that exceeded the benchmark to provide testimony.

- By October 15th of each year, OHS must submit a report to the joint standing committee of the General Assembly outlining spending trends, plans for monitoring adverse consequences, and legislative proposals.

Kathy Silard asked for more details on OHS' inflation review process. Vicki Veltri noted that OHS' preliminary analyses on 2021 data show a lesser impact on operating margins than expected, adding that OHS would bring additional information back to the Steering Committee when available.

Vicki Veltri then provided a summary of An Act Encouraging Primary and Preventive Care, which requires health carriers to develop at least two health enhancement programs (HEPs) by January 1, 2024. Each HEP must be available to each insured and provide coverage for certain preventive examinations and screenings.
- Karen Moran asked about when carriers can expect to receive additional details. Paul Lombardo stated that CID is authorized but not required to adopt regulations. Paul added that the programs would have to be set before filings in July 2023 for the 2024 plan year so he will be working with carriers on a notice or bulletin to explain that in further detail. Paul said he would be willing to meet with carriers to discuss their plans.

Vicki shared that the budget bill also contained funding for key workforce investments such as private provider support, salary increases, enhanced benefits, infrastructure improvements, Connecticut State Colleges and Universities to support Healthcare Workforce Development, Child Psychiatry Workforce Development, and a DPH grant-in-aid program for a children's behavioral health training and consultation program. Vicki stated she would send out the legislative summary that was present to the Health Care Cabinet.

5.	Update on OHS Data Sharing Activities	Victoria Veltri	3:35 pm

Vicki Veltri shared that the National Academy for State Health Policy presented a state hospital financial breakeven analysis to the Health Care Cabinet in March. In April, OHS sent select Advanced Networks their 2018-2019 pre-benchmark trends, and met with Hartford HealthCare, Yale New Haven Health System, and Stamford Hospital to review their pre-benchmark and commercial price trends.

6.	Update on the Data Analytics Workgroup	Michael Bailit	3:45 pm

Michael Bailit shared that the Data Analytics Workgroup met for the first time on May 12th and would continue to meet monthly going forward.

Deidre Gifford asked if the Workgroup would only be looking at APCD data or if it would also be looking at the aggregate data from the "non-contributors" to the APCD as well. Michael indicated that the Workgroup would be reviewing the aggregate cost growth benchmark data as well, but noted those data are at a higher, summary level than the APCD data. Michael added that analysis of other, independent data sources was certainly possible too, although not presently planned.

7.	Risk-Adjustment and Truncation Point Decisions	Michael Bailit	3:55 pm

Michael Bailit shared that OHS had decided following solicitation of Steering Committee input to adopt age-sex risk adjustment of payer and provider-level cost growth benchmark performance data. Michael added that given stated interest from multiple insurer members of the Steering Committee, OHS would also model normalization of clinical risk scores using the APCD to evaluate the feasibility of implementing this methodology in the future.

Michael then shared that OHS had decided following solicitation of Steering Committee input to set the following truncation thresholds to mitigate the impact of high-cost outliers at the payer and Advanced Network levels:
- Commercial: $150,000
- Medicaid: $250,000
- Medicare Advantage: $150,000

Michael explained that the Medicaid truncation point was higher due to long-term services and supports, nursing homes, and other forms of residential care that are only covered by Medicaid.

	Deidre Gifford stated that she thought OHS was excluding long-term services from Medicaid spending for the cost growth benchmark. Michael Bailit stated that OHS was *including* long-term care in Medicaid (as all other states do as well) but noted Medicaid trends could continue to be calculated without long-term care too in order to make like comparisons to Medicare and commercial trends. Deidre asked if OHS would then need to have different truncation points for Medicaid when including and excluding long-term care. Michael stated that this could be the case and noted he would follow-up with DSS on this.		
8.	**Commercial Pharmacy Spending Analyses**	**KeriAnn LaSpina**	**4:05 pm**
	KeriAnn LaSpina reviewed Mathematica's analyses on commercial pharmacy spending using APCD data.

Kathy Silard asked if pharmacy spending figures included both the administration and procurement of drugs. KeriAnn stated that administration would be included in the outpatient category per Health Care Cost Institute logic.

Karen Moran asked if manufacturer rebates were accounted for. KeriAnn LaSpina indicated they were not. Michael Bailit added that cost growth benchmark data do account for rebates, but the more granular data available via the APCD do not.

Deidre Gifford asked where ambulatory surgery was captured. KeriAnn indicated it was included in the hospital outpatient category.

Karen Moran stated that sometimes high-cost pharmaceuticals are used to keep patients out of the hospital and reduce more traditional medical spending. KeriAnn noted that could be a potentially valuable area for future analysis.

KeriAnn LaSpina stated Mathematica also planned to look at spend by pharmacy therapeutic classes in the future.

Deidre Gifford and Kathy Silard wondered what OHS' levers were at the state level to limit pharmacy spending growth.

Tiffany Donelson stated it would be helpful to understand what strategies Connecticut was considering to address pharmacy prices, as well as what other states were considering. Vicki Veltri stated that OHS could return to the Steering Committee with this information. Ken Lalime suggested including 340B issues on the list.

Vicki Veltri stated that she could have someone from the National Academy for State Health Policy come speak to the Steering Committee.

Ted Doolittle shared that a prescription drug affordability board bill was considered during the 2022 session and may be considered again during the 2023 session. | | |
9.	**Wrap-Up and Next Steps**	**Victoria Veltri**	**4:55 pm**
	Vicki Veltri stated that the next meeting would be held on Monday, June 27th from 3-5 pm.		
10.	<u>**Committee Action**</u>: **Adjournment**	**Steering Committee Members**	**5:00 pm**
	Ben Alvarez motioned to adjourn the meeting. Andy Markowski seconded the motion. The meeting adjourned at 4:13 pm.		

Upcoming Meeting Dates:
Monday, June 27th
Monday, July 25th
Monday, August 22nd
Monday, September 26th

Monday, October 24th

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