CONNECTICUT
Health Strategy

Healthcare Benchmark Initiative Steering Committee

"We collaborate, out of a shared concern and responsibility for all Connecticut residents, to develop consensus models that advance equity and consumer affordability of healthcare in our state."

Meeting Date	Meeting Time	Location
May 20, 2024	3:00 pm – 5:00 pm	Zoom Meeting: https://us02web.zoom.us/j/86419983822?pwd=Ymkzb0U4VFgxbFRVNERRNmVtSjc1Zz09

Participant Name and Attendance | Steering Committee Members					
Timothy Archer	R	Angela Harris	R	Cassandra Murphy	X
Joanne Borduas	X	Sean King	R	Lori Pasqualini	R
Jim Cardon	R	Gail Kosyla	R	Kathy Silard	R
Ayesha Clarke	R	Paul Lombardo	R	Marie Smith	R
Francois de Brantes	R	Chris Manzi	X	Stephen Traub	R
Tiffany Donelson	R	Andy Markowski	R	Chris Ulbrich	R
Judy Dowd	R	Chris Marsh (Jennifer Herz)	R	Kristen Whitney-Daniels	R
Lou Gianquinto	X	Mark Meador	R	Josh Wojcik	R
Deidre Gifford (Chair)	R	Susan Millerick	X	Gui Woolston	R
Paul Grady	R				
Cindy Dubuque-Gallo, OHS	R	Abigail Cotto, 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**	**Deidre Gifford**	**3:00 pm**
	Deidre Gifford welcomed everyone to the May Steering Committee meeting. Deidre invited Matt Reynolds to conduct a roll call. There was a quorum present. Deidre then reviewed the agenda for the meeting.		
2.	**<u>Committee Action</u>: Approval of March 25, 2024 Minutes**	**Steering Committee Members**	**3:05 pm**
	Tiffany Donelson motioned to approve the minutes. Jim Cardon seconded the motion. There were no objections, nor any abstentions. The minutes were approved.		
3.	**June Public Hearing Agenda**	**Deidre Gifford**	**3:10 pm**
	Deidre Gifford shared that the June public hearing would include panels on retail pharmacy, insurer cost growth and primary care spend, and Advanced Networks and quality care.		
4.	**Retail Pharmacy Spending Trends**	**Michael Bailit**	**3:25 pm**
	Michael Bailit introduced the presentation by explaining that after observing during the March Steering Committee meeting that retail pharmacy was the primary driver of 2022 spending growth in Connecticut across markets, OHS conducted follow-up analyses using All-Payer Claims Database (APCD) data to understand longitudinal trends (2018-22), as well as the relative roles of changes in payment per unit and utilization. Michael then reviewed the measured population and methodology for the analyses. Michael the observed the following key analysis findings: 1. Retail pharmacy payment per unit has grown across all three markets due to increased payments for brand-name drugs. 2. Retail pharmacy spending growth has been amplified in the Medicare market by increasing utilization. 3. Spending on immunosuppressants and antineoplastic agents has driven retail pharmacy spending growth across all three markets.		

- Jim Cardon asked if OHS had assessed spending growth for brand name drugs for which there is a generic alternative compared to those for which there is no generic alternative. Michael Bailit replied that OHS had not done so. Michael noted that the data presented also did not specifically assess the role of new drugs coming to market.
  - Gui Woolston said he thought it would be important to assess the impact of new drugs versus increasing prices on existing drugs to determine appropriate mitigation strategies.
- Gui Woolston asked why total Medicare retail pharmacy utilization was up 11% when generic and brand utilization were each up ~23%. Michael said he suspected a typographical error and would investigate.
- Paul Lombardo asked where specialty drugs fit in. Michael Bailit replied that specialty drugs do not have a commonly used technical definition, so they sometimes fall under brand name drugs and sometimes under medical pharmacy.
- Jennifer Herz said that the lack of rebate data in the APCD meant that the data presented did not provide a complete and accurate picture. Michael Bailit replied that the solution to this problem would be a requirement to submit drug-specific rebate data to OHS.
- Jim Cardon recommended keeping in mind that the presented analysis of drug prices does not account for the potential money saved by the drugs prescribed, nor the patient benefit received from the drug.

5.	**Longitudinal Spending and Quality Analyses**	**Michael Bailit**	**4:05 pm**

Michael Bailit explained that a longitudinal analysis of spending growth, including the respective roles of payment per unit and utilization, was requested during the last Steering Committee meeting. He then shared that from 2019-2022, Total Medical Expenses grew 17.5% in the commercial market while decreasing by 5.7% for Medicare and 2.9% for Medicaid. Michael noted that the Net Cost of Private Health Insurance grew 35% for the commercial small group market between 2019-2022, while the change for the remaining submarkets ranged from -7% to 5%. Retail pharmacy was a primary contributor to spending growth across markets over this time period, with hospital outpatient also a sizable contributor for the commercial and Medicare markets. Michael noted that growth in these service categories was driven more by payment per unit growth than utilization growth.

- Angela Harris said she would like to see these data broken down by prescription drug type to understand which health conditions are driving spending increases, as she thought this would help direct resources, prevention measures, etc.
  - Deidre Gifford recommended that during an upcoming meeting OHS share the list of the ten drugs associated with the most statewide spending.
- Paul Grady recommended that OHS assess the adoption of biosimilars. Paul noted as an example that Humira costs ~$50,000 / year with a 30% rebate while a biosimilar costs ~$12,000 / year. Paul added that biosimilar adoption remains slow.
  - Chris Ulbrich replied that not all biosimilars are significantly cheaper than their brand name counterparts, adding that some are 5-15% less expensive.
- Josh Wojcik recommended looking at the variation in prices for drugs that already exist in the marketplace. Josh noted that marketplace dynamics often drive utilization to higher cost products that don't necessarily have higher clinical value. Josh therefore said that he thought there was opportunity to incentivize greater use of lower-priced alternatives on the market.

Michael Bailit then reviewed Connecticut's longitudinal commercial performance for the quality benchmark measures, noting that with the exception of the adult rate of *Asthma Medication Ratio*, there had been no performance improvement over many years.

- Paul Grady said it would be interesting to learn whether Medicaid had observed the same trends and to see the results for Advanced Networks vs non-Advanced Networks.
- Andy Markowski asked why improvement was limited and if other states were seeing similar trends. Michael Bailit replied that he did not have comparable analyses from other states, and that he thought the payers and providers on the call would likely be better suited to answer the question of why performance improvement was so limited.
  - Kathy Silard said that it was hard to speak to the aggregate trends, as her organization performs well on quality measures. She recommended assistance be provided to provider organizations that are not performing well.

6.	**Public Comment**	**Members of the Public**	**4:50 pm**
	Deidre Gifford offered the opportunity for public comments. In response to the retail pharmacy analyses, Sue Halpin said that Connecticut has legislation that limits carriers' ability to do step therapy as well as legislation limiting prior authorization for autoimmune drugs such as Humira. Sue explained that she believes there are a number of statutory provisions that limit the ability to reduce retail pharmacy spending.		
7.	**Wrap-up and Next Steps**	**Deidre Gifford**	**4:55 pm**
	Deidre Gifford stated that the June Steering Committee meeting was canceled, as OHS will be holding the annual public hearing on the cost growth benchmark, primary care spending target, and quality benchmark results on June 25th in the Legislative Office Building. She noted that Steering Committee members had recently received invitations to attend the hearing.		
8.	**Committee Action: Adjournment**	**Steering Committee Members**	**5:00 pm**
	Angela Harris motioned to adjourn. Paul Grady seconded the motion. The meeting adjourned at 4:32 pm.		

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