

Connecticut's Healthcare Benchmark Initiative

Status Update for the Consumer Advisory Council

January 12, 2021



Today's Discussion Topics

- Healthcare Benchmark Initiative Refreshers
 - Four Workstreams
 - OHS' Policy Development Process
- Healthcare Benchmark Initiative Status Update
- Stakeholder Engagement in 2021
- Request for Input

Connecticut's Healthcare Benchmark Initiative: Refresher on the Four Workstreams

1



Cost Growth
Benchmark

Cost growth benchmark that covers all payers and all populations for 2021-2025.

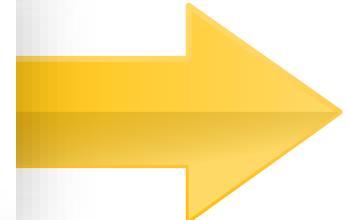


2



Primary Care
Spend Target

Recommendations for getting to 10% primary care spending as a share of total healthcare expenditures for all payers and populations by 2025.

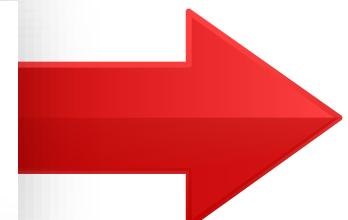


3



Data Use
Strategy

A complementary strategy that leverages the state's APCD, and potentially other sources, to identify cost growth drivers and to inform action.



4



Quality
Benchmarks

Quality benchmarks are to be applied to all public and private payers beginning in 2022.



Refresher on OHS' Policy Development Process

- A **Technical Team** consisting of 10 state agency executives and outside stakeholders excluding insurers and large health systems functioned as the primary advisory body to OHS.
- A **Stakeholder Advisory Board** representing the broad range of stakeholders, including 24 consumers, employers, insurers, providers, labor, community funders and consumer advocates.
- OHS will continue to seek the guidance of both these advisory bodies.
- OHS will continue to undertake robust stakeholder engagement.
- OHS contractor Bailit Health has provided both content support and process facilitation.

Status Update on the Healthcare Benchmark Initiative

Status Update

- Healthcare cost growth benchmark
- Primary care spend target
- Monitoring for unintended consequences
- Quality benchmarks
- Stakeholder engagement

Healthcare Benchmarks Initiative

- In a November 2020 report, OHS established parameters for the Healthcare Benchmarks Initiative.
- OHS' recommendations in the report were informed by:
 - The Technical Team, which met 11 times between March and October 2020 and the Stakeholder Advisory Board, which met 6 times.
 - Meetings with a range of stakeholder groups, including legislators.
 - Consideration of 24 public comment submissions in response to report.
- The report established the Cost Growth Benchmark for 2021-2025 and the Primary Care Spend Target for 2021.

Healthcare Cost Growth Benchmark

- The cost growth benchmark is a per annum state rate-of-growth **target** for healthcare costs.
- OHS' November report established the cost growth benchmark values for five years:
 - 2021: 3.4%
 - 2022: 3.2%
 - 2023-2025: 2.9%
- The benchmark provides a **target** toward which payers and providers can aim with the goal of making Connecticut's annual healthcare cost growth more sustainable.
 - There are no penalties for exceeding the benchmark.

Primary Care Spend Target

- A primary care spend target is an expectation for what percentage of healthcare spending should be devoted to primary care.
- OHS established a 2021 primary care spend target of 5.0 percent.
 - This is a conservative target given the current best estimate of statewide spending on primary care is 4.8 percent.¹
 - Executive Order #5 requires that this target reach 10 percent by 2025.
- In 2021, the Primary Care and Community Health Reforms Work Group will consider approaches to achieving increased primary care spending.
 - In late 2021, this Work Group will recommend to OHS primary care spend targets for 2022-2024.

¹OHS calculated a statewide weighted average of current primary care spending by total health care expenditures. Commercial and Medicare data were from UConn and Medicaid data were from Freedman Healthcare and the Department of Social Services.

Monitoring

- Technical Team and Stakeholder Advisory Board raised concerns that the cost growth benchmark might cause providers to reduce healthcare services inappropriately.
- While other states with cost growth benchmarks have not documented such “stinting,” OHS developed a monitoring approach -- using DSS’s PCMH+ Under-Service Utilization Monitoring Strategy as a starting point.
- This monitoring plan will include measures to track preventive care and access to care, and to detect under-service.
- OHS developed a preliminary set of recommended monitoring measures in November 2020, and is refining it based on advisory body input.
- OHS will release a revised and adopted monitoring plan later this month.

Quality Benchmarks

- Quality benchmarks are targets that all public and private payers, providers and the State must work to achieve to maintain *and improve* healthcare quality in the state.
- In 2021, the Quality Council will develop recommendations on quality benchmarks across all public and private payers for OHS to implement in January 2022.
 - OHS will gather input from the Technical Team and Stakeholder Advisory Board and convey it to the Quality Council.

Stakeholder Engagement

- In 2020, OHS conducted nine meetings with stakeholder organizations.
- In 2021, OHS is planning to continue with stakeholder engagement, with a focus on seeking the input of consumers – especially Black, Indigenous, and People of Color (BIPOC) communities.
- In late 2021, OHS will engage stakeholders in examining factors that are driving healthcare cost growth in order to inform strategies that will support the success of Connecticut's Healthcare Benchmark Initiative.
 - An initial APCD-based analysis of factors driving cost growth in commercial coverage will be published in early 2021.

Stakeholder Engagement

- OHS will be working with community and civic organizations to conduct educational briefings about the Healthcare Benchmark Initiative.
- OHS is seeking the input of consumers themselves – with particular attention to hearing input from BIPOC communities.
- OHS will continue providing briefings for stakeholders such as legislators, MAPOC, hospitals, payers, providers, employers, and more

Request for Input

- From your perspective, what is driving up healthcare cost and making healthcare unaffordable for Connecticut residents?
- We welcome additional comments!
 - Please email us at OHS@ct.gov using the subject line “Healthcare Benchmark Initiative”