December 7, 2016

To: Fellow Health Care Cabinet members
From: Ellen Andrews
Re: Qualidigm's testimony

I am writing in response to both Qualidigm's testimony on the Cabinet's draft health reform recommendations and DSS's response. I share Commissioner Bremby's surprise and concern after reading Qualidigm's assertions. I agree with DSS's corrections of Qualidigm's misstatements, described below, but I especially want to address their assertion that "some dissenting consumer advocate voices who are attempting to manage the process using fear and uncertainty and cautioning the state that the only answer is a fee-for-service model." Qualidigm is incorrect.

Qualidigm's characterization of consumer advocates is uninformed. Among the many developments in Medicaid and elsewhere across Connecticut's health system that Qualidigm missed, is the considerable time and effort devoted by many independent consumer advocates to developing Medicaid's PCMH + program. As members of the Cabinet know, but Qualidigm may not be aware, PCMH + is a shared savings model that moves the program away from the fee-for-service system Qualidigm condemns. Independent advocates have spent many hours researching best practices, analyzing proposals, and working collaboratively with DSS and all stakeholders in a very open process to ensure the program has every opportunity for success improving value.

I am also puzzled by Qualidigm's enthusiasm for re-imposing financial risk on Connecticut's Medicaid program. As the Commissioner described, the program has improved immensely since we dropped the managed care companies (MCOs) who assumed financial risk from the program. Over the last four years, we have made consistent and significant progress improving quality, expanding access to care, engaging more providers to participate, improving consumers' experience of care, and lowering per person costs. The program is not perfect, but it is far better than it was.

For much of the Medicaid MCOs' tenure, Qualidigm was contracted by the state to evaluate the program that "failed spectacularly". However in regular reports to the Medicaid Managed Care Council (now MAPOC) and in their written reports, Qualidigm consistently gave the MCOs very positive reviews. We were given no hint of the many problems in the program despite overwhelming evidence of reduced access, grossly inadequate provider panels, and massive waste of taxpayer dollars. Advocates are not "attempting to manage the process using fear and uncertainty". We know how bad the program was, as should Qualidigm, and no one wants to return to that.

I am happy to see that Qualidigm agrees with independent advocates that Connecticut providers are already at de facto downside risk because of the need to recoup substantial investments in ACO

systems. However, as it is generally agreed that health costs have continued to skyrocket (the "burning platform"), this provides more evidence that downside risk doesn't work. We clearly need a different solution. If Qualidigm listened to the successes of Connecticut's Medicaid program, they might find those better solutions.

I also want to affirm the Commissioner's responses to Qualidigm's statement that Connecticut Medicaid is moving robustly toward real value-based purchasing through our person-centered medical home, intensive care management, PCMH + plan, rebalancing long term supports and services, and meaningful collaborations with social service providers to address social determinants of health. I also agree strongly with DSS's correction of Qualidigm's assertions doubting Connecticut Medicaid's progress in controlling per-person costs of care. DSS has been very transparent with their data and their findings are consistent with budget documents and analyses from other state sources. I urge Qualidigm to look more closely at the data, without bias, and not rely on secondary sources.

Thank you for the opportunity to join DSS in setting the record straight. I agree completely that facts do matter and we can't successfully reform our state's health system without them.