Lt Governor's Letterhead

Healthcare Cabinet Meeting Summary

December 13, 2016

Agenda Item	Topic	Discussion	Action
1.	**Call to Order and Introductions**	The Lieutenant Governor welcomed everyone to the meeting and noted that the Cabinet will discuss the final report and public comments that were received. She thanked Megan Burns, Marge Houy and Michael Bailit for their work on this project, and to everyone who submitted comments. She noted that the Cabinet would discuss each strategy one-by-one and ask whether individuals wished to switch their vote based on the comments received. She noted that the Cabinet could meet by conference call next week, if need be. Lastly, she said the strategies to reduce the costs of pharmaceuticals will be on the agenda for next month.	
2.	**Public Comment**	No public comment was offered at this meeting.	
3.	**Review and Approval of Minutes**	The Cabinet approved the November 15, 2016 minutes.	
4.	**Discussion of Draft Final Report and Discussion of Public Comment – VOTE**	Megan Burns, Sr. Consultant Bailit Health, noted that the Cabinet will review the final report, which was meant to be a good representation of the last 12 months. She asked the Cabinet for feedback. <u>Overall Comments on the Report</u> • Ellen Andrews said that the extent of disagreement among the Cabinet members was missing from the report. She said she didn't think her voice was reflected. She said the reports needs to acknowledge that the recommendations were a majority opinion, not a universal opinion. She also requested that each individual vote be	Megan Burns is to incorporate the action items from the meeting's discussion into the final report.

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		made public. • The Lieutenant Governor said that if the Cabinet wants to identify each individual's vote they can, but she does not support doing so. She said that the report should show there were different opinions and that everyone didn't agree and show the vote tally. • Megan agreed to add that to the report. • Frances Padilla identified inconsistencies in the language of the report. She said that the Cabinet's charge was to "recommend" and that the report should not use language like "Cabinet wishes to" or "the Department shall" as it sounds too legislative. She suggested the report be edited with that lens, and Megan agreed. <u>Strategy #1A: Build on the SIM Agenda and Current Success in the Medicaid Program</u> • No comment. <u>Strategy #1B: Provide More Coordinated, Effective and Efficient Care through Consumer Care Organizations</u> • Frances said she was uncomfortable with a definitive timeline when there is not enough evidence regarding intended and unintended consequences from shared risk. She thinks the CCO strategy is worth planning and designing for informed by evidence in evaluation. She said it was premature to say we are going to risk sharing and to commit to a timeline. Rather, she thinks the Cabinet should more generally recommend consideration of shared risk a) after evaluation of PCMH+ and other states' experience and b) after we know what happens in Washington, and c) after we assess the impact on consumer and providers, and d) after assessing DSS' ICM program, and d) after we better understand OSC's ACO program. In sum, she recommended no hard recommendation on risk sharing. • Pat Baker said that she recommends real-time learning, but she	

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		would have a hard time supporting taking shared risk off the table. She thinks the Cabinet needs to talk more about outcomes. Until we pay for outcomes, racial and ethnic disparities will not be abated. She supports an evaluation, but would not support removing language around risk. • Frances clarified to say that shared risk shouldn't go away, but we should learn how best to implement it. • Dr. Bill Handleman said he supported Frances. Physicians won't participate, especially since the benefit goes to primary care providers and sick patients need subspecialty care. He said rewards should be quality-based, as is true in the Next Gen model. We should look at that model. • Megan clarified a few points (1) the CCO model is voluntary and that the incentive built into the CCO model was that the shared savings was more generous than in PCMH+ to encourage participation. (2) She said the CCO is not focused just on high need populations, but on the total population and we have addressed how to address risk mitigation for high cost/high need pops. (3) Finally, the recommended model is similar to Next Gen where shared savings are contingent on quality - any maybe losses mitigated for good quality. • Josh Wojcik said that the Office of the State Comptroller shared some of Frances' concerns and her direction is appropriate. He said it would be good to have time to evaluate OSC's ACO contracting in the commercial world and PCMH+ experience. We said there needs to be a process for evaluation involving stakeholders. • Frances recommend the State use time between now and 2019 to design a real-time evaluation of PCMH+. • Ellen Andrews asked Frances whether she was proposing not to make a firm commitment to downside risk. • Frances replied saying yes, it is premature to decide to go to	

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		downside risk, but we should consider it since this is the national direction. • Kurt Barwis said the CCO model is voluntary. What we have here in the recommendations works. It requires someone who has thought this through to do this. He said he likes the way this is written. He doesn't want to have to create a process to plan. • Bonita Grubbs asked how consumer experience can be promoted. She said care needs to be exercised in implementation, something that can't be addressed in recommendations. She expressed concerns about a changing environment, not having a PCMH+ evaluation and the impact on consumers. She is concerned about implementation and roll-out. • The Lieutenant Governor asked Josh whether OSC had downside risk in the ACO contracts and he replied that OSC is direct contracting shared savings models, but he assume OSC will move to downside risk; and wants to be careful. We want to be smart about how we do it, he said. • Ellen Andrews said Kurt's intentions are good, however, the path with somewhere is paved with good intentions. Until we have the monitoring in place, and we are sure this will work, it is premature. • Bob Tessier said this recommendation is about attempting to put in place a structure and a system where we as a state and as consumers can have a hope that we will get what we are paying for. The current system lacks coordination. This will hopefully be a step in that direction. The whole system is moving towards shared risk and tying payment to care. The recommendation is well written and gets to where we need to go. • The Lieutenant Governor asked who wanted to change their vote and a new vote was held. The vote was 11-8 in favor of the proposal. • The Lieutenant Governor said Frances' statement could be	

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		included as an attachment because the vote was close. • Pat said she commends diversity of opinion and a summary should be in the body of the report, and specificity should be in the appendix. • Ellen Andrews said that the executive summary should reflect that there were close votes on two strategies. We should also reflect in the body that public opinion was opposed to the CCO strategy. • Frances said she was okay with language at the beginning of the report, and in each strategy, a listing of the votes, and then a referencing to dissenting opinions in the appendix. • Megan agreed to make the requested changes. Strategy #1C: Create Community Health Teams to Address Complex Health Care Needs • Josh asked whether CHTs were to be focused on PCMH+ practices and noted that PCMH+ practices might be part of large groups and ACOs who have the resources to create their own complex care teams. He suggested the recommendation target smaller practices instead. • Megan noted the "+" in the first reference to PCMH is a typo and the CHTs were meant to support PCMH practices. She noted that she would correct that typo. • Kurt asked whether it had to be PCMH practices. He suggested it be for any group of physicians or patients. • Megan said the intent was to help PCMHs. The costs would go higher if it was applied to more practices, however, the report does not have to specify PCMHs. • Ellen said she understands Kurt's point, but because resources are limited and because this is an incentive for primary care practices to become PCMHs, she favors retaining the current language. She didn't think it could work with a non-PCMH without a care coordinator. • Kurt said he attended his first CHT meeting a couple of weeks ago	

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		and they discussed patients without PCPs, let alone a PCMH with success. • Ellen noted that what Kurt was describing is different than the VT Blueprint. • Megan asked the Cabinet whether this strategy be broadened beyond PCMH? • Anne Foley agreed with Ellen because we have limited resources. • Bill Handleman noted some practices don't have the manpower to do more, let alone become PCMH practices. • Bob Tessier suggested leaving it focused on PCMH practices, but make the point that if and as resources become available, expand it beyond PCMH practices. • The Cabinet agreed to Bob's suggestion and Megan noted she would make the change in the report. • The final vote tally for this recommendation was 14-3 in favor. <u>Strategy #2A: Create a Health Care Cabinet Working Group to Recommend How to Define and Best Implement a Health Care Cost Growth Target</u> • No comments were made. • The final vote tally was 16-1 in favor. <u>Strategy #2B: Set Targets for and Adopt Value-Based Payments</u> • No comments were made • The final vote tally was 9-9. The Lieutenant Governor requested the strategy remain in the report for legislative review only. <u>Strategy #3: Coordinate and Align State Strategies by Creating an Office of Health Strategy</u> *With respect to how the Health Care Cabinet should be modified:* • Ellen requested that consumers be added to the stakeholder listing, or rather, that there be no list and the Legislature	

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		decide. • Megan said the report discussed the Cabinet getting more consumer input. • Pat said the report should describe board sectors instead of the current specificity to which Frances agreed. • Bonita said when you list sectors your lose intentionality. • The final decision was to have broader language and use a list (that was inclusive of consumers) to describe what the health sectors might be. The final vote tally was 15-3 in favor. <u>Strategy #4: Support Market Competition by Expanding the Attorney General's Powers</u> • Frances asked that the report make it clear that the AG should produce a report annually and Ellen asked that it be produced "at least annually." • The Cabinet agreed and Megan will make the changes to the final report. The final vote tally was 18-0 in favor. <u>Strategy #5: Support Provider Transformation by Augmenting Existing Funds and Programs</u> • There was no discussion The final vote tally was 15-3 in favor <u>Strategy #6: Support Policy Makers with Data</u> • Josh Wojcik wondered if the recommendation should reference the APCD and wanted to ensure that it was clear that the APCD could provide information and that the HITO would	

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<tr><th>Agenda Item</th><th>Topic</th><th>Discussion</th><th>Action</th></tr>
<tr><td></td><td></td><td>coordinate its work with the APCD.

The final vote tally was 17-0 in favor with one abstention.

Strategy #7: Incorporate Evidence into State Policy Making
• Several votes were changed, but no substantive discussion took place.

The final vote tally was 13-5</td><td></td></tr>
<tr><td>4.</td><td>Wrap Up and Next Steps</td><td>There were several suggestions for next steps including:
• Kurt Barwis suggested that the Health Care Cabinet do a legislative briefing for elected officials. The Lieutenant Governor supported this idea and suggested that it occur at the beginning of the next session with the committees that would be affected by this report.
• Ellen Andrews thought there would be a hearing and that each Cabinet member would have the opportunity to voice their own opinion.
• Regarding pharmacy, the Lieutenant Governor said it will be discussed at the next meeting and the report could be amended to reflect the conversation. She also noted that the Cabinet will need to consider how to define its agenda for 2017 given the Next Steps section of the report.
• Bonita Grubbs noted that trust needs to be discussed.</td><td>The Lieutenant Governor to explore the possibility of setting up a special legislative briefing.</td></tr>
<tr><td>5.</td><td>Adjournment</td><td></td><td></td></tr>
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