

Cost Growth Benchmark Stakeholder Advisory Board Meeting

Meeting Date	Meeting Time	Location
May 14, 2020	4:00 pm – 5:30 pm	Webinar/Zoom

Participant Name and Attendance

Stakeholder Advisory Board					
Victoria Veltri		Kathy Flaherty		Janice Henry	
Reginald Eadie		Sal Luciano		Janice Perkins	
Janice Henry		Christine Cappiello		Marie Smith	
Hector Glynn		Howard Forman		Pareesa Charmchi Goodwin	
Rick Melita		Kathy Silard		Richard Searles	
Ted Doolittle		Ken Lalime		Rick Melita	
Lori Pasqualini		Marie Smith		Robert Kosior	
Nancy Yedlin		Howard Forman		Victoria Veltri	
Others Present					
Michael Bailit		Margaret Trinity			
Megan Burns		Marian Wrobel			
Members Absent:					
Holly Kidney		Margaret Flinter		Tekisha Everette	
Karen Gee		Mary-Beth Fairchild			

Meeting Information is located at: <https://portal.ct.gov/OHS/Services/Cost-Growth-Benchmark/Stakeholder-Advisory-Board>

Agenda	Responsible Person(s)
1. Welcome and Introductions Victoria (Vicki) Veltri called the meeting to order at 4:02pm. Megan Burns conducted a roll call. Vicki Veltri introduced the Board members.	Victoria Veltri, OHS
2. Public Comment There were no comments from the public.	Victoria Veltri, OHS
3. Governor Lamont's Charge Vicki Veltri reviewed the Governor's Executive Order #5, which directs OHS to: <ol style="list-style-type: none"> develop annual health care cost growth benchmarks by December 2020 for CY 2021-25; set targets for increased primary care spending as a percentage of total health care spending to reach 10% by 2025; develop quality benchmarks across all public and private payers beginning in 2022, including clinical quality measures, over/under utilization measures, and patient safety measures; monitor and report annually on health care spending growth across public and private payers; and monitor accountable care organizations and the adoption of alternative payment models. <p>Kathy Flaherty asked how OHS will develop benchmarks when everything for this year is distorted by the COVID-19 impact. Vicki Veltri acknowledged the pandemic's impact, and said that the cost growth benchmark and primary care target are benchmarks, not mandates. Michael Bailit added that states are undertaking cost growth benchmarks as a long-term strategy and he cited the example of Oregon, which adopted a 10-year benchmark.</p> <p>Vicki Veltri stated that until the onset of the pandemic, Connecticut has been one of the states that spends the most on health care, and health care remains unaffordable to many in the State. In fact, employer-sponsored insurance premiums have grown 2.5 times faster than personal income, she said, adding that affordability is the primary concern that stakeholders share with OHS. Vicki added that Connecticut's employer-sponsored insurance per capita spending grew 17 percent in five years, which concerned the Governor as this level of growth is</p>	Victoria Veltri, OHS

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	<p>unsustainable. Overall, Connecticut’s health care quality is rated “average” when compared to other states, she said, pointing to room for improvement. Vicki noted that the state also has significant disparities in outcomes.</p>		
<p>4.</p>	<table border="1"> <tr> <td data-bbox="162 241 1015 310"> <p>Role of Stakeholder Advisory Board</p> </td> <td data-bbox="1015 241 1567 310"> <p>Victoria Veltri, OHS and Megan Burns, Bailit Health</p> </td> </tr> </table>	<p>Role of Stakeholder Advisory Board</p>	<p>Victoria Veltri, OHS and Megan Burns, Bailit Health</p>
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	<p>Vicki Veltri described four main areas of input for the Stakeholder Advisory Board. The Board’s role is to advise the Technical Team as it develops recommendations for a cost growth benchmark, as well as development of a 10 percent primary care target. There is a complementary data use strategy to use the state’s APCD to analyze cost and cost growth drivers, and Vicki stated that the Board would provide input to the Technical Team on this topic as well. In addition, she stated that beginning in CY 2022, quality benchmarks will be developed for both public and private payers and this work will be coordinated across OHS, DSS and the OHS Quality Council, with input from the Stakeholder Advisory Board. Vicki Veltri reviewed the key deliberating bodies providing input and advice to the process.</p> <p>Kathy Silard expressed concern that OHS is tackling the benchmark during the pandemic. She stated that Stamford Health is committed to addressing health care costs. She noted that Stanford Health has lost \$25 million a month during the pandemic. Kathy questioned whether the cost growth benchmark initiative is realistic during the pandemic and within the timeline indicated.</p> <p>Vicki Veltri stated that OHS understands the amount of work being undertaken by hospitals in response to COVID-19 and noted that OHS had been working collaboratively with the State’s hospitals. Despite this, OHS has been directed to move forward. Megan Burns added that the Stakeholder Advisory Board members will continue to consider the impact of the pandemic on the cost growth benchmark initiative as its work progresses.</p> <p>Megan Burns stated that the Governor has asked the Technical Team to develop a cost growth benchmark, explaining that the benchmark is intended to identify a value at which health care spending is to grow no further. Megan explained that the Technical Team will determine how health care spending is to be measured, and the Stakeholder Advisory Board will provide input to the Technical Team on this topic. Megan stated that with regard to the primary care target, the Advisory Board will provide input to the Technical Team on defining what services should be considered as primary care for purposes of establishing the primary care target. She noted that another area of input will be how to establish interim primary care targets, leading up to 10 percent primary care spend by 2025. She noted that the work of the New England States Consortium Systems Organization (NESCSO) will inform the work of the Technical Team and the Stakeholder Advisory Board.</p> <p>Megan Burns described the data use strategy under the cost growth benchmark initiative, which is a complementary strategy under which Bailit Health’s partner, Mathematica, will develop recommendations on how to utilize the State’s APCD to analyze cost and cost growth drivers. Megan stated that the Stakeholder Advisory Board will review preliminary recommendations on this topic and provide their input to the Technical Team. She added that the Stakeholder Advisory Board will also provide input on the development of annual health care quality benchmarks, and Bailit Health will convey the Board’s input to the Quality Council as this work proceeds.</p> <p>Kathy Flaherty expressed concern that the quality benchmarks will not be implemented until later. She also noted that Medicaid already has significant quality controls, so she is concerned about applying a benchmark to the Medicaid program. Megan Burns clarified that the benchmark is a goal, not a cap; if Medicaid is already achieving the benchmark that will be great. She noted that there will be important foundational work to develop the quality benchmarks in advance of 2022, she said. Vicki Veltri stated that accountability for the quality benchmarks does not start until 2022, but OHS is committed to sharing quality data that are currently available in advance of that timeframe. She added that leadership in the Medicaid program is supportive of operating under this benchmark.</p> <p>Marie Smith asked how work done previously under the SIM Primary Care Modernization Initiative will factor into the program. Vicki Veltri replied that work conducted previously under the SIM Primary Care Modernization</p>		

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	Initiative would help contribute to the work ahead on the primary care target. She added that the primary care target is intended to make primary care more reliable, and more sustainable.	
5.	Charter and Bylaws	Megan Burns, Bailit Health
	<p>Megan Burns reviewed the Stakeholder Advisory Board charter, and information found in the Board’s bylaws. Megan invited feedback and promised to provide an updated charter and bylaws at the Board’s next meeting. Kathy Flaherty stated that she would provide input in writing following the May 8th meeting. Vicki Veltri noted that any comments submitted in writing would be shared with the Stakeholder Advisory Board prior to its next meeting, and that the Board would vote at its next meeting on the final charter and bylaws.</p> <p>Rick Melita, representing the Services Employees International Union, asked about conflict of interest related to serving on the Stakeholder Advisory Board. Vicki Veltri noted that members of the Board could absent themselves from a vote in the case of a conflict of interest. Vicki stated that the Connecticut Code of Ethics does not apply to advisory boards.</p>	
6.	Health Care Cost Growth Benchmark	Michael Bailit, Bailit Health
	<p>Sal Luciano stated that COVID-19-related loss of employer-sponsored coverage will be a significant issue moving forward. Vicki Veltri noted that the state has seen a substantial increase in its Medicaid population as a result of the pandemic.</p> <p>Michael Bailit explained that a cost growth benchmark is a per annum rate of growth benchmark for health care spending in the state. He noted that a handful of other states have implemented a cost growth benchmark, and that the Advisory Board will examine these efforts. He added that Connecticut’s health care cost growth benchmark will need to be tailored to the state. He noted that in the other states that have implemented a benchmark, those states have utilized advisory bodies. Michael Bailit stated that Delaware and Rhode Island’s benchmarks became effective last year, and Oregon is working on a benchmark to be implemented in 2021 or 2022. Massachusetts implemented its benchmark in 2013.</p> <p>Michael Bailit reviewed the logic model for a cost growth benchmark. He noted that the benchmark is intended to motivate plans, providers and the State to take action to ensure the target is not exceeded. He said that a goal is to motivate this action by means of planned performance transparency, performance improvement plans, and also by improved cost and utilization information from OHS. Michael noted that a cornerstone of this effort is that OHS will provide better public information on costs and cost drivers, using the state’s APCD, to inform and align policy efforts and stakeholder action.</p> <p>Michael Bailit stated that a cost growth benchmark measures Total Health Care Expenditures (THCE), which is comprised of three elements: Total Medical Expense (TME), patient cost sharing, and Net Cost of Private Health Insurance (NCPHI). He explained that these three elements are summed to determine THCE, and that THCE does <u>not</u> include: non-medical spending made by payers, vision or dental care that is not otherwise covered by a medical plan, and costs incurred by providers for which there is no payment made by a payer (for example, cost of treatment for the uninsured). He said that while this is the common approach that has been undertaken by other states, the Technical Team and the Advisory Board may wish to adopt a different approach for Connecticut.</p> <p>Michael Bailit reviewed the approach undertaken by other states, noting that Massachusetts enacted its benchmark as part of a legislative package of health care reforms in 2012. In contrast, he stated that Delaware and Rhode Island enacted cost growth benchmarks by means of executive orders. Michael said that because Massachusetts started its benchmark program in 2012, it has more data available on their cost growth benchmark experience than the other states. He reported that the Massachusetts cost growth benchmark experience has been dramatic, with annual health care spending growth averaging 3.38 percent (below the state benchmark) from 2012 to 2018, with the greatest impact on commercial spending growth, which has been below the national rate every year since 2013. He shared several observations made in Massachusetts about the benchmark’s impact, including that payer and provider negotiations were conducted with the State’s benchmark in mind.</p>	

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Michael Bailit reviewed the proposed stakeholder engagement plan, and described two phases of the plan. During Phase I, OHS will focus on soliciting input during the formative development of the cost growth benchmark and primary care spending target. During Phase II, OHS will shift to educating stakeholders on the impact of the benchmarks.

Pareesa Charmchi Goodwin noted that dental expenses are typically not included in creating benchmarks. She noted that the state is fortunate to include dental services in its Medicaid program, but that it is an ASO program. She noted the affordability issue associated with dental care. She asked about the availability of metrics for dental and vision related to quality and safety.

Megan Burns explained that when dental is included as a medical benefit, dental spending is included in the per capita spending value. As a result, she noted that Medicaid dental expenditures are typically included in benchmark value determination, but not commercial insurance dental expenditures. Pareesa Charmchi Goodwin noted the importance of greater electronic connectivity across dental providers.

Nancy Yedlin suggested two additional stakeholder groups with which to work. The first was the State Health Improvement Planning Commission (SHIP), a multi-stakeholder group convened by DPH, which includes education and housing representatives. She stated that this group had not met recently and that it would be helpful to gather its input as part of the stakeholder engagement activities. She also suggested CONECT, an interfaith group that works on a range of social justice issues, including health care access, affordability and equity. Vicki Veltri noted that OHS recently undertook a survey with DPH related to SHIP engagement.

Kathy Flaherty suggested that the stakeholder engagement effort include input from the Cross Disability Lifespan Alliance, The Ministerial Health Fellowship, and the Protect Our Care Coalition.

Robert Kosior raised the issue of access to health care, and stated that he would like to see more transparency on this issue.

In response to a question, Megan Burns said that behavioral health services are included in the benchmark undertaken by other states, in some cases the state makes an estimate using data from members that have similar products. She added that this topic will be part of the Technical Team’s discussions.

7.	Wrap Up & Next Steps	Victoria Veltri, OHS
Vicki Veltri reported that OHS will schedule additional meetings of the Stakeholder Advisory Board, and thanked its members for their input during the May 14 th meeting.		