

## 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
July 24, 2023	3:00 pm – 5:00 pm	Zoom Meeting <a href="https://us02web.zoom.us/j/86419983822?pwd=Ymkzb0U4VFgxbFRVNERRNmVtSjc1Zz09">https://us02web.zoom.us/j/86419983822?pwd=Ymkzb0U4VFgxbFRVNERRNmVtSjc1Zz09</a>

Participant Name and Attendance   Steering Committee Members					
Timothy Archer	R	Deidre Gifford (Chair)	R	Lori Pasqualini	R
Joanne Borduas	R	Paul Grady	X	Kathy Silard	R
Ayesha Clarke	X	Angela Harris	R	Marie Smith	X
Stephanye Clarke	R	Paul Lombardo	X	Stephen Traub	R
Tiffany Donelson	R	Andy Markowski	X	Chris Ulbrich	X
Ted Doolittle	R	Chris Marsh	R	Kristen Whitney-Daniels	R
Judy Dowd	X	Susan Millerick	R	Josh Wojcik	R
Jeff Flaks	X	Cassandra Murphy	R	Gui Woolston	X
Lou Gianquinto	X	Chris O’Connor	X		
Jeannina Thompson, OHS	R	Hanna Nagy, OHS	R	Michael Bailit, Bailit Health	R
Krista Moore, OHS	R	Cindy Dubuque-Gallo, OHS	R	Matt Reynolds, Bailit Health	R
Abby Alter, OHS	R	Olga Armah, OHS	R		
	R	<b>R = Attended Remotely; IP = In Person; X = Did Not Attend</b>			

Agenda			
	Topic	Responsible Party	Time
1.	<b>Welcome and Roll Call</b>	<b>Deidre Gifford</b>	<b>3:00 pm</b>
	Deidre Gifford welcomed everyone to the July 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.	<b>Public Comment</b>	<b>Members of Public</b>	<b>3:05 pm</b>
	Deidre Gifford offered the opportunity for public comment. There were no public comments.		
3.	<b>Committee Action: Approval of May 22, 2023 Minutes</b>	<b>Steering Committee Members</b>	<b>3:10 pm</b>
	Chris Marsh motioned to approve the minutes. Kathy Silard seconded the motion. There was no opposition nor any abstentions. The minutes were approved.		
4.	<b>Review of Relevant 2023 Legislation</b>	<b>Cindy Dubuque-Gallo</b>	<b>3:15 pm</b>
	Cindy Dubuque-Gallo reviewed the legislation that passed during the 2023 session that is relevant to the Steering Committee, including legislation related to: <ul style="list-style-type: none"> <li>• drug discount card program and centralized purchasing;</li> <li>• drug patent notification;</li> <li>• pharmaceutical marketing firm sales representative registration;</li> <li>• pharmacy benefit manager study;</li> <li>• reporting of drugs with substantial cost to the State;</li> <li>• facility fees;</li> <li>• Certificate of Need;</li> <li>• 340B reporting and study</li> <li>• Medicaid and Medicare Advantage Studies;</li> </ul>		

- healthcare competition and transparency;
- tiering selection transparency, and
- maternal health.

Susan Millerick asked how the drug discount card would work for insured patients. Josh Wojcik replied that the use cases for the card were for the uninsured, individuals who had not yet hit their deductible (though using the discount card would not count against their deductible), scenarios where the discount card is cheaper than the co-pay for a drug, and when a drug is not covered by one’s plan. Susan asked if the card would apply to things like test strips and syringes. Josh replied that it would. Shawn Frick asked if the drug discount card was an opt-in program. Josh replied that getting the word out about the program was going to be very important and the biggest challenge. Josh welcomed anyone to reach out to him with suggestions for how to do so.

Chris Marsh asked who would perform the PBM study and when. Cindy Dubuque-Gallo replied that she would send Chris the legislation. Deidre Gifford noted that the legislature did not provide a budgetary appropriation for the study so OHS was still working out the best path forward, but she said she believed OHS had to submit its recommendations to the legislature by January 1<sup>st</sup>, 2025.

Susan Millerick asked what the Medicare Advantage study would be assessing. Deidre Gifford replied that the study would look at the operational and financial impact of Medicare Advantage policies and procedures on Connecticut hospitals.

<b>5.</b>	<b>Pharmacy Cost Mitigation Strategies Work Group Update</b>	<b>Michael Bailit</b>	<b>3:45 pm</b>
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Michael Bailit reminded members that OHS convened a Pharmacy Cost Mitigation Strategies Work Group in the fall of 2022, which recommended in April that OHS pursue the following four pharmacy-specific cost mitigation strategies: reference-based pricing, PBM strategies, inclusion of pharmacy expense in Total Cost of Care contracts, and state-contracted production of generic drugs. Michael then reminded members that they, after reviewing these recommendations, advised OHS and the Pharmacy Cost Mitigation Strategies Work Group to continue the work necessary to determine how to best implement the strategies in Connecticut.

Michael then shared that since the April Steering Committee meeting, the Pharmacy Cost Mitigation Strategies Work Group had met twice, with a third meeting to take place on July 27<sup>th</sup>. Following the third meeting, Michael noted that the Work Group should have completed discussions on reference-based pricing as well as state-contracted production of generic drugs.

Michael notified the Steering Committee that in parallel with OHS' Pharmacy Work Group, the Peterson-Milbank Program for Sustainable Health Care Costs convened a Cross-State Pharmaceutical Pharmacy Work Group (comprised of representatives of CA, CT, MA, OR, RI and WA) to develop a coordinated strategy on pharmacy price legislation to champion in the 2024 legislative session. Michael noted that the Cross-State Work Group was focused on reference-based pricing and drug price growth caps.

Finally, Michael shared that OHS planned to bring the Pharmacy Cost Mitigation Strategies Work Group’s recommendations, which would be informed by conversations held by the Cross-State Work Group, to the Steering Committee in the fall.

Chris Marsh asked if the Pharmacy Cost Mitigation Strategies Work Group was following the Maryland model. Michael Bailit replied that the Work Group was not. Chris asked if the Work Group was only looking at drug costs or all the costs associated with the pharmaceutical system. Michael noted that payment per prescription was the focus since it was driving commercial market spending growth more than utilization. Chris asked if the Work Group was focusing on statewide spending or patient-level spending. Michael replied that at the benchmark level, OHS was looking at “allowed” spending, which was comprised of third-party payer payments as well as out-of-pocket patient spending obligations.

Angela Harris asked if the drug discount card savings would be factored into this work and if other states were using drug discount cards as well. Michael Bailit replied that he would have to look into Angela’s question.

6.	Public Hearing Takeaways and Next Steps	Deidre Gifford	4:00 pm
	<p>Deidre Gifford shared the following potential next steps identified following OHS’ first annual public hearing held on June 28<sup>th</sup>:</p> <ul style="list-style-type: none"> <li>• gaining a better understanding of how long it takes for a drugs research and development costs to be recouped and the percent of a drug’s price that is attributable to research and development;</li> <li>• increasing transparency of net prices vs list prices and making sure rebates are passed along to consumers;</li> <li>• examining inpatient <i>and outpatient</i> spending and utilization when identifying hospital significant contributors;</li> <li>• considering patient acuity when tracking a standard market basket of service prices</li> <li>• gauging provider experience with risk-based contracting;</li> <li>• convening a SC subgroup to examine data on price paid per admission and to determinate what metric to use to assess hospital price growth;</li> <li>• expanding OHS’ alternative payment methodology data request to capture more than just the HCP-LAN categories, and</li> <li>• a series of suggestions that arose during the Advanced Network roundtable discussion.</li> </ul> <p>Ted Doolittle suggested that the legislature look into requiring participation from pharmaceutical manufacturers at future public hearings.</p> <p>Deidre Gifford noted that New Jersey passed legislation related to PBM transparency that she suggested OHS staff send out to Steering Committee members to review. Michael Bailit added that Oregon can statutorily require product-specific rebate information.</p> <p>Susan Millerick asked how many community health workers (CHWs) are in Connecticut, who they are billing, and who Advanced Networks were suggesting that they bill.</p> <ul style="list-style-type: none"> <li>• Deidre Gifford replied that currently, CHWs were being paid in a variety of ways (e.g., funding to community action agencies, ARPA funding, through the overall funding structure of a federally qualified health center) but noted that CHWs could not currently bill for specific services. Deidre added that DSS would be looking into better methods for CHW payment.</li> <li>• Kathy Silard said there were not enough CHWs and that more funding for CHWs was needed.</li> <li>• Joanne Borduas noted that at federally qualified health centers, CHWs were hired as care navigators / coordinators and that they are also utilized during open enrollment.</li> <li>• Cindy Dubuque-Gallo shared that the Department of Public Health reported 240 licensed CHWs in 2021.</li> <li>• Angela Harris noted that a lot of the people “doing the work” are not formally certified as CHWs and thus would not be counted by DPH. Angela added that this would likely continue until there is funding for those certified to be paid for their services.</li> </ul> <p>Deidre Gifford noted that prior to the meeting, OHS distributed a survey asking Steering Committee members to provide input on policy areas to focus on to slow healthcare spending growth in Connecticut. Deidre noted the survey was based on a <a href="#">Commonwealth Fund report</a> outlining 10 potential strategies. Deidre shared that OHS received seven survey responses. Deidre reported that based on the seven responses, the highest priority policy was containing growth in drug prices, followed by improving oversight of provider consolidation, and then improving behavioral health crisis systems. Deidre shared that the lowest priority policy was capping provider payment rates or rate increases, followed by reducing administrative waste, and finally developing enforcement policies for entities that do not meet the benchmark. Deidre invited members to weigh in on the strategies listed on the survey or to suggest any other policy ideas. Deidre also invited additional feedback via email.</p> <p>Kathy Silard underscored the need for additional support for addressing behavioral health issues. Kathy said she was glad to see that both penalties for not meeting the benchmark and capping payment rates/rate increases were deemed to be low priority by survey respondents. Kathy said she thought that primary care access needed to improve before population-based provider payment could be expanded. Kathy added that</p>		

she thought there were already effective laws in place in Connecticut related to consolidation, though she thought it was myopic to not look at for-profit and private equity acquirers of providers. Kathy concluded by saying she would love to see responses from more members. Deidre suggested that OHS send the survey out again to get additional responses.

Ted Doolittle noted that the highest and lowest priority policies were similar in concept, so Ted wondered if wording played a role since the drug prices policy used the phrase “containing growth” while the provider rates policy used the term “capping.” Ted Doolittle said his priority would be to address prices in as direct a manner as possible.

Joanne Borduas noted that some contributors to price growth that were “uncontrollable” were worth discussing, e.g., the aging population.

Kristen Whitney Daniels noted that while she thought improving behavioral health systems was necessary, she was worried about potential adverse consequences, e.g., involvement of policing, incarceration, since the policy proposal for behavioral health was focused on crisis and not prevention. Kristen added that she thought the most impacted populations should be involved in any discussions on the topic.

Susan Millerick asked if anyone in the state was working on improving access to primary care. Deidre Gifford noted that part of the benchmark work was to increase primary care spending and added that OHS had some ideas that it planned to bring to the Steering Committee for discussion in the future.

<b>7.</b>	<b>Wrap-up and Next Steps</b>	<b>Deidre Gifford</b>	<b>4:55 pm</b>
Deidre Gifford stated that the next Steering Committee meeting on August 28 <sup>th</sup> from 3-5 pm would be held virtually.			
<b>8.</b>	<b><u>Committee Action:</u> Adjournment</b>	<b>Steering Committee Members</b>	<b>5:00 pm</b>
Susan Millerick motioned to adjourn the meeting. Angela Harris seconded the motion. The meeting adjourned at 4:51 pm.			

**Upcoming Meeting Dates:**

- Monday, August 28<sup>th</sup>
- Monday, September 25<sup>th</sup>
- Monday, October 23<sup>rd</sup>
- Monday, November 13<sup>th</sup>
- Monday, December 18<sup>th</sup>

**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>