

## **Draft Healthcare Cabinet Special Meeting Minutes**

June 29, 2023

### Legislative Office Building, Hearing Room 1B, 300 Capitol Avenue, Hartford

#### Attendance:

Health Care Cabinet Members			
Deidre Gifford	Nichelle Mullins	Sean Scanlon	
Hussam Saada	Anthony Yoder	Andrea Barton Reeves	
Chris McClure for Cmsr. Navarretta	Miriam Miller for Cmsr. Juthani	Michael Williams	
Ellen Andrews	Cassandra Murphy	Shelly Sweatt	
Paul Lombardo for Cmsr. Mais	Kurt Barwis	Zani Imetovski for Claudio	
		Gualtieri	
Susan Rich-Bye for Chief Exe. Officer			
Michel			
Others:			
Nicole Taylor	Cindy Dubuque-Gallo		
Members Absent:			
David Whitehead	Margherita Giuliano	Patricia Baker	
Danielle Morgan	Alan Kaye	Rev. Robyn Anderson	
Claudio Capone	Claudio Gualtieri	James Michel	
	Ted Doolittle	Jordan Scheff	

	AGENDA	Responsible Person(s)		
1.	Welcome/Introductions	Deidre Gifford		
	The special meeting of the Healthcare Cabinet was held in person on June 29, 2023. The			
	meeting convened at 2:00 p.m. Deidre S. Gifford chaired the meeting. Dr. Gifford stated that she would like to spend the bulk of the meeting discussing members' thoughts about the role of			
	the cabinet in the future. She requested feedback on future agendas and welcomed comments			
	from members to ensure a collaborative process moving forward.			
2.	Public Comment	Public		
	There was no public comment.			
3.	Legislative Update	Cindy Dubuque-Gallo		
	Dr. Gifford introduced Cindy Dubuque-Gallo, the new Legislative Liaison for the Office of Health			
	Strategy, who provided the legislative update for the 2022-2023 session on the following public			
	acts:			
	Drug Discount Card Program (PA 23-171 §1)			
	<ul> <li>The Comptroller shall establish a Drug Discount Card for all state residents.</li> </ul>			
	Allows CT residents (including those with insurance and Medicare) to receive a			
	free Rx discount card with savings up to 80% on generics and 20% on brand			
	name drugs. All FDA approved prescriptions are eligible for a discount. State			
	residents can also receive a digital card accepted at most pharmacies.			



 Comptroller will study centralizing statewide contracts to consolidate purchasing prescriptions. The study will evaluate the potential cost savings, administrative feasibility and other benefits and risks of centralizing and consolidating contracts.

#### Drug Patent Notification (PA 23-171 §2)

 Creates a framework for outreach and education. The DCP with the UCONN school of Pharmacy will make a recommendation on a framework to establish an outreach and education plan for physicians. This plan will let physicians know when a drug patent will expire and become available in generic and when generics' patents have expired.

#### • Pharmaceutical Marketing Firm Sales Representative Registration (PA 23-171 §§ 3&4)

- Pharmaceutical manufacturers who employ sales representatives must register
  as a pharmaceutical marketing firm. The annual registration cost with the
  Department of Consumer Protection (DCP) is \$150 per year and expires annually
  on June 30th.
- Marketing firms shall provide DCP a list of sales reps. Each marketing firm shall provide the DCP a list of all individuals employed by such firm as a pharmaceutical sales representative, and update accordingly.
- Unregistered/unidentified sales representatives shall not perform sale duties.
   Anyone not listed on the list provided to DCP shall not perform the duties of sale representative on behalf of pharmaceutical marketing firm for any prescribing practitioner in the state.
- The Department of Consumer Protection has regulatory authority over pharmaceutical marketing firms. DCP may refuse to issue or renew registrations to operate a marketing firm, may revoke or suspend registrations and assess penalties for violations.

#### • Pharmacy Benefit Manager (PBM) Study (PA 23-171 §7)

Office of Health Strategy with CID to conduct an analysis of PBM prescription drug distribution prices. The study includes examining spread pricing arrangements, manufacturing rebates and transparency, fees charged, financial incentives for adding drugs to health plan formularies and an evaluation of prescription drug distribution practices conducted by pharmacy benefits managers in other states. Such report shall provide recommendations (1) to reduce prescription drug costs for consumers, and (2) for the regulation of pharmacy benefits managers in this state.

#### Reporting Drugs with Substantial Cost to the State (PA 23-171 §8)

- Establishes a preliminary list of top 10 outpatient drugs that are provided at substantial cost to the state. The preliminary list of drugs shall be made available for public comment. If after reviewing public comment the executive director finds that a drug does not exceed the established limits, the director shall remove the drug from the preliminary list prior to publishing the annual list.
- Modifies the criteria for inclusion on top 10 list. Outpatient prescription drugs included on the top 10 list include those with a wholesale acquisition cost that increased not less than sixteen per cent cumulatively during the immediately preceding two calendar years, and not less than forty dollars for a course of treatment.

#### • Facility Fees (PA 23-171 §9)



- Extends facility fee prohibition to certain services on a hospital campus. As of
  July 1, 2024 (unless a contract is already in place), any hospital or health system
  may not collect a facility fee on certain outpatient health care services
  (evaluation & management and assessment & management CPT codes) that are
  provided on a hospital campus. Exclusions include services provided at an
  emergency department (ED) or freestanding ED; observation stays occurring on
  a hospital campus; wound care, orthopedics, anticoagulation, obstetrics, and
  solid organ transplant services.
- Facility fee violations are enforced by OHS. Facility fee violations, other than through isolated clerical or electronic billing errors, may be subject to civil penalty up to one-thousand dollars. One can still seek enforcement through the CT Unfair Trade Practices Act (CUPTA) though removed from statute.
- Enhances facility fee reporting by hospital and health systems. Adds to current reporting requirements that certain data items must be disaggregated as being "on-campus" or "off-campus" of a hospital.

#### Certificate of Need (PA 23-171 §§10-14)

- Enhances OHS enforcement authority for its CON program. Changes the legal standard needed to impose a civil penalty from "willful" to "negligent" and lays out a process for cease-and-desist orders for violating CON provisions. Provides authority to enforce settlement agreements with a civil penalty.
- Promotes public notice of CON proceedings. Improves how notice is given to the
  public of a hearing on a CON application by requiring the applicant to post
  information concerning said hearing on its own website and request it be posted
  in two sites within the affected community, as well as any local health
  department website.
- Improves OHS' access to technical expertise. Allows OHS to retain the services of a subject matter expert at the expense of an applicant.
- Clarifies applicability of CON to scanning equipment. Specifies that scanner with dual modalities or functionalities are not subject to CON if the applicant already offers similar imaging services for each of the modalities and specifies that replacement of nonhospital based linear accelerators is not subject to CON.
- Increases efficiency of CON review. Requires OHS to provide CON determinations within 30 days and make reasonable efforts to limit requests for additional information to two cycles and conclude no later than six months after receiving the application.

#### 340B Reporting and Study (PA 23-171 §§15 & 16)

- Increased protections for 340B covered entities including preventing contract language that excludes a 340B entity from participating pharmacy benefit manager networks based on participation in the 340B Drug Pricing Program.
- Prevents 340B entities from entering contracts that provide lower prescription drug reimbursement rates to such entities; prevent patient's choice to receive a prescription drug from a 340B entity; or impose fees that exceed the fee imposed on non 340B covered entities.
- Department of Social Services to study 340B program and evaluate the current status, national efforts to strengthen and opportunities for state action to protect revenues of Federally Qualified Health Centers from unfair administrative burdens as 340B covered entities.



 Evaluation shall consider ability and legal precedent for states to regulate the conduct of drug manufacturers and PBM; opportunities to facilitate patient access to on-site pharmacies and establish on-site pharmacies across FQHC and examine national trends to sustain 340B.

#### Medicaid and Medicare Advantage Studies (PA 23-171 §17 and §18)

- Medicaid Study
  - Study impact of healthcare outcomes on HUSKY Health members.
     Requires DSS in consultation with relevant stakeholders to conduct an assessment and recommend strategies to address barriers and influences that impact health and healthcare outcomes for HUSKY Health members.
- Medicare Advantage Study
  - CT Insurance Department with the OHS will study the utilization and provider payment practices of Medicare Advantage programs. The study will look at the impact of practices on delivery of hospital services, placement, discharge, transfer, and other clinical care plans. Also looks at the effect of practices on commercial, on-Medicare payment rate and access to services. CID is allowed to utilize a third party for assistance with conducting this study.

#### • Healthcare Competition and Transparency (PA 23-171 §19)

- Prevents anti-compete, anti-steering, and gag clauses in contracts. Prevents health carriers, providers, plan admins and entities from having all-or-nothing, anti-steering, anti-tiering, or gag clauses.
- Clauses existing in current contracts are null and void after July 1, 2024.
- Protects patient privacy (HIPAA).

#### Tiering Selection Transparency (PA 23-171 §20)

- Tiering standards by health insurance companies must be available to health care providers upon request. Health carriers must give a health care provider, upon request, the participating providers' calculated score, related data and description of tiering standards including definitions and specifications of measures related to quality, costs, efficiency, satisfaction, and other factors.
   Requires health carriers to provide 90 days written notice before implementing any changes to standards and measures.
- Provides grievance process. Each health carrier must post on their website the grievance process in plain language for any health provider who seeks a tiering classification appeal.

#### • Electronic Notification to Insureds (PA 23-171 §21)

 Individuals can receive their coverage documents from health carriers electronically. (Paul Lombardo noted this will be opt-in for consumers)

#### • Terminating Healthcare Contracts (PA 23-171 §22)

- When terminating healthcare contracts, each party shall give each other at least 90 days' written notice of intent to terminate the contract. This now applies to hospitals and hospital intermediaries as well. There must be a good faith effort by the carrier to notify all insureds, who are regular patients of a provider, at least 30 days prior to the termination of the contract.
- Maternal Health (PA 23-147)



- Establishes a new license category for freestanding birth centers administered by the Department of Public Health. As of January 1, 2024, any birth center must obtain a license, and no outpatient clinic, unless in emergency, may provide birth center services without a birth center license (§2).
- Increases data collection. The Office of Health Strategy can collect patient level outpatient data from birth centers. Adverse events must be reported to the DPH (§9 and §6).
- O Birthing centers enrolled in Medicaid are exempt from Certificate of Need until June 30, 2028. Birthing centers not enrolled in Medicaid need to apply for and receive a CON. The Office of Health Strategy in consultation with the DPH will study, within available appropriations, whether the exemption should be extended. For such study, OHS must collect data from birthing centers including number of deliveries and referrals, number of patients who are self-pay or insured, demographic characteristics, geographic locations of birth centers, financial assistance provided by birth centers, and any other data deemed necessary (§§ 8&9).
- Establishes a universal nurse home visiting program for families with newborns. The Office of Early Childhood in collaboration with DSS, DPH and OHS, will develop a state-wide universal nurse home visiting services to support parental health, heathy child development and strengthen families. DSS may seek approval for a Medicaid waiver to provide coverage for this program. The agencies may collect data to assess the effectiveness of the program (§16).

#### • Budget Implementer (PA 23-204)

- OHS to assist local boards of education with enrolling paraeducators qualified for health plans, Covered CT or Medicaid into those programs (§205)
- o Creates a paraeducator workgroup. Access Health is the convenor (§206)
- OHS removed from the Racial Equity in Public Health Advisory Committee (§188)
   (Correction: the Commission on Racial Equity in Public Health's membership was
   redesignated as an advisory body and the Commission was mistakenly reported
   as being redesignated as an advisory body during the Q&A discussion)
- Establishes a Step Therapy Taskforce (OHS sits) to study step therapy data collection, including step therapy edits, rejections, and appeals for behavioral health drugs, and the best ways to collect data (§227)

Several discussions ensued for more information please see the meeting's recording link below. <a href="http://ct-n.com/ctnplayer.asp?odID=21946">http://ct-n.com/ctnplayer.asp?odID=21946</a>

# 4. Roundtable Discussion What has worked about the current HCC structure? What would you like to improve about the HCC structure in order to be more effective? What other suggestions do you have for OHS about the structure and conduct of the HCC?

Deidre Gifford started the discussion by noting the statutory citation located at the bottom of the agenda as a refresher to the HCC members in terms of the bodies that are named and the responsibilities of the members. She requested that members provide feedback on what they



thought has worked about the current structure and what would they like to see improved in order to come up with concrete policy recommendations for the Governor.

Paul Lombardo commented that as a senior member of this cabinet representing the Insurance Department, he'd like to see if this diverse group could agree on and establish objectives or goals for a period of time and work towards the goals and grade themselves on whether they are achieving it. He also recommended that the goals be provided to the Governor's office.

Ellen Andrews commented that she agrees with Paul Lombardo and added that she would like to see the group have early discussions on legislative proposals before they become public acts. She expressed that the goals established by the Cabinet should be inclusive to engage all members. She also recommends that materials/presentations be provided in a timely manner, at least a week in advance, to give members time to study the content and do the homework on issues that they might not be familiar with.

Paul Lombardo stated he'd want the group to focus on one or two things to get everybody's perspective and not jump from presentation to presentation before being able to come up with any recommendations.

Nichelle Mullins recommended that the group come up with a set of 3 to 5 goals that can be worked on as a group, based on the Governor's goals to then be able to provide recommendations, strategies, etc., to the Governor. She agreed with Paul Lombardo on the presentations.

Shelly Sweatt stated that seeing the process from beginning to end would be helpful because she has worked on items and did not receive any follow up.

Kurt Barwis commented that there is not enough time to discuss/debate topics. He recommended that there be enough time to debate topics. He agreed with Ellen on getting the materials in advance to be able to prepare. He also agreed with Nichelle Mullins' idea to establish goals.

Paul Lombardo commented that he really likes the idea of having everybody around the table present to talk about the 2 or 3 issues; but does not agree into breaking into subgroups due to loss of connectivity and perspective.

Deidre Gifford recommended that some of the work could possibly get done in between cabinet meetings, as noted in statute, either by members or by subject matter experts. She stated that the group should think about how the work of other cabinet/committees' feeds into this cabinet to avoid duplicate work, but there is an opportunity to possibly have work that's happening in other groups feed into this group while incorporating the recommendation piece which has been missing. She would like to start talking about what topics this group would like to tackle. She asked what their thoughts are going into the 2024 legislative session, and what are their thoughts on what should be worked on in terms of recommendations.

Miriam Miller added that she didn't have specific ideas, but she did think that it would be great if the goals they would establish be considered with an equity lens and ensure that the goals fall under that umbrella.



Ellen Andrews added that she had thoughts about quality because it is important to affordability, she proposes that this be a topic discussed at the HCC cabinet.

Andrea Reeves proposed the group adopt at least in some meetings an opportunity to continue to track outcomes for Maternal Health or at least keep their eye on what's happening with birthing centers and the provisions that were passed. She noted that mortality continues to be an issue and of all of the working groups that she's seen, there wasn't one that she could see that actually was tasked with determining whether what was passed legislatively is going to be implemented properly and whether they are measuring those outcomes to make sure that more women don't die during childbirth.

Deidre Gifford stated that it was a good suggestion, and that the cabinet should ensure coordination with the maternal mortality review committee. They do make recommendations to the Commissioner of DPH, but she doesn't know if they have the specific charter that Commissioner Reeves discussed. Dr. Gifford stated that she will follow up.

Kurt Barwis commented that one of the things that he struggles with is the healthcare access and social determinant issues. He further stated that we ought to look at what are the access issues, what are the barriers to really helping every single person achieve their highest level of health in this state and where are those pockets where it doesn't happen. He wants to know where the issues are, how are those issues being covered and as a city, what are their programs. He stated that you get to hear about all economic side; but he feels like there's not enough attention on the root cause issues of access and there's not enough correlation between how healthy communities mean economic development, that they're an inseparable link between the two and recommended that this be a topic of discussion by the Healthcare Cabinet.

Ellen Andrews commented that she loves the idea but is concerned that we're doing all this to save money in the healthcare system but there's nobody to coordinate other areas such as housing and obtaining healthy foods. The savings that would come from coordinating those aspects and ensuring that they have access to these resources, needs to be recognized. She stated that when providers save money and keep people out of emergency rooms that they should be rewarded. She asked, how do we make that happen, and how do we fit that in the system?

Deidre Gifford stated this was a really good start. She will take these ideas back do some work between now and the next meeting which has not yet been scheduled. Her goal for this group is to not duplicate work. The access and the quality issues jump out as places where personally she is not sure that they are getting enough attention. She agrees with the question posed by Commissioner Reeves regarding the maternal health provisions and is wondering if they should think about adding what Commissioner Reeves proposes to an existing committee. Dr. Gifford stated that they would connect offline about where that would fit best. She stated that in addition to the cost and access issues that she heard at the Cost Growth Hearing, there are also workforce shortages and providers who don't accept Husky or other types of insurance so she can see that turning into a goal to make recommendation to the governor. She stated that the group should look into what they know about access and how they might measure it and address the quality piece.



Deidre Gifford thanked everyone for attending the meeting. She commented that the next meeting would be a hybrid meeting, but a date has yet to be determined.

The minutes for the October 11, 2022 meeting will be approved at our next meeting.

6. Adjournment Deidre Gifford

A motion to adjourn was made and seconded. The motion passed unanimously by voice vote. The meeting adjourned at 3:39 p.m.

