# STATE OF CONNETICUT State Innovation Model

## Value Based Insurance Design Optional Webinar

Meeting Summary Tuesday, May 24, 2016 11:00 am - 12:00 pm

**Participants:** Alvin Ayers; Michael Dimenstein; Jennifer Herz; Thomas Meehan; Nancy Metcalf; Steven Moore; Russell J. Munson; Hugh Penney; Amy Tippett-Stangler; Deremius Williams; Steven Wolfson

**Other Participants:** Cathy Cuddy; Mark Fendrick; John Freedman; Jenna Lupi; Rachel Pieciak; Alyssa Ursillo; Thomas Woodruff

The meeting was called to order at 11:04 am.

#### 1. Introductions

The meeting began with a roll call of participants who had joined via phone and/or webinar.

#### 2. Public Comments

There were no public comments.

### 3. Review of Changes to V-BID Templates

Alyssa Ursillo described the purpose of the webinar, which was to discuss revisions made to the templates since the April 27<sup>th</sup> webinar. She explained there were two different templates: the V-BID Basic Plan for fully-insured employers, and the V-BID Expanded Plan for self-insured employers. She presented a comparison of the two plans, highlighting the components of each.

To begin the review of the template revisions, Ms. Ursillo guided the group through the V-BID Basic Plan Template. The team had added a section on V-BID enrollment and incentive structure options. They also added language about requirements around mental health parity and guidance for HSA-HDHPs implementing V-BIDs.

Jennifer Herz expressed concern that while the language regarding regulations was important, it may deter employers from implementing the V-BID templates. She suggested that the language be softened to seem less daunting and to perhaps include examples of how the IRS guidelines for HSA-HDHPs play out to help employers understand this up front.

The group reviewed a proposed suggestion to have Component 1 include a note on how onsite clinics should send records to patients' primary care physicians. Nancy Metcalf suggested that the language be edited to name who is responsible for sending records from onsite clinics to primary care providers, as this should not be the responsibility of the patient. Mark Fendrick emphasized that the work "must" should be avoided throughout the templates, and suggested "recommend", "strongly recommend" or "prefer" be used instead. Thomas Woodruff suggested health plans could use medical claims to track compliance with screenings. The group agreed that it was appropriate to encourage reporting from onsite clinics to primary care physicians.

Ms. Ursillo pointed out that Component 1 of the template now contained the additional V-BID option of incentivizing specific supplemental benefits for applicable members. Steven Wolfson

suggested "second opinion before surgery" be removed, as the evidence behind it is shaky. The group agreed to remove this as an additional benefit.

Ms. Ursillo explained that Component 2 was now a recommendation to reduce cost sharing for certain prescription drugs by making them part of a lower cost tier. Michael Dimenstein suggested that this component should include a medication adherence program. Russell Munson noted that it was unrealistic to make non-generic drugs part of a lower cost tier. Dr. Fendrick emphasized that an important aspect of V-BID was making drugs across all tiers lower cost, but that this could be done through different levels of cost sharing. He gave the example of an employer that had reduced cost sharing for generics by 100 percent, for preferred brand by 50 percent, and for brand name by 25 percent. The group agreed the language on tiering of generic, preferred and non-preferred brands needed to be clarified in the templates.

Ms. Ursillo reviewed revisions to the final component of the Basic Plan, which was to recommend incentivizing visits to high value primary care and specialty care providers, rather than through tiering of facilities.

Ms. Ursillo moved on to edits made to the V-BID Expanded Plan. She explained that, when applicable, any suggested changes to the components of the V-BID Basic Plan will also be made to the corresponding components of the V-BID Expanded Plan. She noted that the same changes were made to the incentive mechanisms and V-BID structures sections as in the Basic Plan. She pointed out that Component 1 of the Expanded Plan included coverage of certain prescription drugs because Component 2 focused on specific clinical conditions.

There was a lengthy discussion around including in the template the additional option of discouraging low value services through increased cost sharing. Ms. Metcalf voiced concern that about potentially penalizing the patient for a low value service performed by their provider, especially if they don't know it is low value. She suggested that if this is going to be included, the template should consider how to better protect consumers from choosing low-value services by alerting patients of low value service penalties as close to the point of service as possible. Dr. Wolfson added that the provider should also be alerted at the point of service, such as via a popup on an electronic medical record system when the provider attempts to put in an order. Dr. Woodruff brought up Choosing Wisely, and how that works to educate providers and consumers about what services are low value, and focuses on discouraging physicians from ordering low value services. The group generally agreed that a great deal of education would be needed around this and that patients and providers would need to be notified at the point of service when a service was considered "low value", especially if that was tied to increased cost sharing. John Freedman suggested the language "It is highly recommended that patients and providers be alerted as close to the point of service as possible that the service is considered 'lowvalue' by Choosing Wisely". The group agreed that this was a necessary addition.

#### 4. Upcoming Meetings and Next Steps

Freedman HealthCare will make the proposed changes from this webinar to the templates. The revised templates will be sent to the full Consortium by end-of-day Wednesday, May 25<sup>th</sup> for any additional feedback. All feedback will be compiled and presented to the Consortium, along with the templates, at the June 1<sup>st</sup> Consortium meeting. At that time, the Consortium will review and approve the templates to be presented to the SIM Steering Committee meeting June 9<sup>th</sup>.

The meeting adjourned at 12:01pm.