



**Connecticut Office of Health Strategy Testimony in Support of
House Bill 5005 – AA Adjusting the State Budget for the Biennium Ending June 30, 2021**

Executive Director Victoria Veltri

February 21, 2020

Good afternoon, Senator Osten, Representative Walker, Senator Formica, Representative Lavielle, and members of the Appropriations Committee. I am Victoria Veltri, Executive Director of the Office of Health Strategy (OHS) and I'm here to testify in support of H.B. 5005, An Act Adjusting the State Budget for the Biennium Ending June 30th, 2021.

OHS was established in 2018 with strong bipartisan support of the General Assembly to centralize health policymaking, better coordinate existing state resources, and advance the reforms that will drive down healthcare costs; address our state's deeply entrenched racial, economic, and gender health disparities; and undertake technology-driven modernization efforts.

Underpinning everything we do is our mission to promote high-quality, affordable, and accessible healthcare for all residents. A healthy population creates value for employers, is necessary for a strong economy, and is key to a good quality of life. We have a truly collaborative relationship with a variety of partners, experts, consumers, and stakeholder groups that help us examine and address the barriers in Connecticut's health system—cost, access, and outcomes.

OHS must be responsive to the ever-evolving healthcare landscape. We continue to examine the impact of federal rule changes and forward the initiatives that strengthen healthcare policy in Connecticut. The Governor's budget provides resources to support the benchmarking initiative introduced by Governor Lamont in Executive Order number 5 - \$577,414 in the Health Care Cost Growth Benchmark account to support contracted actuarial and econometric services which will be supplemented by an anticipated FY20 carry-forward of up to \$400,000 and for two new staff positions. Beginning for calendar year 2021, the benchmarking initiative will develop annual cost growth benchmarks across all payers and populations. Targets will also address primary care expenditures to ensure primary care spending as a percent of overall healthcare expenditures reaches 10% by 2025 and establish quality benchmarks for CY 2022 forward. The funding

recommended by the Governor will support these efforts and are consistent with the modeling of needed expenditures and what other states that have experienced.

OHS received \$1,000,000 in FY 20 to begin benchmarking efforts but because of the timing of the EO referenced above, we anticipate a portion of those funds will be available to carry forward to FY 21. As directed in the Executive Order, OHS expects to convene the Technical Advisory Board in the near future. These efforts are further delineated in HB 5018, An Act Concerning Health Care Cost Growth in Connecticut. The investment in this work is anticipated to yield savings to Connecticut residents and employers. A similar effort in Massachusetts offset \$5.5B in cost increases the state would have faced without its efforts to rein in the rate of growth of healthcare costs.

The last year has been a fruitful one for our agency. I am pleased to report that:

- The Health Information Exchange was incorporated as the Health Information Alliance, Inc. (HIA), and convened its Board of Directors in October 2019 to continue OHS' ongoing efforts to support the rollout of the first statewide Health Information Exchange, pursuant to Conn. Gen. Stat. § 17b-59d. The HIA is designed to: (1) allow real-time, secure access to patient health information and complete medical records across all healthcare provider settings; (2) provide patients with secure electronic access to their health information; (3) allow voluntary participation by patients to access their health information at no cost; (4) support care coordination through real-time alerts and timely access to clinical information. OHS provides seed funding for the operation of the health information exchange, administrative oversight, and works in coordination with the Department of Social Services on federal funding support.
- OHS launched HealthscoreCT, a consumer-facing website established pursuant to Conn. Gen. Stat. § 19a-755 that uses claims data in the state's APCD to provide consumers with important information about the quality of certain health providers in the state and the median cost of certain health services. This site better enables consumers to make informed decisions about the cost and quality of their treatment and start conversations with their providers and health insurers about cost and quality. The underlying analyses and reporting to support HealthScoreCT are updated regularly to keep the site current. We have also engaged focus groups to advise us related to how the site is meeting consumer needs.
- This year, we worked to codify the recommendations of the [Community Health Worker Advisory Committee](#) and, in collaboration with the Department of Public Health and community advocates and stakeholders, drafted and supported the enactment of [PA 19-](#)

[117](#), which establishes a path to Community Health Worker certification, greatly enhancing opportunities to develop this critical role in our state's healthcare system. OHS provides ongoing support for the CHW Advisory Body, established pursuant to Conn. Gen. Stat. § 20-195ttt(b), housed within OHS to: (1) advise OHS and DPH on matters relating to the educational and certification requirements for training programs for CHW's, including the minimum number of hours and internship requirements for certification of CHW's, (2) conduct a continuous review of such educational and certification programs, and (3) provide DPH with a list of approved educational and certification programs for CHWs.

- OHS continues to implement Public Act 18-41, which requires drug manufacturers to provide information about certain drugs that may have an impact on the cost of care in Connecticut. On January 1, 2020, OHS launched a Prescription Drug Reporting portal to collect required submissions from pharmaceutical manufacturers, and continues to work closely with the Comptroller and the Insurance Department on other aspects of Public Act 18-41 to contain prescription drug costs by mandating that drug companies justify price increases. OHS will report next month on some of the most highly utilized and highest cost prescription drugs in Connecticut across payers.
- OHS and the Comptroller launched a Self-Sufficiency Standard Calculator.¹ The Self-Sufficiency Standard identifies what income is required for families in Connecticut to afford their basic needs, such as housing, childcare, food, transportation, and healthcare without any financial assistance from any sources. OHS and the Comptroller continues work on this Affordability initiative and will launch a Health Care Affordability Standard Calculator to better understand the implication of policy change on healthcare costs of this variety of family types.
- OHS is continuing to support the development of sustainable Health Enhancement Communities, which are geographic areas that target interventions, help prevent costly health conditions, and improve social determinants of health like housing, education, and jobs. This staged initiative is completing its pre-planning phase, in which we contracted with local entities representing discrete communities to assess and report on options for such an effort in each area. The next phase will support the development and implementation of models developed in these early stages into continuing, sustainable efforts to achieve the stated goals, and exploring investment opportunities.
- OHS continues to administer the Certificate of Need (CON) program, a regulatory and planning tool designed to improve access to high-quality health services, minimize

¹ [https://portal.ct.gov/OHS/Services/Data-and-Reports/To-Access-Data/Health care-Affordability-Standard](https://portal.ct.gov/OHS/Services/Data-and-Reports/To-Access-Data/Health-care-Affordability-Standard)

unnecessary duplication of services, facilitate healthcare market stability and help contain the cost of healthcare. Members of the public have the ability to keep abreast of changes to healthcare services in their communities and to voice their opinions about those changes at CON administrative hearings. Each CON application is carefully analyzed, and the corresponding decision narrowly tailored to ensure that CON applications meet the requisite criteria set forth in Conn. Gen. Stat. § 19a-639 prior to CON approval. In 2019, OHS issued 16 CON decisions, 45 CON determinations and held five public hearings.

- The Health Systems Planning Unit continued its oversight of hospitals and healthcare providers' utilization and finances, reporting to policymakers on healthcare trends in the state, including: its 2018 biennial update to the [Statewide Healthcare Facilities and Services Plan](#), [FY18 Financial Status of Connecticut's Short Term Hospitals](#), the [2015-2018 Facility Fee Filing Trend report](#), and the establishment of a [Data Compendium](#) that provides comprehensive information on OHS' databases, why each data set is collected and how the public can access the data.
- Finally, OHS continues to build on its efforts to promote robust consumer engagement across Connecticut. These initiatives connect us to the diverse needs of our communities and help us maintain the partnerships that inform our work. Under SIM, a Consumer Advisory Board provided crucial insights and feedback to OHS and stakeholders about those initiatives. One example of the engagement OHS is committed to is the report of its Consumer Advisory Board concerning [Millennials and the Future of Healthcare](#). Now that SIM has wrapped up, OHS has reconvened this body as the Consumer Advisory Council to provide continuing feedback to OHS so that we have as much material information as possible to ensure these policies are as responsive to the needs of those we serve – the residents of Connecticut.

Thank you for this opportunity to discuss the Governor's proposed adjustments to the FY 2020-2021 budget and update you on the activities of the Office of Health Strategy. I would be happy to answer any questions.