

Advisory Committee of Health Care Providers and Carriers meeting minutes

February 1, 2022
Health Care Authority
Meeting held electronically (Zoom) and telephonically
9:00 a.m. – 11:00 a.m.

Note: this meeting was video recorded in its entirety. The recording and all materials provided to and considered by the board is available on the [Health Care Cost Transparency Board webpage](#).

Members present

Bill Ely
Bob Crittenden
Dorothy Teeter
Louise Kaplan
Mika Sinanan
Mike Marsh
Natalia Martinez-Kohler
Ross Laursen
Stacy Kessel
Todd Lovshin

Members absent

Jodi Joyce
Mark Barnhart
Megan McIntyre
Paul Fishman
Vicki Lowe
Wes Waters

Agenda items

Welcome, call to order, approval of meeting minutes

AnnaLisa Gellermann, committee facilitator, called the meeting to order at 9:02 a.m. Minutes from September were approved.

Topics we will discuss today

Ms. Gellermann shared that the group would hear a recap of the board's September meeting and adoption of benchmark methodology and value, discuss the impacts of the benchmark to pursue and avoid, get an introduction to reporting against the cost growth benchmark, and statistical methods to ensure the accuracy and reliability of



benchmark performance measurement. Finally, the group would review principles to guide the process of sharing benchmark data.

Review meeting plan for Year 2

AnnaLisa Gellermann, Committee facilitator
PowerPoint presentation

Ms. Gellermann presented to the Committee a calendar of future meetings, including reviewing cost driver analysis strategy and recommended areas of prioritization, review of existing data on cost growth drivers, developing an accountability recommendation to the Board and identifying cost growth mitigation strategies of interest.

Analyses of cost and cost growth drivers (Discussion: Phase 1 and Phase 2 proposed analyses)

AnnaLisa Gellermann, Committee facilitator
PowerPoint presentation

Ms. Gellermann presented to the Committee information presented to the Board, detailing the Peterson Milbank framework for cost growth driver analysis: where is spending problematic, what is causing the problem, and who is accountable. Cost driver analyses will have two phases. Phase 1 is the production of standard analytic reports produced on an annual basis at the state and market levels. Phase 2 is supplemental in-depth analyses, and ad-hoc drill down analyses to identify opportunities for actions to reduce cost growth.

Some committee members discussed the Phase 1/Phase 2 methodology discussed in the article cited in the slide describing a data use strategy for state action to address health care cost growth, and the article was provided to committee members in response to their request. Concerns were raised about the impact of changes in the healthcare ecosystem due to the Covid-19 pandemic, and how that would impact cost analyses and the ability to achieve any goals set by the Board. One committee member suggested that the impact of regulatory and policy changes including new benefit mandates should be considered in the analysis. One Committee member asked for clarification about who is performing the analysis and who is the customer for the data. Ms. Gellermann clarified that the Cost Board is an independent entity supported the Health Care Authority to do the data work. The Cost Board is the customer of the data, and the ultimate audience for the data and recommendation are purchasers, providers, the public and the legislature.

Ms. Gellermann presented the staff recommendations to the Board for the Phase 1 analyses, to be included in ongoing reporting, with examples of similar reporting in other states. The recommendations are reports at the state and market level for the following five areas: spend and trend by geography, trends in price and utilization, spend and trend by condition (to be determined), spend and trend by demographics, and monitoring of potential unintended adverse consequences.

One committee member pointed out that risk stratification would be important in a price utilization analysis, to determine if changes in health of patients would have a strong impact on cost, and that comparing similar populations would be important. One committee member asked if unintended adverse consequences was related to data analyses, and Ms. Gellermann responded that it had not been determined what could and should be measured. One committee member commented that the approach was thoughtful but reiterated that the 3.2% benchmark was an unachievable target and adding stress to a vulnerable system.

The committee was asked for suggestions related to Phase 1 analyses. In the ensuing discussion, members suggested the following:

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- Adding to the Phase 1 routine reporting: Pharmaceuticals, Inpatient vs. Outpatient costs, and signature procedures (e.g. colonoscopies, hip replacements).
 - Analysis of the provider mix, and specifically availability of providers as having a significant impact on cost.
 - Tracking access, to ensure that reduced cost does not negatively impact the ability to get care.
 - Tracking BMI data as driving utilization and chronic health care issues.
 - Consider batching health conditions into actionable groups like rheumatologic conditions, or diabetes.
 - Consider how to determine by geography vulnerable populations, by zip code and/or by legislative district.

The Committee was presented a list of legislative suggestions for Phase 2 analyses. Ms. Gellermann indicated a deeper discussion of Phase 2 topics would occur in April.

Ms. Gellermann shared the proposed process for conducting and vetting cost growth driver analyses.

Public Comment

Eric Lewis, Chief Financial Officer of Washington State Hospital Association

Mr. Lewis shared his concern that the 2022 benchmark of 3.2% was questionable and perhaps not reasonable, given the impacts on hospitals related to the pandemic, the Governors' non-emergent shut-down, work force shortages, and inflation of wage and supply cost.

Review pre-benchmark data collection process and timeline

Ross McCool, Health Care Authority

Mr. McCool presented to the Committee a timeline of the benchmark data all. Payer seminars and office hours will be held in May through June of 2022, and preliminary data submission will begin on June 30. Board and Committee review of preliminary results is anticipated in October.

Review payor survey of provider entity contracts

Ross McCool, Health Care Authority

Mr. McCool informed the committee of payer survey that will be issued in March confirming total cost of care contracts. The purpose of the survey is to confirm the list of providers entities that will be the subject of benchmark reporting data.

Accountability

AnnaLisa Gellermann, Committee facilitator

PowerPoint presentation

Ms. Gellermann presented materials describing the legislative requirements for reporting, including that payers and providers exceeding the benchmark "shall" be identified. She reviewed the accountability activities including the preparation of analyses, review and consultation with identified entities, and public reporting and recommendations. She shared an overview of the process in Massachusetts and invited committee members to review their hearings online.

The committee reviewed draft principles for the process, including a transparent and predictable process that will identify the entities reported on. Discussion of the topic was deferred due to time. The committee will discuss



accountability at the next meeting and provide a recommendation to the Board on both principles and specific elements of the process.

Adjourn

Meeting adjourned at 11:00 a.m.

Next meeting

Wednesday, April 6, 2022

*Meeting to be held on Zoom

2:00 p.m. – 4:00 p.m.

**Zoom meeting is dependent on public health emergency.*