

## Advisory Committee on Data Issues meeting minutes

March 1, 2022  
Health Care Authority  
Meeting held electronically (Zoom) and telephonically  
10:00 a.m. – 12:00 p.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

Allison Bailey  
Amanda Avalos  
Ana Morales  
Bruce Brazier  
David Mancuso  
Hunter Plumer  
Jason Brown  
Jonathan Bennett  
Julie Sylvester  
Leah Hole-Marshall  
Lichiou Lee  
Mark Pregler  
Megan Atkinson  
Purav Bhatt  
Scott Juergens

### Members absent

Jerome Dugan  
Josh Liao

### Agenda items

#### Welcome, Roll Call, Agenda Review

AnnaLisa Gellermann, committee facilitator, called the meeting to order at 10:02 a.m.

#### Approval of Minutes

AnnaLisa Gellermann provided a recap of the January Committee meeting, and the Committee approved them.

#### Topics for Today

Topics include a recap of the January meeting discussion, a presentation of price and utilization analysis developed by OnPoint at the request of the Office of the Insurance Commissioner, and a presentation by Bailit health on spending and spending growth in Washington state.



## Recap of January Discussion

AnnaLisa Gellermann, HCA

Ms. Gellermann presented a recap of the January meeting which included the introduction of cost analyses and cost growth drivers. The committee also heard the distinction between Phase 1 reports (standard analytic reports intended to be reproduced annually), and Phase 2 reports (in-depth analyses based on results of Phase 1). Initial Phase 1 reports will include price/utilization, health condition, and demographic. The committee also discussed truncation and recommended both a Washington specific analysis of truncation and an approach that would permit visibility of truncation totals.

## Office of the Insurance Commissioner Cost Analysis

Jane Beyer, Sr. Health Policy Advisor, Office of the Insurance Commissioner  
Amy Kinner, OnPoint

Ms. Beyer introduced an analysis requested by the Office of the Insurance Commissioner of claims data from the Washington All-Payer Claims Database (WA-APCD) focused on cost trends in the commercial market. Ms. Beyer shared that Commissioner Kreidler has a long-standing concern about the cost of care, including the results of consolidation, and wanted specific information on the Washington state commercial market.

Ms. Kinner presented the analysis. The goals of the project were to calculate the rate of cost growth in Washington for commercial insurance spending, identify drivers of cost, and determine how much of the change in cost is due to price versus utilization. Additional areas for deeper analysis included the type of inpatient service, mental health services, air ambulance services, and the Exchange and PEBB markets. All reflected increased cost in various markets.

## Public Comment

There was no public comment.

## Data on Spending and Spending Growth in Washington

Michael Bailit, Bailit Health  
January Angeles, Bailit Health

Mr. Bailit presented existing data about health care spending in Washington to identify potential opportunities to slow cost growth. He asked the committee to focus on three questions: what do the data say about where costs are highest and rising fastest, are there concerns that should be considered when interpreting the data, and what further analyses should HCA consider to better understand what is driving spending and spending growth?


Mr. Bailit reviewed overall market trends from various sources, including the Washington Health Alliance, the Office of the Insurance Commissioner, and the Health Care Cost Institute. Each of these reflected upward cost trends in various markets and sectors.

Mr. Bailit posed the questions directly to the committee and asked for feedback. One committee member commented that clear conclusions were difficult to make based on the wide variety of reports presented, but that deeper review would allow meatier conclusions. One member raised the question of whether the APCD collected race and ethnicity data and wondered if it would be possible to analyze race and ethnicity composition in different markets (e.g., Medicaid and commercial) and the extent to which price differentials in those markets exist and

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contribute to disparities across communities, and further whether per capita growth targets might exacerbate those differentials. Mr. Bailit stated that differentials did exist, and that data collection was unfortunately not standardized, and that APCDs unfortunately did not tend to have adequate demographic data. As a result, other data sources would be necessary and that other states have used data from the American Community Survey that allow a look at race and income.

Ms. Angeles continued the presentation and turned to service category level trends in spending, beginning with a chart comparing Washington vs. national growth in prescription drug spending based in a 2018 Health Care Cost Institute Report. This report indicated that Washington's increase in prescription drug spending over the period was significantly higher than the national average. He presented information from Washington Health Alliances Total Cost of Care tool, including a map of relative cost by county, commercial spending by service category, and Medicaid spending by service category, and commercial inpatient spending trends. Ms. Angeles highlighted a conclusion related to pharmacy cost, indicating the prescription drug spending is the highest cost and fastest growing service category. She also highlighted that spending for inpatient care declined by 1.5%, but that an increase in price (per unit price and service intensity) accounted for an overall increase in spending, which 21 of 287 patients accounting for half the inpatient spending in the state.

At the conclusion of her presentation, Ms. Angeles sought feedback from the committee, asking if it triggered further ideas from the group about opportunities for further analysis. Several committee members suggested that additional mandated services should be identified when considering cost trends, especially in Medicaid. One member suggested that new drug availability should also be considered as a driver of cost. One member suggested awareness of procedure shifts from in-patient to out-patient, for example knee replacement surgeries.

## Benchmark Performance Assessment

January Angeles, Bailit Health

Ms. Angeles presented the committee with information related to risk adjustment of benchmark data. For future measurement of performance against the target, spending will be risk-adjusted using standard age/sex factors. To implement this, carriers will need to submit aggregate spending and member months data by age/sex cells. Ms. Angeles shared the staff proposal to use eight age bands for all markets: 0-1, 2-18, 19-39, 40-54, 55-64, 65-75, 77-84 and 85+. She shared that Rhode Island was the first state to use age/sex risk adjustment, and that this was the method they were using.

Ms. Angeles asked the committee if the proposed age bands seemed reasonable, and if there was a preference for which point in the year would be used to set the age. The committee asked if there were any results from Rhode Island, and Ms. Angeles shared there was preliminary data showing some, but not large, differences. One committee member suggested that in the commercial market 2-24 was a frequently used band and suggested talking to plan actuaries to determine if there was a need to use different bands for different lines of business. One committee member responded that December 31 was an easier point in time to use, and no other preference was suggested.

Ross McCool, HCA, provided an update on truncation analysis. HCA has contracted with OnPoint to perform an analysis of truncation level impacts in Washington. The analysis will be presented at a future meeting. Mr. McCool also provided a truncation dashboard created by committee member Hunter Plumer. Mr. Plumer shared his dashboard based on MEPS data.



## Wrap Up and Adjournment

Meeting adjourned at 12:00 p.m.

## Next meeting

Thursday, May 5, 2022

Meeting to be held on Zoom

10:00 a.m. – 12:00 p.m.