

CT Health Insurance Exchange Strategy Sub-Committee **MEETING MINUTES**

Location: CT Historical Society
Auditorium
One Elizabeth Street
Hartford, CT
Date: Thursday, January 24, 2013
Time: 1:00 p.m.

Members Present

Chairperson Mary Fox; Vicki Veltri; Bob Scalettar; Bob Tessier; Anne Melissa Dowling

Members Absent

Cee Cee Woods

Other Participants

CT Health Insurance Exchange: Kevin Counihan; Grant Porter

I. Call to Order and Introductions

Chairperson Fox called the meeting to order at 12:50 p.m. Members and Staff introduced themselves. Chairperson Fox rearranged the agenda in order to accommodate presenter, Dr. Tom Raskauskas.

II. ACO Network Development

Kevin Counihan introduced Dr. Thomas Raskauskas, CEO and President of St. Vincent's Health Partner's (SVHP). Dr. Raskauskas provided a presentation overview on Developing a Clinically Integrated Network. The presentation included an overview of the State's 2010 healthcare costs data. Dr. Raskauskas pointed out that approximately 95% of healthcare is provided in the doctor's office, while only 5% is in a hospital or SNF, but only approximately 20% of the cost of care is to the physician. Dr. Raskauskas emphasized the importance of coordinating care, and discussed healthcare wasted expenditures which equates to 31% of all dollars spent, 27.5% being unnecessary services, and ineffective care delivery accounting for 17%. Dr. Raskauskas stated that care is currently unmanaged in CT leading to such ineffective and duplicative services; he provided an overview of the opportunities for reducing healthcare costs, emphasizing the importance of medical records organization. Dr. Raskauskas then discussed cost

Dr. Raskauskas provided an overview of the Physician-Hospital Advisory Board, which was established in January 2011 in order to develop a plan to explore a physician-hospital alignment strategy in response to health reform. Dr. Raskauskas informed members that consultants assisted in the development of the physician-hospital organization (PHO) business model which later formed SVHP ([press release](#)).

Dr. Raskauskas described briefly the definition of a patient-centered medical home, emphasizing the need to better manage patients in addition to the importance of tracking medical date. He then provided the definition of a Physician Hospital Organization (PHO), which is defined as a legal entity

generally formed by physicians and one or more hospitals with the intention of negotiating contracts with payers and sharing in the financial rewards of controlling costs while delivering high-quality care. Anne Melissa Dowling requested information with regard to the organization's business model. Dr. Raskauskas explained that the advisory board assessed models across the country. Ms. Dowling asked how they benefit from the lost revenue as people become less sick. Dr. Raskauskas stated that fee-for-service is still part of the model in addition to quality metrics. He provided an overview of the metrics that are assessed to prevent over-utilization.

Dr. Raskauskas defined Clinical Integration as an active and ongoing program to evaluate and modify practice patterns by the network's physician participants and create a high degree of interdependence and cooperation among the physicians to control costs and ensure quality. Dr. Raskauskas spoke to the various levels of integrated care, noting that SVHP is looking to be a level 3 Accountable Care Organization (ACO) by the end of the year. Dr. Raskauskas defined ACOs; he then provided an overview of antitrust considerations. Vicki Veltri requested that he further explain antitrust issues for the audience. Conversation ensued around antitrust and the PHO's accreditation status.

Dr. Raskauskas presented on the three-phase work plan involved in building a clinically integrated network, as well as the organization's current membership and org chart. Dr. Raskauskas concluded his presentation with an overview of reimbursement models, and quality and utilization metrics, and then opened the discussion up for Q&A. Dr. Scalettar initiated a discussion around funding. Dr. Raskauskas described multiple sources of funding which include insurers helping to pay for the transformation. Ms. Veltri asked about double facility fees as they relate to patient's having had services at facilities with PHO arrangements. Ms. Veltri asked if this fee is a funding source, also noting the importance of patient's being made aware of such fees. Dr. Raskauskas described various reimbursement models. Discussion ensued. Dr. Scalettar asked what the take-home message to the committee is with regard to ACO's. Dr. Raskauskas responded that message is to give the committee an understanding of the current healthcare environment and where it should be; he also noted that the Exchange is only going to be successful insofar as the provider network is successful. Mr. Counihan remarked that perhaps part of the QHP criteria at some point could be the inclusion of these types of efforts. Conversation ensued. Ms. Veltri remarked that she'd like to know more about what SVHPs is doing with regard to a chronic disease management model. Discussion ensued. Chairperson Fox asked a question around provider quality rating requirements.

III. Review and Approval of Minutes

Chairperson Fox requested that her statement on page 3 of the previous meeting minutes be amended to read: "focusing on issues of cost *and* quality". Dr. Scalettar requested page 4 be amended to change his name from Mr. to Dr. Chairperson Fox requested a motion to approve the minutes with the noted revisions. Ms. Veltri made the motion. The motion was seconded. The motion passed unanimously.

IV. Nomination of Co-Chairperson

Chairperson Fox nominated Dr. Scalettar to co-chair of the committee. Chairperson Fox requested the motion. Ms. Veltri seconded the motion. Motion passed unanimously.

V. Approval – Vision, Mission, Key Success Factors

Chairperson Fox requested approval of the final draft presented before the members. Bob Tessier requested clarification of the third key success factor (in terms of external expert's advice on ways to promote delivery system change) which he noted is an ambiguous phrase; stating that it needs clarification. Co-chairperson Scalettar requested the motion to approve the vision, mission, and key

success factors incorporating Mr. Tessier's sentiments. Ms. Veltri seconded the motion. All members were in favor.

VI. State Innovation Model - Update

Mr. Counihan provided a brief update of the SIM grant application explaining that there are two types of awards which CMS is offering, one of which is called a *Model Design Award*. This award is a planning grant in which the state would have to produce a proposal to transform the delivery system and provide a broad vision for how to make care more accessible and affordable. The second type is called a *Model Testing Award* which is up to \$225,000,000 over three to four years for up to five states, to evaluate the transformation of their delivery system within the state. Mr. Counihan stated that the State did not apply for the Model Testing Award but rather the Model Design reward. Mr. Counihan stated that the State was supposed to be notified in December—as of a couple of weeks ago, CMS is still evaluating the application. Ms. Veltri announced that if anyone wants to see what was submitted to the federal government the grant application is located on the Office of Health Reform and Innovation website. Ms. Veltri remarked that her understanding is that it will still be driven out of the Office of the Lt. Governor.

Grant Porter indicated that it is important to know that whether or not the state gets the planning grant, it does not preclude the State from applying for a second phase grant, so therefore the committee can still consider ways in which those grants could be utilized to implement and encourage the doctors from participating in a patient center medical home and doing delivery in that manner. Discussion ensued.

VII. APCD - Overview of Colorado APCD Program

Mr. Counihan announced that the APCD project has been moved to the Exchange. Mr. Counihan stated that the Exchange is in the process of developing a business plan and sustainability plan, which will be good for about 2 years. Mr. Counihan briefly described his recent trip to CO in which he spent time with APCD staff. Mr. Counihan indicated that the the team shared a lot of good advice in terms of expectations. Mr. Counihan stated that he will bring more detail next month. Ms. Dowling asked if he could address how CO dealt with the security piece (confidentially). Mr. Tessier asked where things are with regard to the hiring of a datahouse manager and the RFP which had gone out. Mr. Counihan stated that he will find out where we are with this. Ms. Veltri noted that there was draft regulation and a public hearing but regulation has to go the APCD.

VIII. Next Steps

Chairperson Fox announced that the next meeting will be held on February 21, 2013 from 2:00 to 4:00 PM.

Chairperson Fox asked if there were any public comments to be made. No public comments made.

IX. Adjournment

Chairperson Fox requested a motion to adjourn the meeting. All members were in favor. The meeting adjourned at 3:04PM.

Resources:

[Agenda](#)

[Transcript](#)

The next Strategy Committee meeting will take place on Thursday, February 21, 2013 from 2:00 to 4:00 p.m. at the State Capitol Building, Room 310