



Rhode Island Health Care Cost Trends Project

Steering Committee Meeting Summary
301 Metro Center Blvd., Suite 203, Warwick
January 14, 2019
9:00am - 12:00pm

Steering Committee Attendees:

Tim Babineau, Lifespan
Al Charbonneau, Rhode Island Business Group on Health
Adriana Dawson, Bank Newport
Jim Fanale, Care New England
Stephen Farrell, UnitedHealthcare of New England
Marie Ganim, Co-chair, Office of the Health Insurance Commissioner
Kim Keck, Co-chair, Blue Cross Blue Shield of Rhode Island
Al Kurose, Co-chair, Coastal Medicine
Peter Marino, Neighborhood Health Plan Rhode Island
Teresa Paiva Weed, Hospital Association of Rhode Island
Betty Rambur, University of Rhode Island College of Nursing
Sam Salganik, Rhode Island Parent Information Network
Neil Steinberg, Rhode Island Foundation
John Simmons, Rhode Island Public Expenditure Council
Larry Wilson, The Wilson Organization
Marc Spooner, Tufts Health Plan (for Tom Croswell)

Steering Committee Members Unable to Attend:

Peter Hollmann, Rhode Island Medical Society

Steering Committee Staff Attendees:

Cory King, Office of the Health Insurance Commissioner
Kim Paull, Executive Office of Health and Human Services
Anya Rader Wallack, Facilitator, Brown University
Orestis Panagiotou, Brown University
Michael Bailit, Facilitator, Bailit Health
Erin Taylor, Bailit Health
Justine Zayhowski, Bailit Health

Executive Order Update

- Marie Ganim shared that the cost growth target executive order will likely be issued in February.
- Steering Committee members advocated for increasing the visibility of the Steering Committee's accomplishment, with one recommendation that the project team draft a press release for distribution. Marie Ganim noted that there would likely be press at the executive order signing. BCBSRI did press outreach prior to the signing of the compact, but no coverage resulted.

Data Analysis Update

- Anya Rader Wallack reminded the Steering Committee of the aims of Brown's data analysis: 1) to assess cost trends in RI, 2) to assess select cost drivers in RI, and 3) to further deconstruct cost by volume and price using data from the APCD.
- Anya Rader Wallack presented an initial analysis of enrollment by payer type and payer. She noted that Medicare FFS data are delayed, and that the data showed a sharp reduction in the number of commercial self-insured claims as of January 2016. She indicated that there was also a slight drop in the commercial fully insured claims between 2014 and 2017. She hypothesized that this could be due to 1) continued movement of fully-insured lives to the self-insured status and 2) movement onto Medicaid.
- In response to a question from a Steering Committee member, Kim Paull shared that state, city, and town employee data were in the APCD.
- One Steering Committee member expressed concern about the missing self-insured data. Anya Rader Wallack shared that Brown is analyzing whether those in the missing self-insured data have significantly different characteristics than those in the APCD data. If there are not fundamental differences, then the missing self-insured data should not have an impact on Brown's analysis.

Scope of Work for the Next Six Months

- Michael Bailit shared that from January through June, the Steering Committee will focus on developing data use strategy recommendations and providing input to Brown's data analysis. He reminded the Steering Committee that in June the project team will deliver a recommended sustainable Rhode Island data use strategy to the State and the Peterson Center. The report will include: 1) recommendations to leverage APCD data analysis in the future and 2) Brown's analytic methodology, barriers encountered, and solutions from Brown to the State to allow the State to internalize and build on the learnings.
- Michael Bailit confirmed that there is no anticipated legislative work in the next six months.

Discussion of Data Use Strategy Recommendations

- Anya Rader Wallack shared that the goal of the data use strategies workstream is to develop recommendations to the State regarding ongoing use of the APCD that support efforts to reduce health care cost growth in RI. The focus of the January Steering

Committee meeting was to understand how to provide better information to support the decision-making of those who influence health care costs.

- Anya Rader Wallack provided a recap of the three data use types illustrated during the November 14th conference: 1) to support regulatory activities and policy initiatives, 2) to facilitate price and quality transparency for consumers and policy makers, and 3) to support regional or provider-level delivery system improvement. She shared examples of data uses that were presented by conference speakers.
- Michael Bailit provided an in-depth review of sample tables and graphs produced by the Washington Health Alliance (WHA) as part of three different reports it produces: 1) Community Checkup, 2) Different Regions, Different Care, and 3) First, Do No Harm.
 - Steering Committee members had a few questions and comments related to WHA's data use:
 - How did stakeholders use findings from Different Regions, Different Care to influence provider behavior?
 - Who uses the WHA reports?
 - One member noted that looking at year-over-year changes in spending ignores the issue of over-utilization in the baseline data.
 - Another member noted that utilization has not changed much over time and is not inconsistent with the utilization in other countries. He thought it would be important that Brown's analyses picked apart the impacts of price, utilization, etc.
 - **Recommendation:** Brown should consider both year-over-year changes for cost growth drivers and baseline performance for areas of overuse and waste.

Framework 1: Who/what are we trying to influence to affect health care cost growth?

- Anya Rader Wallack shared that many historic efforts to reduce cost growth have focused more on price than on utilization.
 - One Steering Committee member noted that limited/tiered networks and HMOs have focused on utilization.
- Anya Rader Wallack shared that one approach for a data use strategy would be to see where data could provide an intervention with high impact.
 - One Steering Committee member recommended considering the cost of personnel. Another Steering Committee member said that personnel cost is a component of the price of services.
 - Another Steering Committee member recommended identifying how much overhead is baked into the price differences between providers.
 - Another Steering Committee member noted that government regulations have a big impact on cost.
 - **Next step:** Steering Committee members will consider what types of analyses they would like to see tested and share that information with Anya Rader Wallack.

- One Steering Committee member said that while the Steering Committee might want to understand where data analysis can influence costs, there is also benefit in including exploratory analyses as well.
- One Steering Committee member said that it would be helpful to understand the scale of impact for each of the health care cost elements that the project team is asking the Steering Committee to consider.
 - **Next step:** Moving forward, the project team will share information on cost drivers and analyze cost growth factors by magnitude of impact.

Framework 2: Who do we want to influence and what data/analysis will best serve that purpose?

- Anya Rader Wallack said that another possible framework to consider was whose decisions/behaviors does the Steering Committee want to influence through the use of data: 1) consumers, 2) payers, 3) providers, and/or 4) regulators/policymakers.
- **Consumers:** The Steering Committee did not think data would have much impact on consumers. Steering Committee members noted barriers to impact were: consumers perceive more expensive care as better care and literature suggests that consumer-facing transparency efforts have had limited effects on consumer choice/cost.
 - Some Steering Committee members thought that creating consumer-accessible materials and increasing consumer awareness was important, but ultimately physician decisions and payer benefit design have broader impact.
- **Payers:** Anya Rader Wallack shared that most payers already use their own data to conduct variation analysis and did not think that APCD data would add value. The Steering Committee agreed.
- **Providers:** Anya Rader Wallack shared that there is little evidence in the literature regarding whether provider-oriented transparency efforts change practices or reduce cost growth.
 - One Steering Committee member said that providing data to providers could be highly influential since they guide treatment decisions and would likely be responsive to public rankings as an incentive for behavior change. Analyses could potentially look at variation at the provider group and physician level. The Steering Committee member recommended collecting feedback from different provider types on how they would be able to use APCD data.
- **Regulators/Policymakers:** Data could support regulation, program management, and regulatory decisions. None of the Steering Committee members voiced support for focusing on using APCD data to target regulators/policymakers.
- **Hybrid Approach:** Some Steering Committee members noted that data use strategies focused on identifying themes involving all four stakeholder groups would be the most effective, as it would address the current fragmentation of strategies. An example of this approach is the Choosing Wisely campaign.
- **Recommendation:** Steering Committee members recommended focusing on provider data use strategies, while also sharing communications on findings with other stakeholders, such as informational handouts to share with consumers.

Additional Discussion

- **Augmented APCD:** One Steering Committee member thought that it would be misleading to use APCD data alone for cost analyses, although it could be used to study and report on variation and change in utilization.
 - **Recommendation:** Any effort to use the APCD for reporting cost should augment the APCD to include non-claims costs.
- **Quality:** One Steering Committee members shared that it is important to use data to ensure adequate transparency on quality and outcomes to balance any focus on cost.
- **Low and High-Value Care:** Several Steering Committee members expressed an interest in understanding the magnitude of overuse/waste in the context of considering: 1) what high-value care is being missed and 2) how does performance compare to other top performers. One Steering Committee member mentioned that reducing low-value care could generate savings to ensure high-value care is being delivered.
- **Risk Scores:** One Steering Committee member commented that risk scoring is important when looking at cost performance, but is complex and needs to be performed properly.
 - **Recommendation:** The Technical Advisory Committee will consider the risk scoring methodology.
- **Utilization:** One Steering Committee member wondered about the impact of differences in utilization between Rhode Island and other states and urban areas.
- **Malpractice:** One Steering Committee member asked about the impact of malpractice on cost growth. Another Steering Committee member noted that research indicates that the impact of clinician medical liability concern on service utilization is 1-3% of health care expenditures and thus not a large driver of cost.
- **Subcommittee:** Michael Bailit shared that a member of the Steering Committee had recommended creating a subcommittee of provider organizations. Michael proposed the convening of such a group prior to the February Steering Committee meeting to consider in greater detail what type of APCD-based analyses could be of best value to provider efforts to constrain cost growth.
 - **Next step:** The project team will convene a subcommittee of provider organizations to better understand what data uses could help drive changes in care delivery and cost.

Public Comment

There were no comments from the public.

Next Steps and Wrap-Up

The next Steering Committee meeting will take place on 2/11 from 9am-11am at 301 Metro Center Blvd, Suite 203 in Warwick. The Steering Committee will focus discussion on the data use strategy and the data analysis. Future meetings may be shorter than the three-hour meetings of 2018.