

# COLORADO COMMISSION ON AFFORDABLE HEALTH CARE

April 13, 2015

Regis University, Claver Hall, Mountain View Room

12:30 – 3:00 P.M.

## Meeting Summary

**Commissioners Present:** Bill Lindsay (Chair), Cindy Sovine Miller (Vice Chair), Elisabeth Arenales, Sue Birch, Jeff Cain, Rebecca Cordes, Steve ErkenBrack , Ira Gorman, Linda Gorman, Dee Martinez, Dorothy Perry, Marguerite Salazar, Chris Tholen, Jay Want, Larry Wolk

**Commissioners Absent:** Marcy Morrison, Greg D'Argonne

**Staff Present:** Lorez Meinhold (Keystone), Johanna Gibbs (Keystone), Cally King (Keystone), Amy Downs (CHI), Michele Lueck (CHI)

### **Action/Follow-up Items:**

- Commissioners should let Lorez Meinhold or Bill Lindsay know if they have contacts within the General Assembly for outreach.
- CHI will provide notes to Commissioners summarizing initiatives in Colorado, including info on programs and targeted audiences.
- Development of protocols for responding to news stories/press releases. Staff will share news stories with the Commissioners as they arise.
- Commissioners should hold the dates for statewide outreach meetings on their calendars (document provided to Commissioners in their meeting packet with the meeting dates). If a conflict does arise for Commissioners, they should let Lorez Meinhold know as soon as possible.

### **Next Meeting:**

Monday, May 11, 2015 12:30 – 3:00pm

COPIC, Mile High Room

7351 E. Lowry Blvd., Denver, CO 80230

---

### **Meeting Notes:**

#### **I. Welcome and Opening Remarks**

- Chair Bill Lindsay opened the meeting with brief housekeeping items, including:
  - The next few meetings (May, June, and July) of the Commission will be held at the COPIC offices.
  - Reminder to Commissioners to let Lorez Meinhold or Bill Lindsay know if they have contacts within the General Assembly for outreach.

#### **II. Review of the Agenda**

- The agenda was reordered to move the *Mind your Ps and Qs* presentation from CHI forward, after approval of meeting minutes.

#### **III. Approval of the Minutes (Action Item)**

- Approval of Commission meeting minutes from March 9<sup>th</sup> was moved by Jeff Cain and seconded by Ira Gorman.
- The March 9<sup>th</sup> meeting minutes were adopted unanimously without any revisions.

#### IV. Presentation by CHI (see *“Mind your Ps and Qs”* presentation handout)

- Presentation from Amy Downs and Michele Lueck, CHI
- Commission Discussion:
  - Where can Commissioners find more information about various health care initiatives in Colorado?
    - CHI will provide notes to Commissioners summarizing initiatives in Colorado, including info on programs and targeted audiences.
  - Can CHI provide more insight about utilization data as well as the “buffet” analogy used in the presentation – is there data to back this up?
    - One thing we do know about high deductible plans is that they reduce unnecessary utilization, but they also reduce utilization rates in general. The question is how can we reduce unnecessary utilization but also make sure patients are utilizing services, like preventative care, where we see positive results.
    - When we talk about consumption of services, or the “buffet” analogy, having insurance it affects utilization rates.
  - Other things the Commission should look at is the dual demonstration – remarkable effort to integrate Medicare and Medicaid; as well as initiatives in realm of community-based prevention (i.e., safe road to schools program and other community change initiatives) to improve public health, disease and injury. These kinds of things should be on the Commission’s radar.
  - Would like to hear more about Total Cost of Care. Has the Committee thought about how to fold in social determinants of health for certain demographics?
    - Need to figure out how to measure and quantify, it is very complicated.
  - There is a difference between health and health care; goes towards life-style choices.
  - Population health is a lever that keeps spending in check; we shouldn’t forget to account for this, but may not need to look at it directly as part of this Commission. How much do public and private insurers utilize these tools? Where does population health get drawn? Should it be a part of the Commission’s focus?
  - How do you normalize data from one year to another with changes in the health care world? Is there a way to normalize from one year to another?
    - There is a discrepancy between high and low utilizers; need to look at both when addressing these issues. Over time, as we see differences in prices to what extent is that driven by quantity (demand for services) vs. price increases? There are a lot of things the Commission needs to look at.
  - One of the most difficult things as an employer is when insurance rates go up, mostly due to 5 big users within the network. It is a real dilemma for employers. Another issue is the lack of transparency in the marketplace; to really understand what is causing factors and what the consumer is really paying for also plays into this.
  - Why, in current circumstances, isn’t health care acting like other markets? Need to look at regulatory burden and how it affects the market.
    - We don’t want to assume there are principles (like gravity) that automatically move us into a new direction.
    - Transparency is something we all agree is important; do we have data/research that shows where transparency is having an effect on behavior or cost? Health

care will never work completely like other markets, because people make very different choices when it has to do with their health or life – people will pay a lot for the best service, especially when it has to do with themselves or a loved one.

- Is there a reason the graph looks at “spending”= price x quantity, opposed to “cost”= price x quantity? (Slide 7)
  - It was decided to look at this as what you are “spending” not how much it “costs” you. The research committee went back and forth on this description. There are different drivers and perspectives driving these. Research Committee decided they want to look at all the different aspects - is it affecting spending, cost, utilization, etc.?
- Are there any state initiatives that have made a difference? Or is it Federal trends that truly drive this? This is a question the Commission should look at as we continue.
- Medicare spending drives a lot of what states do - how providers set their rates, etc. This is really about consumer protection; carriers are looking for fairness in the market and for everyone to play by the same rules. Health care provider fees need to be justified. Regulation, in my opinion, isn’t what is driving the costs. How is it that certain drug pricing is all over the place (i.e., Hep C medication)? The more consumers want, the higher insurance prices will be and will continue to drive costs. Need a referee to balance these things, understand what people are asking for, and how we are going to pay for it.
- “Cost” and “Quality” are often times associated, but they’re not necessarily related. The Commission should look to some of those lessons and how those things can be exclusive.
  - There is a connection that if you create a quality system it can lower cost over time, but there has to be the component of time. The first year you pay for staff, but don’t see the savings. How do you take these things into consideration, especially with political realities?
  - The term that is important to consider here is “value”. What is the perceived value for what you spend and what you get?
  - Investment is another aspect. How do we make investments over time that drive desirable outcomes?
- There have been tools developed to help consumers weigh costs and benefits for certain types of treatments where people do a calculus of benefits and outcomes to make smart/wise health care decisions for themselves.
  - There is an initiative underway in via Engaged Public and CHI on this topic.
- What initiatives exist that cause there to be differences? Not just generic differences, but have there been state-wide or community initiatives that really drive changes?
- The Commission should also look at what other states have done and understand their outcomes as well.
  - Would like to look at a project going on in Massachusetts
  - Maryland state model
- It is important the Commission does not become overly focused on any single term so we don’t neglect other areas (price vs. utilization vs. quality, etc.)
- Public Comment:
  - Ken Connell, Colorado Health Champions: Slide 4 refers to “single premium cost” as basis for overall federal and state spending. I’m interested why that has been chosen as place to look other than others? When it comes to cost reduction, opposed to price or spending reductions, I think of initiatives like Utah’s Housing First and other hot

- spotting initiatives in Colorado, those focusing on high-cost users and that sub-population, there may be some way to parapet those projects.
- George Swan, Retired Hospital Administrator: With regards to social determinants, about 3 weeks ago Wisconsin county health ratings were released which gives a scorecard that is a good beginning for how to measure community health. On initiatives, Jay represents CIVHIC and ABCD is an initiative that belongs on top of list of Colorado initiatives for transparency. Another initiative related to ACA requires all hospitals to report on the ACA community report.
- Vince Markovech, ER physician: Recent data shows the total cost for a family of 4 with good health insurance is around \$22K per year. That is an unsustainable number to work with in the future. Rand Corp, CMS have published very good studies on waste, fraud, and abuse estimating it costs around \$4B to 9B a year. That is where the low hanging fruit and money is and where the Commission needs to look.

## V. Standing Committee Reports

- **Communications Committee – Jeff Cain**
  - Looked at upgrading technology to allow the public and Commissioners to participate remotely during Commission and Committee meetings.
  - Moving forward with website: [Colorado.gov/cocostcommission](http://Colorado.gov/cocostcommission)
    - There are still some issues to work out before the website will go live.
  - The Committee would like to solicit input from stakeholders and report the input in a way that is manageable. This proposal in front of Commission.
  - Would like assistance from Commissioners to help with state-wide meetings; help identify who to reach out to, locations for meetings, receiving public input, etc.
  - Want to keep media up to date on the Commission - what the Commission is working on and where it is going.
  - Commission discussion:
    - What is the plan for informing Commissioners on press/media stories? How do Commissioners get a notice so they are aware of what's going on and how to respond?
      - There will be a role for the Communications committee in this.
      - Need protocol in place:
        - Commissioners will receive article/press release as soon as possible with any points of clarification
        - Need to devise separate strategy on how to respond
    - Stakeholder questionnaire:
      - The notion is to provide a questionnaire to have stakeholders provide their perspective and then leave it open for open dialogue to receive feedback and thoughts. The questionnaire is in the drafting phase - putting together a partial list, cover letter, and plan to publish on website. The questionnaire will help provide perspectives from those not affiliated with a specific group or those who have a different viewpoint from the group representing them. We may not invite every group to give input but want a process to triage input. It is an iterative process.
      - Will there be staff assistance in narrowing down the stakeholder input? It would be helpful to have staff pull-out those pieces.
    - What are we doing about contacting the legislature, keeping them up to date, and working with the Governor's Office? Where are we currently? Concerned we're missing the timeframe to do this in.

- There have been meetings with legislative leadership and this is also part of the communication plan in development.
- **Research Committee – Ira Gorman**
  - Formalized and finalized meeting schedule. The Committee will meet on the second Monday of each month before the Commission meeting; the second monthly meeting of the Committee will be on the third Thursday of every month at CHI. Both meetings are open to public and will have technology to call-in.
  - The Committee spent a lot of time discussing terminology; it is important to clarify terms and how the terminology is used.
  - Began looking at different state models and efforts that have been put into an aggregate table and still needs to be organized to share with the rest of the Commission.
  - The Committee will begin looking at Colorado specifically – what the state spends on health care, what are some of the processes involved (regulation effects, licensure scope, EHR tech, etc.)
  - Planning to have a good discussion on the role and process of Research Committee.
  - The Committee needs to start looking at social costs and determinants based on today's Commission meeting.
  - Commission discussion:
    - Can Commissioners get a hold of information Committee is working on with CHI?
      - Yes, the information will be attached to Committee minutes when it is ready.
- **Planning Committee – Bill Lindsay**
  - The Commission will begin having regular Committee chair meetings. There is opportunity for overlap, and sometimes conflict, between what different committees are doing. Need to coordinate and communicate effectively.
    - Planning Committee would like specifics on empirical information around cost drivers to help inform November report and provide direction.
    - Beginning to line-up speakers on different topics to help inform and provide perspective.
  - Talking Points:
    - Cindy Sovine Miller shared basic Talking Points devised as a starting point for Commissioners to talk about issues/topics that have emerged.
  - Commission discussion:
    - In addition to hearing from government, it would be even better to hear from the private sector on what they are doing to help lower health care costs.
    - What are the thoughts on need for additional funding for the Commission?
      - Will absolutely need to seek outside funds (Planning Committee is looking at both local and national foundations). There will be a report to the Commission as this evolves and this topic will be a major action of the Planning Committee moving forward.
    - For statewide meetings, do we know for certain that a quorum of members will be there?
      - Yes, there will be a quorum at each meeting. Commissioners should hold the meeting dates in their calendars and avoid scheduling conflicts as much as possible.

## VI. Statewide Meetings update

- Commissioners should place meeting dates on their calendars (document provided to Commissioners in their meeting packet with the statewide meeting dates). If a conflict does arise for Commissioners, they should let Lorez Meinhold know as soon as possible.
- Draft agenda and questions for the outreach meetings are currently underway.
- An online survey will be created for those who could not attend the statewide meetings to respond to the questions. The survey will likely be opened after the outreach meetings.
- Findings from the meetings and surveys will be included in the November report.
- Locations and times for each meeting are still TBD. Would like Commissioner assistance in their respective regions to help find locations, advise on best times, solicit stakeholders, etc.

### **VII. Public Comment**

- Greg Swan, retired health care professional: Linda Gorman's point about receiving presentations from other groups was well taken. There was a group from Purdue University that provided a good update on health care costs.

### **VIII. Other Business**

- Next 3 Commission meetings will be at COPIC. Meeting locations for dates from August forward are TBD.
- Technology:
  - ReadyTalk should be operating by the next Commission meeting in May to provide remote participation for the public and Commissioners. ReadyTalk allows for up to 150 participants to join meetings in webinar fashion. The technology can be used for Commission and Standing Committee meetings.