Alaska Health Care Commission

Commission Discussion Notes

March 21-22, 2014 Meeting

Notes from Commission Member Discussions – Doesn't include notes from panelists and presentations.

2014 – 2017 Context: Commission's Next 3 Years

Conversation with Commissioner Streur (3/21/14)

- We need a health care delivery model that:
  - Reaches the most people
  - In the most effective manner
  - At the lowest possible cost
- Medicaid gap analysis is proving formidable and is a work in progress – The department needs more information on the characteristics, needs and available services for the population <100% poverty
- Medicaid Reform Advisory Group
  - Opportunity for identifying strategies for improving Medicaid cost and quality
  - Has a very short timeline for producing their report
  - Does the membership have the appropriate background and enough time to accomplish the charge?
  - Will utilize background information and priorities identified by the Commission
  - Sen. Coghill is member link between the two groups (member of both the Medicaid Reform Advisory Group and Commission)
- The statewide health plan the Commission is facilitating with DHSS:
  - Should not be an event
  - Should not be a document that sits on a shelf
  - Should be a process
- DHSS Focus
  - Rural Health System
  - "Super Utilizers" (Medicaid enrollees who utilize hospital emergency room services 4 or more times per year)
  - Prevention
- "Low-hanging fruit" for strategies
  - Patient Centered Medical Home
  - Behavioral Health/Primary Care Integration
  - Complex Behavioral Health Collaborative

Commission follow-up discussion on Context (3/22/14)

- We have a Cost and sustainability and budgetary problem – alternatives to fixing these problems will be draconian if we don't do it right
  - Just haven't leveraged existing medical assets right
- Recommendations we're making aren't going to be popular with everybody/every sector
  - Examples of some bills now that are getting "hammered" by industry lobbyists; and legislators don't all have all the information they need to understand the issues
- Alaska's Health Care System
  - made up of 3 (or4) delivery systems:
    - Private Sector

        - Alaska Tribal Health System
        - Department of Defense and Veterans' Administration
        - Federally Funded Community Health Centers (primary care safety net; some funded in Tribal Health System)
    - Medicaid a major funder
    - Lots of moving parts
- Need to focus on high-utilizers and high-cost beneficiaries/plan members
- Concern about population in long term care who are quite expensive
    - Long term care system reform needs to take into consideration the dramatic increase in the number of elders we expect to see over the next 10 years
    - We have models to look to for improving medical cost and quality, but aren't aware of models for long term care reform
    - There are some examples in other states of local community collaboratives working together to share resources to meet local need – but care is too expensive in Alaska to replicate this model.
    - Alaska's Personal Care Assistance (PCA) Program is a good model – the fraud and abuse work will help to increase accountability and credibility of this program.
    - Alaska Department of Administration has a huge problem facing the retiree health insurance plan – the looming long term care needs particularly
    - Is there an opportunity to use unused in-patient beds and facilities to develop more long term care beds – expand swing bed model?
    - Part of the process will include identifying regulatory changes needed; and also cost

Commission's Current & Future Role

- Continue Study and Advisory Role
- Expand to include Convening Role:
    - Catalyst for conversation and coordination
    - Bridge-builder
    - Broadly vet implementation action ideas requiring legislation
    - Deep dive/drill-into specific issues with stakeholders in quarterly meetings – make meetings longer if necessary.
    - BUT - do not lose overall context and charge
- Provide "Sunshine" on stakeholder and lobbying dynamics that emerge around proposed legislative action
- Demystify the health care industry for legislators and the public
    - Including understanding the changing dynamics driven by the federal Affordable Care Act
    - Multiple health care delivery systems in AK somewhat unique
    - ACTION ITEM: Update and Summarize the Commission's 2009 report describing Alaska's health care system
        - Prepare 15 page executive summary, with flow charts
        - Will also be helpful for Medicaid reform group and new legislature in 2015
- Support Medicaid Reform Advisory Group
    - Provide context, information, and priorities

Employers' Role in Health & Health Care

What Do We Need to Learn from Employers re: Their Employee Health Management Programs and Future Plans? *(i.e., what questions do we want answered from the employer survey ISER/UAA and the Department of Labor & Workforce Development are conducting on behalf of the Commission? (data gathering almost complete and analysis beginning – report due in June))*

- Positive feedback from insurance providers and brokers on the survey design - survey instrument includes important elements: Wellness, Plan design, Availability
- Need to see overview – preliminary analysis of survey data first – then questions will flow
- Would like to know if employers are implementing policies regarding pre-employment selection factors based on health risks, e.g., tobacco use and obesity.

Commission Comments on Draft Health Benefit Recommendations Paper

- Providing this type of information and advice is within the context of what the Commission is charged to do and trying to do.
- Thorough – well done – could be helpful for employers who are having to do their own research otherwise
- Employers don't have the expertise to do all of these things themselves – many will need consultants/vendors to help with what's recommended.
- Employers' main job is to run their business, not be health care administrators – Employers' ultimate question is – what can I afford?
- On-Site Primary Care Clinics
    - How many employers are large enough to support an on-site clinic?
    - Some Anchorage employers and State of Alaska union health trusts have begun contracting with H2U to provide primary care services for employees (not on-site, but easily accessible and affordable)
- Pg. 2, #7, Make more direct and action oriented by changing the word "Understand", to "Educate yourself about" or "Learn about"
- Pg. 2, #9, Rather than explicitly recommending employers "Advocate" for State health policy improvement, recommend they "Engage in" or "Participate in the public policy process"
- Pg. 5, 3.C Advocate for State Transparency Laws – Is this a useful role for State government?
    - Yes - the industry has failed to provide the information patients need so the State has to step in
    - This is an appropriate role for the government to play – providing information for consumers, not "taking over" the health care industry

Other Comments related to Employer Issues

- Price Transparency
    - We've done a terrible job on price transparency – can't overemphasize the importance of having price transparency
    - Consumers have to have price transparency if we are going to engage them; but consumers also have to have choice for competition to work
    - Requiring transparency is an appropriate role for government to play without taking over the health care system
- State/public employers need to continue to provide leadership, but there's an opportunity for private employers to provide some leadership too now through the Alaska HR Leadership Network

Fraud & Abuse

Preliminary Findings

- CMS/Medicaid estimates 3-10% of spending is fraud; we're recovering here in Alaska <1% - our programs are doing a great job; but,
  - Realigning fee structures, creating a more even negotiating field, and evidence-based practice and coverage is what is going to make the difference in addressing our cost challenges (Nationally $1T in health care "waste" vs. $30B lost to fraud)
  - But 1% recovery doesn't include savings from deterrence
- New MMIS will help (once it's working)…New provider enrollment system should improve ability to streamline/manage/facilitate audit process (will add power to identifying fraud, and hopefully will relieve providers generally)
- Current Medicaid Fraud Control program has a backlog — what can be done to help alleviate that?
- If they had more people/staff in the programs they could do more
- How do private sector payers control fraud and abuse?
- Medicaid is operating under federal controls – is there an opportunity for state law/reg/program improvement?
- In behavioral health world – the process of billing for behavioral health is questionable – Two issues: Transparency, and clarity of the process
  - Current fraud programs aren't prosecuting much in the behavioral health sector because of lack of clarity regarding diagnosis and payment standards – is there something we can do to help in this area?
  - Could the Commissioner and the Alaska Mental Health Trust Authority explain to the commission how grant financing and Medicaid financing of behavioral health services work and inter-relate? Eligibility and categories of eligibility? We need DHSS to explain how they categorize and conduct grant reviews and how does fraud investigation work currently?

Preliminary Recommendations

- # of audits providers are subject to seem daunting – is there something we can do/recommend to streamline the audits/audit processes to lessen the burden on providers (which is currently compounded by the Medicaid Management Information System transition)?
- Could/should provider enrollment be streamlined?
- What could help to alleviate the Medicaid fraud investigations back-log? Additional staff?
- Are there opportunities for improvement in and streamlining between federal and state laws and programs for Medicaid fraud control?
- Could we help in the behavioral health arena with fraud – better diagnosis and payment standards?

Price & Quality Transparency

All-Payer Claims Database Draft Paper: Key Elements for State Legislation

- Identifying need (what is the issue driving/requiring legislation), strategies for addressing the need, and ways to implement the strategy, is important.
- Helpful for legislators to get ideas/information that is ready to be debated and that has been vetted with the industry with compromises made in advance. E.g., for APCD – identify governance structure in advance.
- Commission should play convening role with stakeholders; include employers and patient representatives in APCD stakeholder group.

- Don't get ahead of the legislature (provide principles/guidelines/essential elements for legislation; but don't draft legislation)
- Governance structure needs to acknowledge the three (or four) health care delivery systems in AK
- Data vs. Information; focus data needs and prioritize data requests to maximize success at turning data into useful information.

Provider Transparency Laws

- Payment differences between payment sources needs to be described and understood.
- "Value" needs to be understood and part of the umbrella – Quality and outcomes data need to be included with price – can industry help us to understand this?
- Focus on top procedures for price transparency – high volume and high cost procedures and elective procedures
- Community Health Centers are required to post their charges and cost by procedure – perhaps they could be used as a model.
- Convene stakeholders to vet these ideas

Meeting Evaluation – Plans for Improvement

- Should future Winter meetings be held in Juneau during the legislative session?
  - Yes
  - Good to increase interaction with legislature/staff and to educate commission members about legislative process
  - Next year use as opportunity to educate new legislature about the Commission and about health system issues
  - Time pressure during legislative session tough for legislative members, so expectation for legislative participation shouldn't be too high
  - Meet earlier in session to help inform the budget discussions, and participate in budget hearings.
  - Meet on a Saturday (but not on Sen. Coghill's anniversary)
  - Have invited testimony during the evenings to allow more legislative participation.
- General: Expand length of Quarterly Meetings from one and a half to two full days.