“New Approaches, New Year”
A CBGH Strategy Session
January 9th, 2020

“Fix problems, not blame.”
A continuous quality improvement principle.
CBGH January 2020 Strategy Session

Discussion Topics/Agenda

• Call to Order/Welcome – Jeanne

• Recognitions/Agenda - Bob

• Health Happens: 9Health’s 40 Year Journey - Melanie

• CBGH in 2020 - Bob
  • CBGH Membership Group – Role and Objectives
  • The Colorado Purchasing Group – Role and Structure

• Colorado Primary Care Payment Reform Collaborative - Kate

• State-Led Health Reform: CBGH’s Annual Forum - Bob
CBGH in 2019: Map Opportunities for Improvement

CBGH in 2020-22:
Exploit* Opportunities for Collaborative Improvement

“When you blame others, you give up your power to change.” Robert Anthony

*Exploit (verb): To make full use of and derive benefit from (a resource or situation).
New members in 2019: We Were Joined by and Welcomed....

- City and County of Denver
- City of Fort Collins
- Colorado Sheet Metal Workers Family Health Plan
- Larimer County
- Summit County Family & Intercultural Resource Center
Summary of Key 2019 Achievements

• Meticulously defined and quantified the challenges employers face:
  • 2019 Hospital Value Report: Quantifying the variation in value across and within hospitals.
  • Provided CareChex Hospital Ratings detailing hospital performance service-by-service.
  • Shared Leapfrog Safety Grades and Survey highlight overall performance.
  • Collaborated on market assessments showing how drivers of today’s market

• Delineated approaches to improving value for employers:
  • Employers Health PBM: Participating members saved 25% and 32% on drug costs.
  • Used Annual Forum and five “Strategy Sessions” to highlight market-based solutions.
  • Provided a “balanced scorecard” for use in long-term planning (THE key for controlling costs).
  • Successfully supported impactful legislative change through testimony to various committees.
  • Worked with the Insurance Commissioner to draft a multi-year plan for establishing a statewide purchasing alliance.
Bottom Line on 2018/19

• We recognized that...
  • This is no longer 1996 and the need to transition with the market.
  • We’re part of a greater movement in Colorado. Across the country: states and coalitions are watching what’s happening in Colorado.

• We received recognition in leading efforts to inform and empower employers in today’s market.

• We...
  • Earned an opportunity to lead change in Colorado’s health care market(s).
  • Established a strategic, financial, and structural platform for doing so in 2020.
Gov. Polis is looking to take innovative Summit County health insurance alliance model statewide

A Colorado health insurance co-op, modeled after the Peak Health Alliance, could give employers greater leverage when negotiating health care prices.

John Ingold @johningold
A stunning indictment of the U.S. health-care system, in one chart

Americans are putting off medical treatment in record numbers because of cost, Gallup data shows.

An IBI study found that employees who experienced a cost-related obstacle to care had 70% more sick days than peers who had no cost hindrances to accessing care.

**QUESTION:**

Is this an indictment of “the system” or of the manner in which we have been purchasing and providing benefits for health care???
Because: “A problem well-defined is a problem half-solved.”

Mapping Issues in the Health Care Market

**Demand Side**
Employers must impact individually through education and incentives.

**Supply Side**
Employers must impact collectively through group purchasing.

**Lifestyle/Risk**
Driving increased incidence and costs of chronic disease

**Inappropriate Demand & Use**
From antibiotics to stents
From low quality to high price

**Pricing/Payment Methods**
- Hospital
- Pharmaceutical

**Errors & Avoidable Complications**

**Under-use**
Prevention & Primary Care
Est. at 25% to 40% of care

**Over-use**
From antibiotics to stents
From low quality to high price
Because: “A problem well-defined is a problem half-solved.”

Addressing Issues in the Health Care Market

**Demand Side**
Employers must impact individually through education and incentives.

**Supply Side**
Employers must impact collectively through group purchasing.

### Lifestyle/Risk
Driving increased incidence and costs of chronic disease

### Inappropriate Demand & Use
From antibiotics to stents
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### Under-use
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### Over-use
Pricing/Payment Methods
- Hospital
- Pharmaceutical

### Errors & Avoidable Complications

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Value-Based Benefit Designs

Value-Based Purchasing
Premises Underlying Our Re-Structuring
What’s needed to seize the moment…and the momentum.

The healthcare market in 2019 both is and is not fundamentally different than 1996.

- **In 1996**, as later documented by Institutes of Medicine defined the issues as **quality waste**. **Those issues, as the IoM reported recently, largely still exist.** However....

- **In 2019**, vertical/horizontal consolidation has served only to **increase prices while significantly worsening** the long-standing, largely unresolved quality-waste problem.

**Confronting the true underlying causes of rising health care expenditures (“high prices and health care inefficiencies”) will require employers to synergistically leverage and align both individual and collective strategies.**
Since our December 5\textsuperscript{th} Annual Meeting

- **Incorporated** “The Colorado Purchasing Alliance:”
  - A Colorado “not-for-profit”
  - Employer-led, market-based healthcare reform
- Submitted request to DOI for “Certificate of Authority.”
- Outlined a proposed working relationship for engaging health plans.
  - Drafted data flow chart for “re-pricing”
  - Outlined agreement with mutual responsibilities
- Created a “Data Acquisition” template for negotiating contracts.
- Committed to working with HCPF to align with “Polis-Primavera Roadmap.”
- Scheduled/met with CASE, CEA, DRCOG, associations and labor unions.
- Begun discussions: two health systems and several independent hospitals.
About The Colorado Purchasing Alliance:
Employer-led, Market-Based Health Reform

“The best time to plant a tree was 20 years ago.
The second best time is today.”
Chinese Proverb
Changing dynamics for a more effective, efficient marketplace: What *market-based health reform* looks like:

**Traditional Purchasing**
- Health plan functions as *surrogate* purchaser.
- No interaction between buyers and sellers.
- Employer has *negligible purchasing power*.

**Colorado Purchasing Alliance**
- Encouraged by CRS Section 10.16.1001-15.
- Employers (buyers) and provider (seller) directly negotiate *price, payment, and performance*.
- Value-based insurance designs are essential.
The Colorado Purchasing Alliance will seek to implement...

Employer-led, Market-based Healthcare Reform

• Changing relationships in the market e.g., **Group purchasing/direct purchase**

• **Pool purchasing power statewide** (the intent of CRS 10.16.1001) while
  • Supporting clinical transformation/dialogue at the local level
  • Seeking to block cost-shifting across communities or markets

• Build on and align with the **Polis-Primavera Roadmap** to Affordability.
  • Promote competition based on core competencies – quality and price.
  • Change payment mechanisms

• Work with **any/every willing health plan** as insurer/administrator

• Function **only** a group purchaser – employers will use administrator of choice

• Recognize that markets don’t change in one year; **seeking a glide-path** to a more sustainable, symbiotic relationship over the course of 3-4 year
CBGH Membership Group

Supporting Individual efforts to address Demand-Side issues in a multi-stakeholder forum.

- Research and education on various strategies on which employers can take action separately.
  - Newsletters/publications
  - Webinars
  - Strategy Sessions
  - Annual Forum
- Tools in Support of Employee Education and Engagement/VBID
  - 2020 Hospital Value Report
  - Leapfrog Safety Scores and Survey
  - CareChex (Hospital reliability)

Colorado Purchasing Alliance

Supporting Collective efforts to address Supply-Side issues in purchaser-only forum.

- Group purchasing for services with pricing/ performance opportunities:
  - Hospital
  - Pharmacy
  - Advanced Practice Primary Care
- Payment reform, moving from FFS to mechanisms that promote/require provider accountability.
- Support for regional performance improvement & clinical transformation.
The Colorado Purchasing Alliance – A Colorado Not-for-Profit Committees, Workgroups, and Partnerships

CO Consumer Health Initiative

State DOI and Dept. of HCPF

The Colorado Purchasing Alliance

Executive and Finance

Nominating

Benefits Advisory

CO Business Group on Health

Standing Committees

Technical Support Groups

CIVHC

Rand Corporation

CMS Quality and Cost Committee

National Academy for State Health Policy

Potential Ad Hoc Subgroups

Health Plan Relations

TBD

TBD

1.09.20

CBGH January 2020 Strategy Session
To enable these strategies:

What We’re Asking of Employers

1. **Do your homework!** Know what you’re paying and getting (CareChex)

2. Think, plan, and act in terms realizing full benefit of **change over 3-4 years**.
   - Allow CBGH to meet with Leadership (if participation is in doubt).
   - Require TPA/ASO vendor to utilize Alliance contracts (ala the State).
   - **Commit to phasing in (over 3 years) strong value-based benefit design incentives to use & reward contracted providers beginning January 2021.**

3. **Submit Letter of Intent by January 24th**.
   - Demonstrates employer commitment for the community and to the providers.
   - Allows participation in Interim Board that will adopt a budget and multi-year plan/goals.

4. **Participation Agreements** for 2021 (to be adopted by Interim Board).
Better is possible. It does not take genius. It takes diligence. It takes moral clarity. It takes ingenuity. And above all, it takes a willingness to try.

— Atul Gawande —
About Our 2020 Annual Forum
(Please Hold the Date of May 20th, 2020!)

• Title/Theme: *State-Led Health Reform - Sharing Strategies and Lessons*

• Goal: Highlight what States are doing; Showcase CBGH’s Purchasing Alliance

• Co-Hosts:
  • National Academy for State Health Policy
  • National Alliance of Health Care Purchasing Coalitions

• Keynote Speakers Include:
  • *Colorado’s Governor Polis* (invited) or Commissioner Conway: “How Colorado is Leading the Way”
  • *Commonwealth Fund*: “State Health System Report Card: Colorado vs US”
  • *Beaumont Health System*: “How Hospitals can Reengineer Healthcare and Reduce Costs”
  • *National Academy for State Health Policy*: “An Overview of Legislative Activity”
  • *North Carolina* (how hospitals respond) and *Connecticut* (episodes)
  • *Pacific Business Group on Health*: “Employers Centers of Excellence”

• Sponsors: The Commonwealth Fund, Insurers, Vendors
Health Happens: 9Health 40-Year Journey

Presentation to Colorado Business Group on Health
January 9, 2020

Melanie Zeitler 9Health VP Philanthropy
Adele Work 9Health VP Operations
About 9Health

“Seven months after my father passed away from a heart attack, I went to a 9Health Fair. My blood screening results indicated that my cholesterol levels were high. I went to her doctor who referred me to a cardiologist. An angiogram showed a partial blockage in my artery. Since then, I have made important changes in (my) life – I am on medication, receive regular checkups and go to 9Health Fair every year! I believe 9Health Fair helped save my life and prevented me from suffering a heart attack like my father.”

Mickie O., Participant
9Health: Our Past

• A relatively small but visionary organization
• The first network of volunteers to provide low/no-cost health screenings and information to locals
• Founded in a belief that screenings can be the foundation of healthy behaviors and reduction of health risks
• Uniquely grounded in classic Colorado values: a community committed to its people being empowered to live their best life
• Trusted by individuals and communities to provide unbiased, medically relevant screenings and education
9Health: The First 40 Years By the Numbers

- Number of screenings:
  - Estimated 2 million people
- Number of community health fairs:
  - Estimated 3,500 fairs / 3,700 fair days
- Number of alert calls:
  - Estimated over 100K
- Number of volunteer hours:
  - Nearly 1M

- Lives saved or improved:
  - COUNTLESS
The First 40 Years: Financial Impact

If 9Health had not been around for the last few years, 2019 medical costs for Coloradans over 50 living in medically underserved areas would have been nearly $2 BILLION dollars more than they were.*

*According to 2019 QREM study of 9Health participants from 2016 - 2018 with out of range findings for A1c and Cholesterol.
We Believe …

Preventive Health is central to your wellbeing.

9Health Every Day is Your personalized year-round preventive health partner.

9Health supports and celebrates you ‘owning your health’ every day, all year, on your terms.

We aim to foster healthy community, and offer every Coloradan lowest-cost access to knowing about your health, and doing good things for it.
9Health Every Day: The 5 Essentials for Preventive Health

Highest-need preventive health problems 9Health CAN help solve:
- Awareness & Literacy
- Motivation to Change
- Skills Required
- Opportunities to Live Healthier

Prevention ROI: 5:1
Preventive health studies consistently indicate a minimum 5 to 1 return to the community on invested prevention dollars.
The Next 40 Years: Impacting Populations

- **Eliminate Barriers to Health**: We improve health through connections to healthcare (both physical and digital) and resources that impact social determinants of health.
- **Customize Health Offerings for Communities**: We use data to tailor health fairs, health education, and resources to the needs of a specific community or population.
- **Promote health awareness & engagement for all Coloradans**: We create health shows and other media offerings to raise health awareness among the population at-large.
- **Partner with local providers, public health & human services**: We engage local healthcare providers, public health, and human services to enhance health fairs and education for communities.
How can 9Health support your Population’s Preventive Health?

- Preventive Health Screening
- Health Education & Literacy
- Behavior Change Toward Preventive Health
- Mental Health Support
- Prevention Tools You Can Use
- Augmenting Care Resource Availability
- Specific Demographics Needs, e.g., Screening/Education for Older Adults

9Health Proprietary and Confidential
9Health and 9News Reach Millions with Health Education

- Created by 9Health
- Distributed on 9News and 9Health platforms
- Searchable video library of health topics
Health people, health experts and media are able to nudge individuals into sustained healthier behaviors...

...impacting, for instance, the 68% of current participants with high cholesterol. Or the 65% with prediabetes.
Behavior Change has a Better Chance of Succeeding When Combined With:

- High Touch
- Personalized Programs
- Not Being Completely Reliant Upon Technology
- Community
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Q & A
Quick Survey

Thank you for filling out a quick survey to identify how 9Health can best help CBGH members in health!
Launching the Collaborative, First Report Recap, and Next Steps in 2020

Kate Harris, Chief Deputy Commissioner, Life & Health Policy
What is the PCPRC?

• Established by HB 19-1233, led by Colorado Division of Insurance (DOI)

• Focused on increasing investment in primary care and promoting use of advanced payment models

• Tasked with identifying strategies that:
  • Reduce health care costs resulting in net savings
  • Are evidence-based and provide incentives for value rather than volume
  • Are adequate to sustain infrastructure to deliver advanced primary care that is patient-centered, comprehensive, coordinated, and accessible
  • Direct resources to the patient and practice level that expand the capacity of the primary care system to equitably meet the health needs of patients
  • Sustain advance primary care delivery models
PCPRC Composition & Responsibilities

The Primary Care Payment Reform Collaborative

- Employers
- Health Care Providers
- Health Care Consumers
- Health Insurance Carriers
- Experts in Health Insurance Actuarial Analysis
- Department of Health Care Policy & Financing
- Federal Centers for Medicare and Medicaid Services (CMS)
- The Primary Care Office in the Department of Public Health & Environment

Responsibilities:

- Advise in the development of affordability standards and targets for carrier investments in primary care
- Analyze the % of medical expenses allocated to primary care provided by the APCD
- Develop a recommendation for the definition of primary care
- Report current practices of carrier reimbursement that direct greater resources to care innovation and improving primary care
- Identify barriers to the adoption of Alternative Payment Models and develop recommendations to address barriers
- Consider how to increase investment in advanced primary care w/out increasing the total cost of health care or costs to consumers

Who is at the Table?
Initial Timeline

**START HERE**

- The Commissioner of Insurance convenes the Primary Care Payment Reform Collaborative ("the Collaborative")

**BY JULY 15, 2019**

- The Administrator for the All Payer Health Claims Database (APCD) provides a Primary Care Spending Report to the Commissioner of Insurance & the Collaborative

**BY AUGUST 31, 2019**

- The Collaborative publishes recommendations for primary care payment reform based on the Primary Care Spending Report

**BY DECEMBER 15, 2019**

- The Commissioner of Insurance makes rules establishing Affordability Standards, including appropriate targets for insurance carriers to invest in primary care based on the recommendations from the Collaborative

**INVESTMENTS IN PRIMARY CARE TO REDUCE HEALTH CARE COSTS**

Result:
Investing in the right place at the right time decreases the overall spend on healthcare

- Insurance Carriers, Medicaid, & State Employee Health Plans adopt targets for investments in primary care aligned with Affordability Standards
KEY RECOMMENDATIONS

- Inclusive definition of primary care
- Primary care investment target: one percentage point annual increase in 2021 and 2022
- Identify and track short, medium, and long-term measures
- Increased investments should support providers in adopting advance primary care delivery models
- Increased investments should be offered through infrastructure investments and alternative payment models
PCPRC recommendations for DOI’s future affordability standards should focus on the levers unique to primary care.
Next Steps

• Data collection improvements
• Measures!
• Alternative payment models
• Technical assistance
Next Steps

• Multi-state Collaboration and Learning
  • Rhode Island
  • Oregon
Opportunities for Collaboration

Kate Harris
Kate.harris@state.co.us

https://www.colorado.gov/pacific/dora/primary-care-payment-reform-collaborative
Questions?
CBGH Annual Forum

STATE-LED HEALTH REFORM 2020: Shared Strategies and Lessons

MAY 20, 2020 | HILTON DENVER INVERNESS HOTEL | DENVER CO
Announcements

• May 20, 2020 – Hilton Denver Inverness Hotel
• Registration Opens Jan 28
• Sponsorships and exhibit opportunities
• Keynote Speaker: Governor Polis invited “Why States Must Lead...How CO Intends to”

Sessions:
- Health Plan Leaders Panel “State-Based Health Reform – The Health Plan’s Role”
- The Commonwealth Fund’s Center of Excellence Program “How States Can Support Market-based Strategies that Move the Needle”
- Improving outcomes with data-driven health plan design
- Reducing healthcare spend with high performance health services
- How to make value-based healthcare an employer priority
- Leveraging states purchasing power
- Acting upon the insights of the Rand 3.0 “Hospital Value Report”
- How hospitals are taking advantage of the 340B drug pricing program
- North Carolina’s state health plan provider reimbursement strategy
- Connecticut’s Centers of Excellence Program “Utilizing Episodes of Care to Improve Quality “
Strategy Sessions

- **March 17** – KP Lone Tree
  Topic Area: Using Value-Based Benefit Design
- **June 17** – KP Lone Tree
  Topic Area: Predictive Modeling
- **Aug 17** – Location TBD
  Topic Area: Rand 3.0 Hospital Value Report
- **Sep 16** – Topic & Location TBD
- **Nov 12** – Topic & Location TBD

* Topics not confirmed

Meetings & Webinars

Meetings:

- Late Feb: Payment Integrity Meeting with Agility Health Data Analytics. Details TBA.
- Rand Report 3.0

Future Webinars

Topic Areas:

1. Pharmacy Benefit Management
2. Roles of the CO Legislative Health Committees