PRIMARY CARE REFORM COLLABORATIVE (PCRC) Meeting

Monday, July 17, 2023
3:00pm - 5:00pm
Hybrid (Anchor location DHSS Chapel)

Meeting Attendance and Minutes

Collaborative Members:

Present	**Organization**
Dr. Nancy Fan, Chair	Delaware Health Care Commission (DHCC)
Dr. James Gill	Medical Society of Delaware
Dr. Rose Kakoza	Delaware Healthcare Association
Kevin O'Hara	Highmark
Steven Costantino *(Proxy for Secretary M. Magarik)*	Department of Health & Social Services (DHSS)
Senator Bryan Townsend	Senate Health & Social Services Committee
Deborah Bednar	Aetna
Faith Rentz	State Benefits Office/DHR

Meeting Facilitator: Dr. Nancy Fan

Commission Members Absent: Commissioner Trinidad Navarro *(*Department of Insurance (DOI)), Vacant (Delaware Nurses Association), Theodore Mermigos (Division of Medicaid and Medical Assistance), and Representative Melissa Minor-Brown (House Health & Human Development Committee)

Health Care Commission Staff: Elisabeth Massa (Executive Director) and Tynietta R. Congo-Wright (Administrative Specialist III)

Call to Order

Dr. Fan called the meeting to order at approximately 3:06 p.m. It was determined a quorum was present later in the meeting. Dr. Fan asked public attendees to virtually sign-in by placing their name and affiliation in the chat box; public attendees were also informed that they can email this information to

elisabeth.massa@delaware.gov. Dr. Fan announced the PCRC has a new vacancy representing the Delaware Nurses Association.

April 24, 2023, Meeting Minutes Approval

Dr. Fan asked if there were any edits or comments for the April 2023 meeting minutes. Hearing none, a motion was made to approve by Dr. James Gill and Kevin O'Hara seconded. The minutes were unanimously accepted by PCRC members.

Update – Department of Insurance Office of Value-Based Health Care Delivery (OVBHCD)

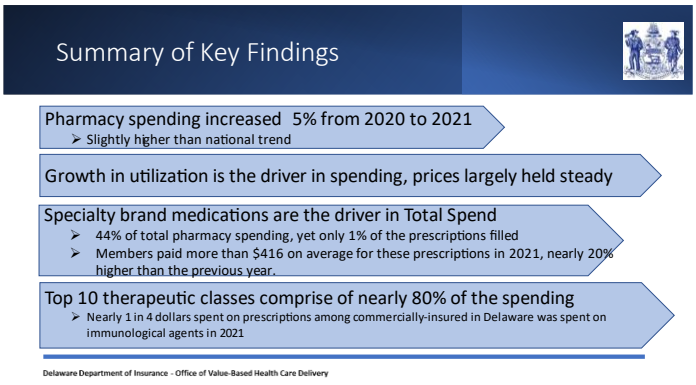
Cristine Vogel, Director for the OVBHCD, presented on the, "Trends in Pharmacy Spending Among Delaware Commercial Fully- Insured from 2000-2021." Her presentation shared highlights of the data the Department of Insurance collects from pharmacy benefit managers. She kicked off her presentation by sharing DOI is in the process of collecting some of the affordability standard data templates for the individual and small market and in September, DOI will collect the large group and student plans.

Pharmacy Benefit Managers (PBMs) operate in the middle of the supply chain, with primary functions to negotiate with drug manufacturers and manage prescription drug benefits for health insurers.

DOI collects data from the top three (3) PBMs who also are the top PBMs for 80% of the U.S. market. The analysis Ms. Vogel will be sharing includes the three PBMs that have more than 5,000 covered lives in Delaware. The analysis includes represents about 109,000 members which represents the full insured commercial market. The top 3 PBMS have merged with an insurer: CaremarkPCS/Aetna, Express Scripts/Cigna, and OptumRX/UnitedHealthCare

In 2021, prescription drug spending through members' pharmacy benefit, comprises about 21% of Delaware fully insured commercial total spending. There has been great success with comprehensive care management and medication management.

Ms. Vogel highlighted DOI's key findings described in the slide below:



Ms. Vogel shared data on the total prescription drug spending which among Delaware's commercial

fully insured, pharmacy spending increased 5% from 2020 to 2021, on a per member, per month basis, after subtracting dollars received from rebates. She also shared the cost per prescription held steady in 2021 while utilization increased post-COVID. Next, Ms. Vogel provided data about specialty medication that drives total spending and rebates vary depending on type of medication. Her presentation also included data about the top 10 therapeutic classes which comprise nearly 80% of spending.

Ms. Vogel concluded her presentation with a "look ahead."

- Cost growth likely to hasten
- Outsized impact of a few specialty drugs
- Continued vertical and horizontal consolidation

Dr. Fan thanked Ms. Vogel for her presentation and sharing this valuable data with the PCRC. Dr. Fan added this is part of clinical care and it warrants a deeper dive. Dr. Fan opened the meeting for any comments or questions.

Dr. James Gill agreed this is a big issue and problem trying to get a handle on increasing pharmacy costs. Dr. Gill asked how this corresponds with the main purpose of the PCRC. He shared the primary goal is to increase access to care by increasing funding for primary care and it's important to figure out where we are in our landscape. In terms of the PCRC's main goal, however, Dr. Gill shared he felt the PCRC has not gotten very far. He shared he is representing the Medical Society of Delaware and as far as he knows, no primary care physician has seen in private practice or independent practice, an increase in payments so far. He added Medicaid and the State Employee group has declined to participate in primary care reform. There is also no control over Medicare and little control over self-insured. He added while it's important to talk about issues such as pharmacy costs, the PCRC needs to figure out to implement the main goals of the PCRC. Dr. Fan added DOI sharing the data on pharmacy costs shows the challenges about what happens with the total cost of care which is important because it shows the whole pie and essentially how the slices are being divided.

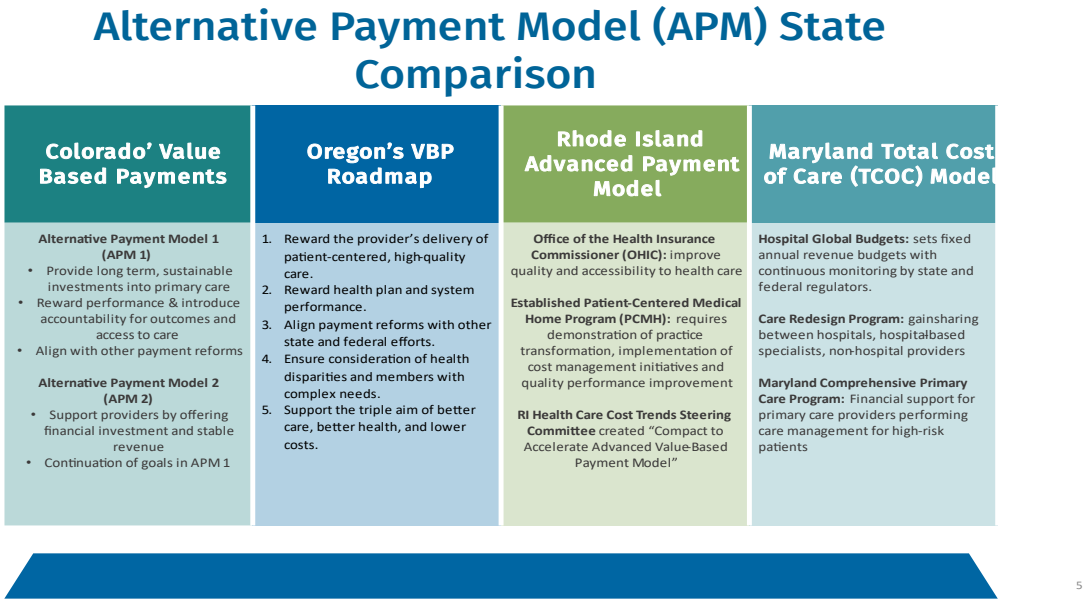
Steven Costantino replied to Dr. Gill's comments that Medicaid does not want to participate in primary care reform. Mr. Costantino said there has been a confounding on what that definition is, but primary care is not simply increasing rates. Instead, it is tying it to outcomes. Medicaid has moved in that direction significantly and in many cases, in terms of the outcome side of things, Medicaid has more than others.

Dr. Fan asked if there were any additional questions for Ms. Vogel. There were none.

Delaware Primary Care Value-Based Payment Model

PCRC vendor, Health Management Associates (HMA), provided an update on the Delaware Primary Care Payment Model.

To start the presentation, Gaurav Nagrath (Managing Principal with HMA) shared information about Alternative Payment Models (APM) in other states – Colorado, Oregon, Rhode Island, and Maryland. A summary is presented in his slide below:



Next, Mr. Nagrath provided a deep dive on each state:

- Oregon-
    - Rewards the provider's delivery of patient-centered, high-quality care
    - Rewards health plan and system performance
    - Aligns payment reforms with other state and federal efforts
    - Ensures consideration of health disparities and members with complex needs
    - Supports the triple aim of better care, health, and lower costs
- Colorado-
    - Provide long term, sustainable investments into primary care
    - Rewards performance and introduces accountability for outcomes and access to care while granting flexibility of choice to PCMPs
    - Aligns with other payment reforms across the delivery system
- Rhode Island
    - Current framework is built on the previous FFS payment model which creates a financial rework for increasing the volume of healthcare services
    - Rhode Island Health Care Cost Trends Steering Committee created the "Compact to Accelerate Advanced Value-Based Payment Model Adoption in Rhode Island", which developed a set of recommendations for accelerating the adoption of advanced VBP models in April 2022
- Maryland

- Hospital Global Budgets: sets fixed annual revenue budgets with continuous monitoring by state and federal regulators
- Care Redesign Program: gainsharing between hospitals, hospital-based specialists, and non-hospital providers
- Maryland Comprehensive Primary Care Program: Financial support for primary care providers performing care management for high-risk patients

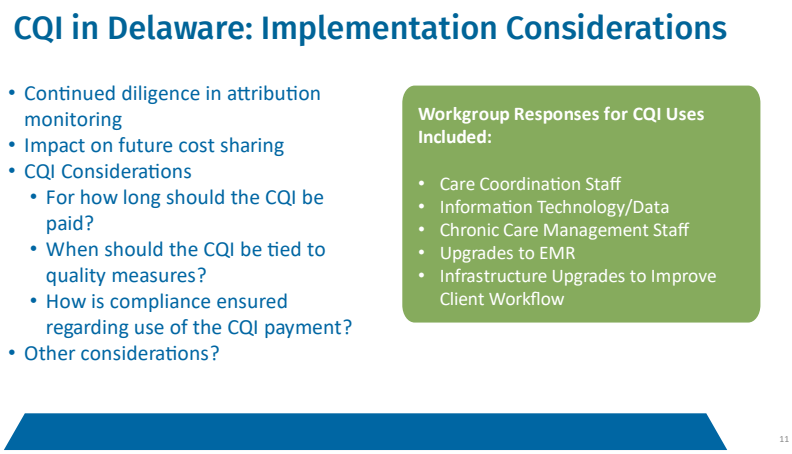
Dr. Fan opened the meeting for questions. She first asked Mr. Nagrath what is the regulatory authority that oversees Colorado's work. Mr.. Nagrath stated they were under the state's healthcare policy finance which is the Colorado's Medicaid arm. The other states are third party entities. Dr. Fan also asked if the patient population for Colorado was just Medicaid. Mr. Nagrath confirmed it is just Medicaid.

Ms. Vogel asked how does the payer (Medicaid) impact the success of the model? Mr. Nagrath replied it makes a significant difference and the complexity arises in the flavor of the membership and acuity factor.

Dr. James Trumble with TidalHealth added one of the things in Maryland has done was start off small and added many different things in hopes of capturing a lot of the aforementioned issues. He also shared one of the other things Maryland has done was establish care transformation organizations (CTOs) throughout the state which Dr. Trumble feels are especially helpful to the smaller practices. Dr. Fan asked a follow-up question to Dr. Trumble if they are independent vendors or subsidized by the State. Dr. Trumble shared the CTOs need to qualify at the beginning from the program and then the practices choose a CTO. There are care management fees and a split that varies with the practices.

Dr. Gill shared the Rhode Island and Oregon experience is how Delaware got started on the PCRC work about six years ago. Maryland is so far the most advanced in controlling the cost of care, and Dr. Gill would like to see the PCRC move in the direction of what Maryland has done. Dr. Fan shared each of these states started out with different purposes whether it was cost control, improve outcomes, access, workforce, etc.

For the next segment of HMA's presentation, Dr. Fan provided a brief introduction that that the Standard Quality Investment (SQI) would be under the PC Model which would be a standard PMP payment. On top of the SQI would be a Continual Quality Investment (CQI) investment which is related to care transformation to help practices be successful in value-based care and value-based payment models. She shared it has been a challenge trying to nail down the SQI and hone down a PMP that would be effective. In the meanwhile, HMA would share implementation considerations for CQI in Delaware. Below are some recommendations to consider presented by Ainsley Ramsey (Actuarial Consultant with HMA):



Ms. Ramsey then turned over the presentation to Dr. Fan to see what questions she would like to ask about potentially increasing the number of items on the list or other considerations. Dr. Fan shared she is looking for the PCRC members input on if there is a prospective payment primary care delivery model, the CQI would be a component, some of the feedback she has received is that it would be incorporated into the PMP. There has been some discussion around implementation questions for example, a lump payment to practices and an attestation as part of the compliance with no tie to quality measures. Kevin O'Hara commented any design work for 2024 would probably, from his perspective, need to be done by now, but is not to say they couldn't be flexible if some kind of decision was made.

Ms. Vogel shared typically in federal programs such as CPC+ there is not a grace period. You need to be able to show you are able to report and helps the practices change their work.

Dr. Gill added he thought they are talking about different ways to get the payments. He thought it sounded like a good model, but as opposed to what? Dr. Fan commented the PC model would have two components (SQI and CQI) and the PCRC would have to figure out what that number looks like which is a challenge. She asked the PCRC members if they want to table this whole or part of the conversation around the amount of payment or make a recommendation to what they want to start in 2024. Dr. Fan stated she did not hear any objection to working with HMA to frame this out further.

The PCRC meeting slides are available on the DHCC website.

Due to time constraints, discussion of the NASEM Survey will be discussed at a future PCRC meeting. Dr. Fan shared the PCRC will be establishing a new subcommittee to focus on strategic planning. The next PCRC meeting is scheduled for Monday, September 18, 2023, 3pm – 5pm.

Anchor Location:
The Chapel
Herman M. Holloway Sr. Campus
Department of Health and Social Services
1901 N. DuPont Highway
New Castle, DE 19720

Public Comment

There were no public comments.

Public Meeting Attendees

Berkley Powell	Health Management Associates
Ainsley Ramsey	Health Management Associates
Brendan McDonald	Highmark
Cari Miller	Lab Corps
Chris Haas	Department of Insurance
Christina Crooks Bryan	Delaware Healthcare Association
Cristine Vogel	Department of Insurance
David Bentz	DHSS
Katherine Impellizzeri	Aetna
James Trumble	TidalHealth
Kathy Kleese	Nemours
Kristin Dwyer	Nemours
Linda Micai-Manning	TidalHealth
Mike Pellin	Aetna
Sarah Mullins	Aledade
Mary Jo Condon	Freedman Healthcare
Lori Ann Rhoads	Medical Society of Delaware
Gaurav Nagrath	Health Management Associates
Daniel Nemet	Health Management Associates
Ainsley Ramsey	Health Management Associates
Anthony Onugu	United Medical, LLC.
Tyler Blanchard	Aledade

Lauren Knorr	Aetna
Kristin Dwyer	Nemours
Kathy Kleese	Aetna
Brooke Nedza	Aetna
Alessandra Campbell	HMA
Angel Pannell	Highmark
Dr. Sarah Mullins	Aledade ACO
Sharan Singhota	Nemours
Katherine Impellizzeri	Aetna
Tanisha Merced	State of Delaware, DOI
Linda Micai-Manning	Tidal Health
Jen Fahringer	Aledade, ACO
Cari Miller	Lab Corp
Chevonne DaSilvio-Nash	Nemours