Testimony Regarding S.B. 15: An Act Encouraging Primary and Preventive Care &
H.B. No. 5042: An Act Concerning Health Care Cost Growth

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Insurance and Real Estate Committee

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Dear Senator Lesser, Representative Wood, and esteemed members of the Insurance and Real Estate Committee,

Thank you for the opportunity to submit testimony regarding S.B. 15: An Act Encouraging Primary and Preventive Care & H.B. No. 5042: An Act Concerning Health Care Cost Growth on behalf of Health Equity Solutions. Health Equity Solutions (HES) is a nonprofit organization with a statewide focus on promoting policies, programs, and practices that result in equitable health care access, delivery, and outcomes for all people in Connecticut. Our vision is for every Connecticut resident to attain optimal health regardless of race, ethnicity, or socioeconomic status.

S.B. 15: An Act Encouraging Primary and Preventive Care

Inequities in health care are pervasive and primary care is no exception. In Connecticut, about 12 percent of adults say they have no regular health care provider, and this response is twice as high among Latino/a residents as white residents.[1] The initiatives proposed here are common sense measures for increasing awareness of primary care options and incentivizing engagement with primary care. The following recommendations center equity and would mitigate inequities in access to preventive care:

Section 1: The information provided on insurance cards in section 1 will only be useful to the enrollee if it is current regarding which in-network providers are accepting new patients. We all know the common frustration of calling a dozen offices only to learn there are no available appointments. Further, while providing information about telehealth options could be helpful, no enrollee should feel obliged by cost or payer preference to engage in primary care via telehealth. People of color in our state are disproportionately likely to face barriers to telehealth such as lack of broadband access, densely populated housing that does not offer privacy, and limited access to technology.[2] Further, costs of telehealth visits should be clearly noted on the card. Some telehealth services charge fees beyond standard co-pays and deductibles and enrollees should be aware of this before engaging with a service.

Section 2: Health enhancement programs can incentivize preventive care and have a positive impact on long-term health and well-being. They present an opportunity to encourage participation in high impact care that is often avoided, such as routine oral health care and cancer screenings. To promote equity, health enhancement programs should only incentivize appointments and screenings that are truly accessible. We want to emphasize the critical importance of the requirement that no enrollee should be

[1] Seaberry, C., Davila, K., Abraham, M. (2021). Equity Report. New Haven, CT: DataHaven. Retrieved from https://ctdatahaven.org/sites/ctdatahaven/files/DataHaven%20Health%20Equity%20Connecticut%20061820.pdf

[2] Siegel K. & Volk J. (2021) Considerations for Telehealth Equity. Retrieved from: https://www.shvs.org/considerations-for-telehealth-equity/

penalized for failing to attend visits when living in a provider shortage area, when adequate visits at a reasonably convenient time and location are unavailable, when the out-of-pocket costs of such visits or screenings are high, or for services that are not relevant to their needs. Research on the impact of these programs is mixed.[3] To avoid negative impact, such programs should not penalize people who lack the funding and resources to engage in them. We ***recommend complementing this effort with health care navigator supports delivered by community-based community health workers,*** who can help people overcome barriers to care posed by transportation and bridge gaps between health care providers and the people they serve.

H.B. No. 5042: An Act Concerning Health Care Cost Growth

It is well known that the cost of health care has increased at an alarming rate for years. Yet, cost is not directly correlated with improved health or health equity and, in such a complex industry, is influenced by many factors.[4] Accordingly, efforts to curb costs must embed a thoughtful analysis of areas in which additional spending would improve health, where prices are inflated well above actual costs of care, and the impact, if any, of curbing costs on Connecticut residents (all of us at one time or another) who need health care to get and stay healthy. Further, at its best, ***cost-growth benchmarking results in transparency and enables state governments to identify the drivers of growth in spending AND must be accompanied by other initiatives to reduce consumer costs, improve outcomes, and advance equity in health outcomes***.[5] Health Equity Solutions shares here our observations and recommendations based on the discussions of the Cost Growth Benchmark Technical Team and Stakeholder Advisory Board and the experiences of other states engaged in similar efforts Health Equity Solutions' Executive Director, Tekisha Dwan Everette, PhD, serves on the Stakeholder Advisory Board.

Massachusetts' experience notably exposed two key challenges. First, ***costs such as premiums and deductibles, which are borne by state residents, have continued to increase at rates far higher than the cost-growth benchmark despite some success in curbing overall spending on health care***.[6] In other words, even if the cost-growth benchmark slows the rate at which costs increase, consumers may not see any relief. Therefore, ***Connecticut will need continued innovation to create affordable health insurance and health care for all our state's residents.*** Health care costs have a disproportionate impact on Black, Indigenous, Latino/a, and other people of color who are less likely to have employer-sponsored insurance and are more likely to experience medical debt.[7] While an Unintended Adverse Consequences Measurement Plan was developed by the Office of Health Strategy, the current proposal makes no explicit reference to the ongoing efforts described in the plan. We suggest that any related

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[3] Medicaid and CHIP Payment and Access Commission (2016). *The Use of Healthy Behavior Incentives in Medicaid*. Retrieved from https://www.macpac.gov/wp-content/uploads/2016/08/The-Use-of-Healthy-Behavior-Incentives-in-Medicaid.pdf

[4] Hussey, P. S., Wertheimer, S., & Mehrotra, A. (2013). The association between health care quality and cost: a systematic review. Annals of internal medicine, 158(1), 27–34. https://doi.org/10.7326/0003-4819-158-1-201301010-00006

[5] Ario, J., McAvey, K., & Zhan, A. (2021). *State Benchmarking Models Promising Practices to Understand and Address Health Care Cost Growth* [White Paper]. Manatt Health Strategies, LLC. Retrieved from https://www.manatt.com/Manatt/media/Documents/Articles/RWJF_State-Benchmarking-Models_June-2021_i_FOR-WEB.pdf

[6] Ibid.

[7] Seaberry, C., Davila, K., Abraham, M. (2021). Equity Report. New Haven, CT: DataHaven. Retrieved from https://ctdatahaven.org/sites/ctdatahaven/files/DataHaven%20Health%20Equity%20Connecticut%20061820.pdf

public reporting released by the Office of Health Strategy include measures defined in this plan. We also strongly urge that a periodic review and evaluation of this plan be incorporated as a part of standard activities outlined in the existing proposal.[8]

Second, combining data on privately and publicly funded health care masks the starkly higher growth of costs in the private market. Costs in the state's HUSKY programs are well controlled and have grown slowly, with administrative costs remaining particularly low.[9] While cost growth is a concern for all health sectors and payers, the cost-growth benchmark will be both more accurate and more actionable if HUSKY and other public health insurance payers are examined separately. HUSKY rates are often well below the market rate and many recommendations to review and amend HUSKY provider rates indicate that population health could be improved through increased spending on HUSKY initiatives. ***Health Equity Solutions recommends regularly reviewing and updating HUSKY provider rates and payment models to evaluate their impact on provider network adequacy, health outcomes overall, and equity in health outcomes.***

Health Equity Solutions supports increased investment in primary care, which can potentially reduce spending in other health care sectors in the long term and, more importantly, can prevent a great deal of illness and premature death.[10] ***Such shifts in cost are not rapid and will require simultaneous investment in prevention and treatment in the near term.*** Thus, simply focusing on the percentage of total costs spent on primary care is an oversimplified goal. This shift will take more than a few years and will require addressing social determinants of health both through and beyond primary care clinics. Incorporating the use of disparities and disproportionality indices can provide more nuanced monitoring of near-term impact on equity goals.

Health Equity Solutions supports equity-focused systems reform and ***recommends requiring equity be a central focus of payment reform efforts.*** When equity is an afterthought, or not considered, value-based payment models can exacerbate disparities. At the same time, when intentionally targeting inequities, value-based payment models have the potential to transform our health systems and address the disproportionate toll of death and disease borne by our state's Black, Indigenous, Latino/a, Asian and other people of color.[11] The academic and "grey" literature on value-based payment and accountable care organization approaches note the potential for these models to address the causes of inequities and support culturally appropriate health care through interventions that are infeasible in an

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[8] CT OHS' Cost Growth Benchmark Unintended Adverse Consequences Measurement Plan (2021). Retrieved from https://portal.ct.gov/-/media/OHS/Cost-Growth-Benchmark/Reports-and-Updates/Unintended-Adverse-Consequences-Measurement-Plan.pdf

[9] Department of Social Services, Presentation to the Medical Assistance Program Oversight Committee (2021). Retrieved from https://www.cga.ct.gov/ph/med/related/20190106_Council%20Meetings%20&%20Presentations/20210108/HUSKY%20Financial%20Trends%20January%202021%20.pdf

[10] Martin S, Phillips RL, Petterson S, Levin Z, Bazemore AW. Primary Care Spending in the United States, 2002-2016. JAMA Intern Med. 2020;180(7):1019–1020. doi:10.1001/jamainternmed.2020.1360

[11] Siegel, K., Connecticut Voices for Children, *Advancing Health Equity for Connecticut's Children and Families Through Health Systems Transformation* (2020). Retrieved from https://ctvoices.org/wp-content/uploads/2020/01/Advancing-Health-Equity-for-Connecticut's-Children-and-Families-through-Health-Systems-Transformation_Final.pdf

exclusively fee-for-service approach.[12] While data quality can be a barrier to such approaches, the data collection standards created by Public Act 21-35 position Connecticut well to engage in equity-focused payment reform and monitor the impact of value-based payment models on health equity in our state.

Quality metrics are a determining factor in whether value-based payments can be monitored and evaluated for their impact on equity. Members of Health Equity Solutions' staff have commented publicly at meetings of the Quality Council, Cost-Growth Benchmark Stakeholder Advisory Body, Primary Care and Community Health Reforms Work Group, and Medicaid Transparency Board on the metrics proposed by the Quality Council and the need for tracking and incentivizing improved collection of social risk and race, ethnicity, and language data. Quality data is a prerequisite for effective quality benchmarking and for payment methodologies that account for social determinants of health, including racism. As noted above, Connecticut now has strong standards in place for collecting race, ethnicity, and language data. Going forward, ***quality monitoring and value-based payment efforts must stratify quality metrics by race, ethnicity, and language, and monitor data quality and completeness to ensure we are evaluating initiatives for their impact on equity and course correcting when necessary.*** Further, quality metrics and risk adjustment methodologies in value-based payment in Connecticut have traditionally prioritized cost saving and failed to adequately incentivize collaboration with community-based supports or equity in health outcomes. ***Health Equity Solutions recommends requiring all future value-based payment efforts to explicitly target and evaluate health equity.***

Price transparency in and of itself can lead to cost improvements.[13] At the same time, enforcement would improve the Office of Health Strategy's ability to act when specific health systems, payers, or provider groups emerge as consistently exceeding the cost benchmark without due cause. As in Massachusetts, ***Health Equity Solutions recommends granting the Office of Health Strategy the authority to require entities in violation of the benchmark to engage in equity-focused performance improvement plans***. These plans should focus on equity in outcomes with cost as a secondary consideration to avoid any potential for cost saving taking precedence over human impact.

Health Equity Solutions recommends removing "if any" after references to the cost-growth benchmark report. This report should be prepared consistently as transparency is a key value of this program. Finally, ***reporting from the Office of Health Strategy should note and make recommendations to address any disproportionate impact of cost trends***.

Thank you for the opportunity to submit this testimony regarding S.B. 15 and H.B. 5042. I can be reached with any questions at ksiegel@hesct.org or 860.937.6437.

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[12] "Health Equity Should Be A Key Value In Value-Based Payment And Delivery Reform", Health Affairs Blog, November 25, 2020. DOI: 10.1377/hblog20201119.836369. See, for example: https://www.healthaffairs.org/do/10.1377/forefront.20201119.836369/full/

[13] Ario, J., McAvey, K., & Zhan, A. (2021). *State Benchmarking Models Promising Practices to Understand and Address Health Care Cost Growth* [White Paper]. Manatt Health Strategies, LLC. Retrieved from https://www.manatt.com/Manatt/media/Documents/Articles/RWJF_State-Benchmarking-Models_June-2021_i_FOR-WEB.pdf