



June 30th, 2020, 2:30 pm

Location: Webex Meeting

Meeting Minutes:

Member Attendees: Lydia Bartholomew, Kathy Brashear, Dr. Kelly McGrath, Melissa McVaugh, Norm Varin, Matt Wimmer, Wren Withers, Cynthia York, Liz Woodruff

Staff: Mary Sheridan, Stephanie Sayegh, Matt Walker, Elizabeth Heist

Guests: Scott Banken, Pam Fischer

Anti-Trust Statement: It is the policy of the Healthcare Transformation Council of Idaho (HTCI), to conduct all its activities, and the workgroups associated with HTCI's activities, in compliance with federal and state antitrust laws. During these meetings and other activities, including all informal or social discussions, each member shall refrain from discussing or exchanging competitively sensitive information with any other member.

Summary of Motions/Decisions:

Motion:

Wren Withers moved to accept the minutes of the May 11, 2020 Payer Provider Workgroup, as presented.
Matt Wimmer seconded the motion.

Outcome: Passed

Agenda Topics:

Welcome and opening remarks; roll call, anti-trust statement review; minutes review - Norm Varin and Dr. Kelly McGrath, Co-Chairs of the Payer Provider Workgroup

Meeting convened at 02:36 p.m. Norm Varin read the Anti-Trust Statement, and asked members if they wanted any modifications of the May minutes; the members approved the previous meeting minutes.

Introduction: *Liz Woodruff, Executive Director, Idaho Academy of Family Physicians (IAFP)*

Liz Woodruff is replacing Neva Santos as the Executive Director of the Idaho Academy of Family Physicians. Neva Santos has retired and Liz Woodruff will represent IAFP on the workgroup and Healthcare Transformation Council of Idaho meetings.

Development of the cost-driver survey – *Workgroup discussion led by Co-Chairs*

Norm Varin and Dr. Kelly McGrath provided the most current draft of the cost-driver survey, led the discussion, and incorporated input from the rest of the workgroup.

The workgroup refined the questions including payer mix, lines of business and the ranking of cost drivers. The participants added a question regarding activities that influence the cost of care, allowing survey respondents to rate them based on positive or negative impact. Options for responses in the demographic questions were also expanded.

The workgroup closed the meeting with discussion about how to best distribute the survey and reach the largest number of individuals with interest in this work. There is potential to work through the Healthcare Transformation Council of Idaho to broaden the reach of the survey. After the survey is finalized by the department, it will be tested by members prior to broader distribution.

Closing:

Norm Varin and Dr. Kelly McGrath, Co-Chairs, adjourned the meeting at 4:03 p.m.

Next meeting: TBD after survey distribution and analysis



Payer Provider Workgroup

Action Items

September 21, 2020 2:30PM

■ Action Item 1 – June PPW Meeting Minutes

PPW members will be asked to adopt the minutes from the June 30, 2020, PPW meeting:

Motion: I, _____ move to accept the minutes of the June 30, 2020, meeting of the Payer Provider Workgroup as presented.

Second: _____

HTCI
HEALTHCARE TRANSFORMATION
COUNCIL OF IDAHO



Idaho Transformation

Cost Avoidance Report

Mercer Government
Ready for next. Together.

David Arlt, FSA, MAAA
Scott Banken, CPA

Idaho Payer Provider Work Group
September 21, 2020

welcome to brighter

Measuring Cost Avoidance

Key Changes from the end of the Model Test



Added additional commercial payer data from Mountain Health and Aetna[®].



Medicaid Managed Care for Dual Eligible members.



Complete data refresh from Medicaid.



NHE Trends include actuals through 2018 and projected 2019.

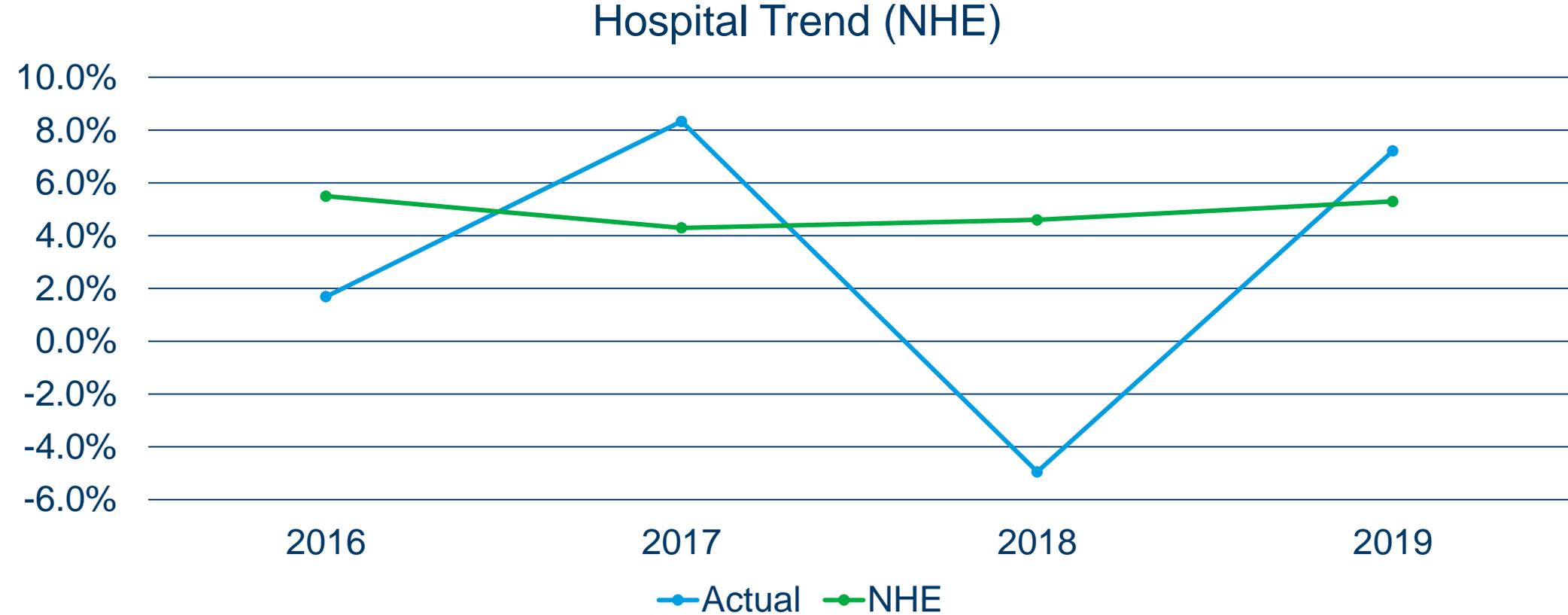
Measuring Cost Avoidance

Key Results

- Cost Avoidance from 2015 through 2019 decreased from projected SHIP results — from \$213.6 million to \$144.6 million.
- Prescription Drugs trends continue to outpace NHE trends. PMPMs in excess of NHE equated to \$275.0 million in 2019.
- Physician and Clinical Trends rose by 16.8% and 6.4% in 2018 and 2019 but NHE only rose 5.1% and 4.8%, respectively.
- Therapies and other professional trends: \$139.3 million.
- Hospital trends rose by 7.2% in 2019, but NHE only by 5.3%.

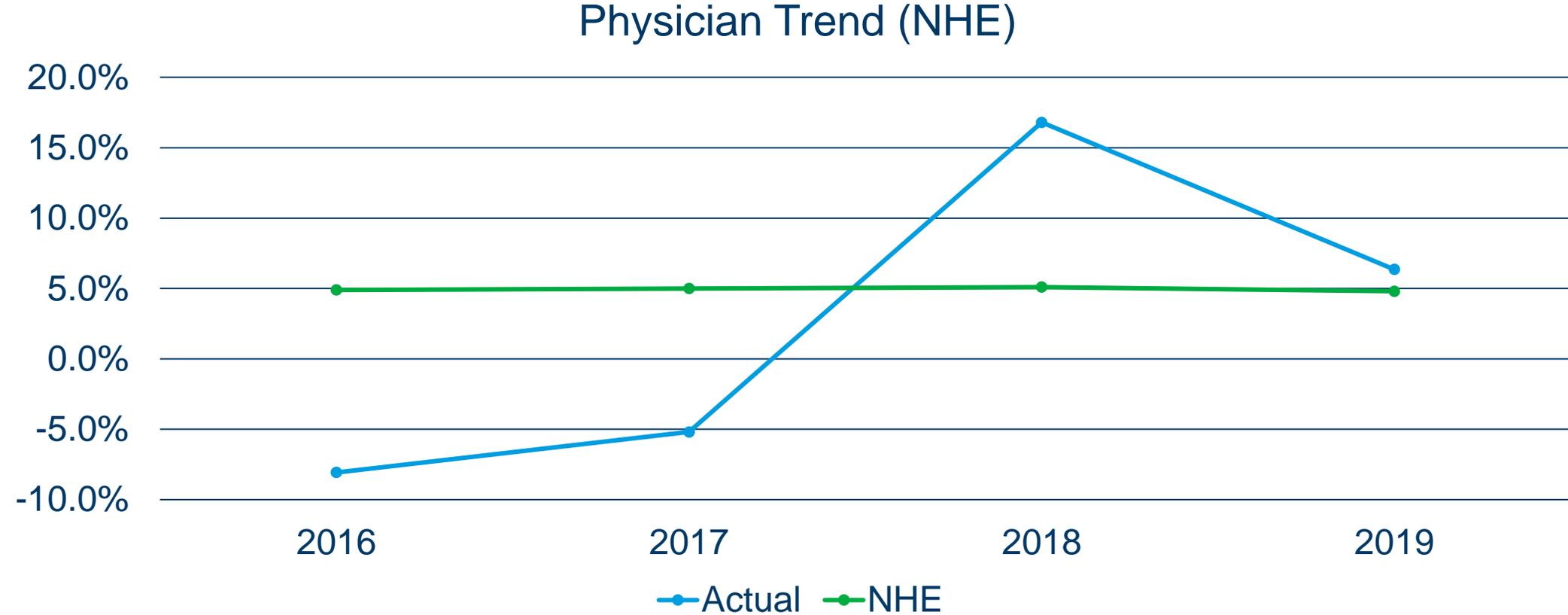
Cost Avoidance

Actual Trends versus NHE: Hospital



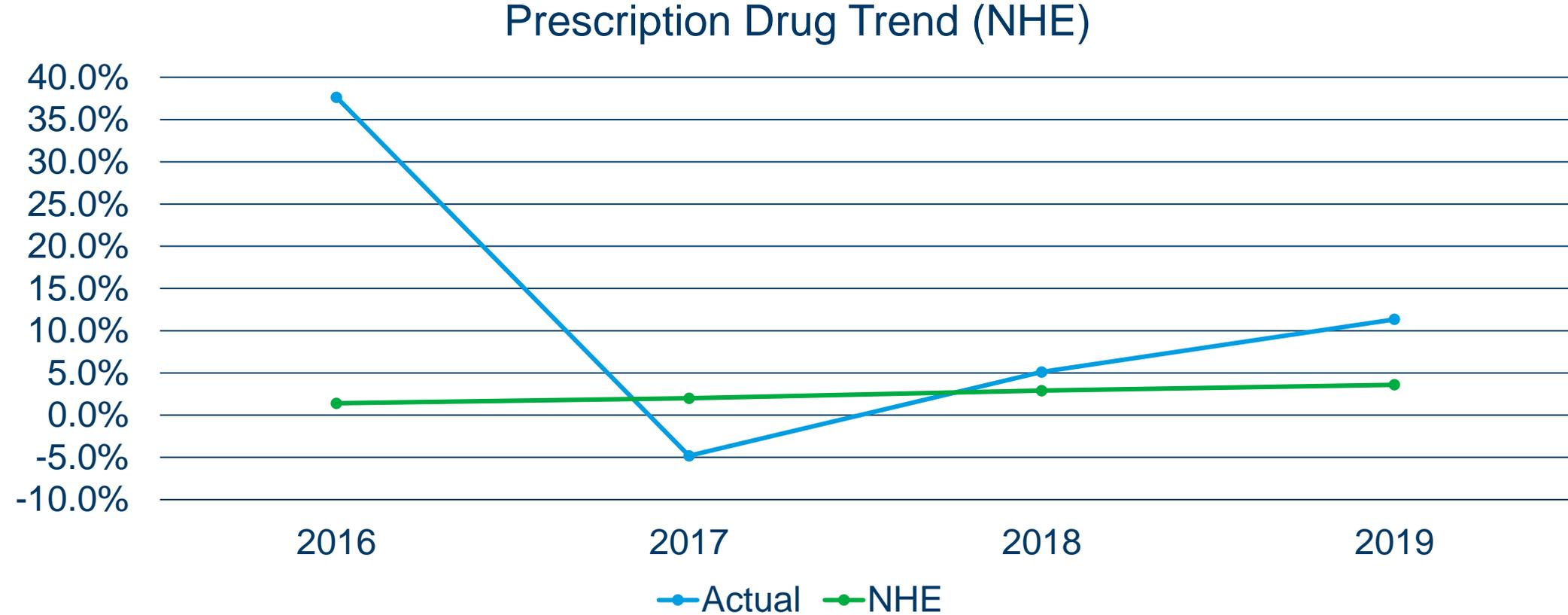
Cost Avoidance

Actual Trends versus NHE: Physician



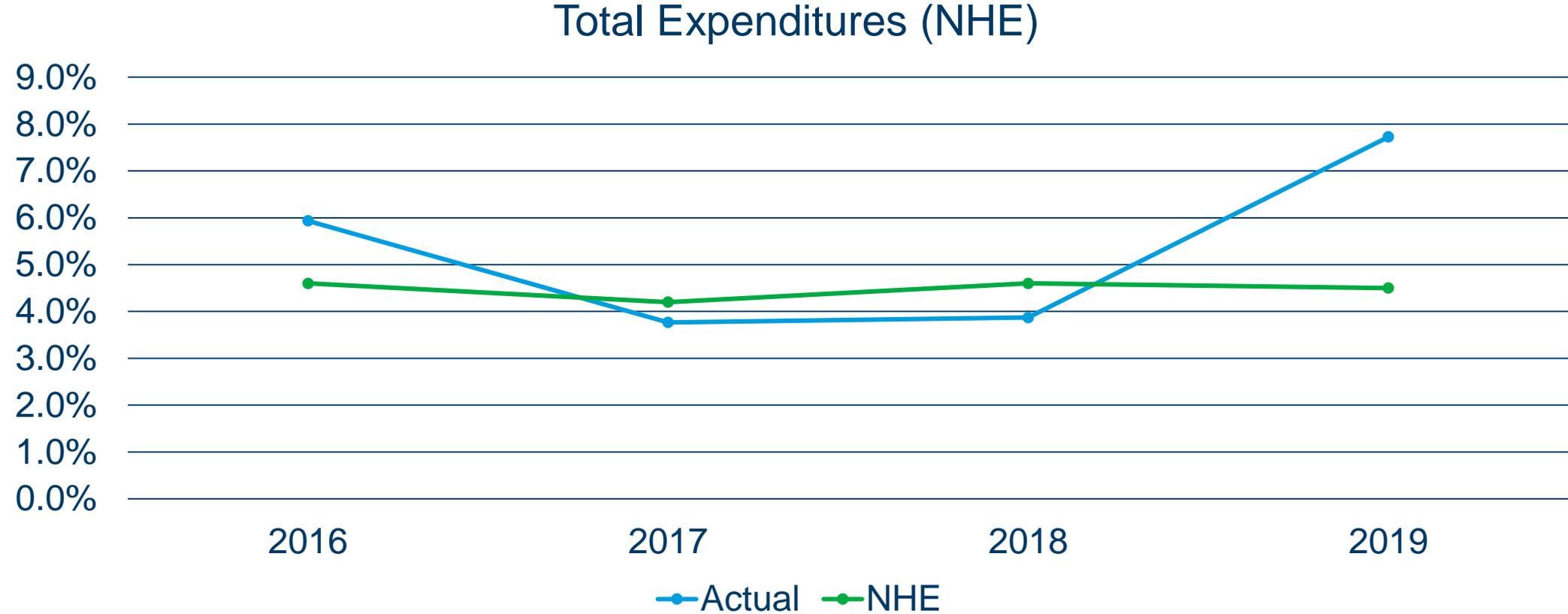
Cost Avoidance

Actual Trends versus NHE: Prescription Drugs



Cost Avoidance

Actual Trends versus NHE: Total Expenditures



Cost Avoidance

Total Cost Avoided by Category of Service

Health Care Expenditures Categories of Services	Total				
	All Payers				
	Cost Avoided				
	Base Year 2015				
	2015	2016	2017	2018	2019
Member Months	12,162,221	11,716,222	11,556,605	12,551,380	12,812,606
Inpatient Hospital	\$ -	\$ (24,038,397)	\$ 54,456,541	\$ 235,020,390	\$ 264,342,285
Emergency Department	\$ -	\$ 14,169,301	\$ 17,292,804	\$ 5,837,567	\$ (1,264,224)
Urgent Care	\$ -	\$ (2,354,921)	\$ (1,285,742)	\$ (1,475,822)	\$ (3,497,689)
Outpatient Hospital	\$ -	\$ 122,450,527	\$ (37,808,148)	\$ 64,058,051	\$ 39,236,318
Professional Primary Care	\$ -	\$ (45,013,257)	\$ (20,182,564)	\$ (30,242,575)	\$ (29,989,683)
Professional Specialty Care	\$ -	\$ 99,766,901	\$ 120,559,238	\$ 71,294,538	\$ 77,675,336
Diagnostic Imaging/X-Ray	\$ -	\$ 14,743,235	\$ 29,738,976	\$ 44,271,093	\$ 41,938,047
Laboratory Services	\$ -	\$ 13,771,574	\$ 19,999,578	\$ 30,605,671	\$ 29,608,590
DME	\$ -	\$ 13,548,724	\$ (22,171,733)	\$ (38,257,475)	\$ (47,952,478)
Dialysis Procedures	\$ -	\$ 120,093	\$ (10,481,101)	\$ (7,188,039)	\$ (50,294,617)
Professional Other (e.g., PT, OT)	\$ -	\$ (7,005,968)	\$ (100,684,577)	\$ (141,240,333)	\$ (139,301,306)
Skilled Nursing Facility	\$ -	\$ 1,244,752	\$ 11,100,806	\$ (5,855,572)	\$ 17,423,528
Home Health	\$ -	\$ (7,418,905)	\$ (7,085,409)	\$ (7,938,435)	\$ (8,815,231)
Custodial Care	\$ -	\$ (25,499,490)	\$ (24,529,849)	\$ (27,264,557)	\$ (30,141,756)
ICF/ID	\$ -	\$ 4,098,889	\$ 7,040,384	\$ 92,233	\$ 6,854,230
Home and Community-Based Services	\$ -	\$ 8,566,844	\$ 10,713,150	\$ (27,175,113)	\$ (10,756,453)
Transportation	\$ -	\$ 681,040	\$ 5,411,352	\$ -	\$ (7,148,556)
Other	\$ -	\$ 19,025,258	\$ 156,731,253	\$ 36,910,954	\$ (5,931,169)
Behavioral Health	\$ -	\$ 44,152,855	\$ 58,070,629	\$ 53,583,704	\$ 58,362,003
Prescription Drugs (Outpatient)	\$ -	\$ (196,468,981)	\$ (149,363,377)	\$ (201,848,676)	\$ (275,024,855)
Rx Specialty	\$ -	\$ -	\$ -	\$ -	\$ (29,614,022)
Rx Formulary	\$ -	\$ -	\$ -	\$ -	\$ (10,472,298)
Rx Non-Formulary	\$ -	\$ -	\$ -	\$ -	\$ (9,383,270)
Total	\$ -	\$ 48,540,071	\$ 117,522,212	\$ 53,187,604	\$ (74,677,679)
Total Cumulative Cost Avoided					\$ 144,572,207

Cost Avoidance

Total Cost Avoided by Category of Service

Health Care Expenditures Categories of Services	Total				
	All Medicaid				
	Cost Avoided				
	Base Year 2015				
	2015	2016	2017	2018	2019
Member Months	3,408,513	3,555,257	3,609,073	3,396,317	3,324,737
Inpatient Hospital	\$ -	\$ 7,411,368	\$ (14,382,925)	\$ (19,202,836)	\$ (38,469,244)
Emergency Department	\$ -	\$ 4,572,096	\$ 4,289,809	\$ (1,290,095)	\$ (4,391,782)
Urgent Care	\$ -	\$ (186,703)	\$ 101,798	\$ (221,655)	\$ (1,818,870)
Outpatient Hospital	\$ -	\$ 12,627,719	\$ 5,787,790	\$ (11,635,198)	\$ (40,445,864)
Professional Primary Care	\$ -	\$ 1,498,462	\$ 2,285,121	\$ 1,350,455	\$ 1,272,178
Professional Specialty Care	\$ -	\$ 1,202,806	\$ 2,429,838	\$ 1,850,026	\$ 1,854,704
Diagnostic Imaging/X-Ray	\$ -	\$ 991,973	\$ 1,698,100	\$ 1,041,095	\$ (3,990,223)
Laboratory Services	\$ -	\$ 833,813	\$ 1,224,756	\$ 1,980,106	\$ (1,107,258)
DME	\$ -	\$ 947,359	\$ 3,038,193	\$ 3,458,636	\$ (185,712)
Dialysis Procedures	\$ -	\$ 984,187	\$ 913,136	\$ 5,974	\$ (35,601,850)
Professional Other (e.g., PT, OT)	\$ -	\$ (1,105,819)	\$ 1,882,073	\$ (6,648,985)	\$ (8,176,562)
Skilled Nursing Facility	\$ -	\$ 736,538	\$ 10,175,667	\$ (6,183,069)	\$ 24,696,212
Home Health	\$ -	\$ (735,711)	\$ (764,884)	\$ (859,767)	\$ (780,643)
Custodial Care	\$ -	\$ (38,388)	\$ (30,050)	\$ 145,250	\$ 375,954
ICF/ID	\$ -	\$ 3,925,415	\$ 6,881,762	\$ -	\$ 6,784,334
Home and Community-Based Services	\$ -	\$ 8,566,844	\$ 10,815,692	\$ (20,208,560)	\$ 8,920,167
Transportation	\$ -	\$ 681,040	\$ 5,411,352	\$ -	\$ (5,308,150)
Other	\$ -	\$ 999,266	\$ 1,856,934	\$ (9,807,331)	\$ (12,472,178)
Behavioral Health	\$ -	\$ 20,627,085	\$ 42,982,528	\$ 46,486,044	\$ 59,443,859
Prescription Drugs (Outpatient)	\$ -	\$ 4,724,912	\$ 11,459,602	\$ (9,983,702)	\$ (20,415,196)
Rx Specialty	\$ -	\$ -	\$ -	\$ -	\$ -
Rx Formulary	\$ -	\$ -	\$ -	\$ -	\$ -
Rx Non-Formulary	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ 69,264,262	\$ 98,056,292	\$ (29,723,610)	\$ (69,816,124)
Managed Care (Not Included in Total)	\$ -	\$ 456,830	\$ (1,636,318)	\$ (6,198,227)	\$ (12,115,915)
Total Cumulative Cost Avoided					\$ 67,780,819

Cost Avoidance

Total Cost Avoided by Category of Service

Health Care Expenditures Categories of Services	Total				
	All Commercial				
	Cost Avoided				
	Base Year 2015				
	2015	2016	2017	2018	2019
Member Months	5,782,670	5,009,950	4,690,631	5,810,323	6,043,046
Inpatient Hospital	\$ -	\$ (29,499,501)	\$ 26,955,664	\$ 99,085,354	\$ 46,520,551
Emergency Department	\$ -	\$ 10,228,019	\$ 11,987,310	\$ 4,681,962	\$ 1,439,224
Urgent Care	\$ -	\$ (2,053,627)	\$ (1,291,482)	\$ (1,338,237)	\$ (2,035,744)
Outpatient Hospital	\$ -	\$ 143,654,818	\$ (19,246,032)	\$ 67,241,089	\$ 70,482,267
Professional Primary Care	\$ -	\$ (49,532,841)	\$ (31,998,728)	\$ (44,083,768)	\$ (46,917,437)
Professional Specialty Care	\$ -	\$ 82,552,546	\$ 92,684,411	\$ 52,426,332	\$ 50,164,048
Diagnostic Imaging/X-Ray	\$ -	\$ 11,394,598	\$ 22,335,151	\$ 40,100,551	\$ 42,336,807
Laboratory Services	\$ -	\$ 10,630,839	\$ 14,150,853	\$ 20,786,966	\$ 20,968,482
DME	\$ -	\$ (249,240)	\$ (45,121,610)	\$ (59,859,224)	\$ (66,559,115)
Dialysis Procedures	\$ -	\$ 828,651	\$ 182,794	\$ 10,583,163	\$ 4,059,966
Professional Other (e.g., PT, OT)	\$ -	\$ (4,029,299)	\$ (92,963,112)	\$ (144,709,826)	\$ (147,298,776)
Skilled Nursing Facility	\$ -	\$ 505,120	\$ 333,486	\$ 2,015,438	\$ 2,876,744
Home Health	\$ -	\$ 515,339	\$ (316,065)	\$ 603,972	\$ 1,713,996
Custodial Care	\$ -	\$ (25,035,500)	\$ (23,219,060)	\$ (26,510,361)	\$ (28,600,771)
ICF/ID	\$ -	\$ (405)	\$ (25,906)	\$ (32,942)	\$ (142,675)
Home and Community-Based Services	\$ -	\$ -	\$ (1,440)	\$ (484)	\$ -
Transportation	\$ -	\$ -	\$ -	\$ -	\$ (838,597)
Other	\$ -	\$ 19,515,164	\$ 126,140,194	\$ 89,692,123	\$ 71,683,238
Behavioral Health	\$ -	\$ 23,482,669	\$ 15,823,855	\$ 10,980,050	\$ 10,331,451
Prescription Drugs (Outpatient)	\$ -	\$ (136,594,646)	\$ (129,532,925)	\$ (156,167,758)	\$ (193,338,932)
Rx Specialty	\$ -	\$ -	\$ -	\$ -	\$ (26,554,082)
Rx Formulary	\$ -	\$ -	\$ -	\$ -	\$ (8,493,793)
Rx Non-Formulary	\$ -	\$ -	\$ -	\$ -	\$ 3,962,247
Total	\$ -	\$ 54,655,402	\$ (33,122,641)	\$ (34,505,599)	\$ (63,155,274)
Total Cumulative Cost Avoided					\$ (76,128,112)

Cost Avoidance

Total Cost Avoided by Category of Service

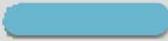
Health Care Expenditures Categories of Services	Total				
	All Medicare				
	Cost Avoided				
	Base Year 2015				
	2015	2016	2017	2018	2019
Member Months	2,971,038	3,151,014	3,256,901	3,344,740	3,444,823
Inpatient Hospital	\$ -	\$ (1,950,264)	\$ 41,883,801	\$ 155,137,872	\$ 156,290,978
Emergency Department	\$ -	\$ (630,814)	\$ 1,015,685	\$ 2,445,700	\$ 1,688,334
Urgent Care	\$ -	\$ (114,591)	\$ (96,058)	\$ 84,070	\$ 356,924
Outpatient Hospital	\$ -	\$ (33,832,011)	\$ (24,349,906)	\$ 8,452,160	\$ 9,199,915
Professional Primary Care	\$ -	\$ 3,021,122	\$ 9,531,044	\$ 12,490,738	\$ 15,655,576
Professional Specialty Care	\$ -	\$ 16,011,549	\$ 25,444,990	\$ 17,018,180	\$ 25,656,585
Diagnostic Imaging/X-Ray	\$ -	\$ 2,356,665	\$ 5,705,726	\$ 3,129,447	\$ 3,591,464
Laboratory Services	\$ -	\$ 2,306,922	\$ 4,623,969	\$ 7,838,600	\$ 9,747,367
DME	\$ -	\$ 12,850,604	\$ 19,911,684	\$ 18,143,113	\$ 18,792,349
Dialysis Procedures	\$ -	\$ (35,444)	\$ (11,577,032)	\$ (17,777,176)	\$ (18,752,734)
Professional Other (e.g., PT, OT)	\$ -	\$ (1,870,850)	\$ (9,603,538)	\$ 10,118,478	\$ 16,174,032
Skilled Nursing Facility	\$ -	\$ 3,094	\$ 591,653	\$ (1,687,941)	\$ (10,149,428)
Home Health	\$ -	\$ (7,198,533)	\$ (6,004,461)	\$ (7,682,641)	\$ (9,748,584)
Custodial Care	\$ -	\$ (425,603)	\$ (1,280,738)	\$ (899,446)	\$ (1,916,939)
ICF/ID	\$ -	\$ 173,878	\$ 184,528	\$ 125,175	\$ 212,571
Home and Community-Based Services	\$ -	\$ -	\$ (101,102)	\$ (6,966,069)	\$ (19,676,620)
Transportation	\$ -	\$ -	\$ -	\$ -	\$ (1,001,809)
Other	\$ -	\$ (1,489,172)	\$ 28,734,125	\$ (42,973,838)	\$ (65,142,229)
Behavioral Health	\$ -	\$ 43,101	\$ (735,754)	\$ (3,882,390)	\$ (11,413,307)
Prescription Drugs (Outpatient)	\$ -	\$ (64,599,247)	\$ (31,290,054)	\$ (35,697,216)	\$ (61,270,727)
Rx Specialty	\$ -	\$ -	\$ -	\$ -	\$ (3,059,940)
Rx Formulary	\$ -	\$ -	\$ -	\$ -	\$ (1,978,505)
Rx Non-Formulary	\$ -	\$ -	\$ -	\$ -	\$ (13,345,518)
Total	\$ -	\$ (75,379,593)	\$ 52,588,561	\$ 117,416,814	\$ 58,293,718
Total Cumulative Cost Avoided					\$ 152,919,499



Please select five (5) cost drivers that you believe have the most potential to be impacted by collaborative effort. (In other words, the Payer Provider Workgroup should focus on these for collaboration.)

		Response percent	Response total
Behavioral Health		80%	24
Emergency Department		43.33%	13
Prescription Drugs - Specialty		43.33%	13
Inpatient Hospital/Facility		40%	12
Laboratory/Pathology Services		33.33%	10
Prescription Drugs - Brand		33.33%	10
Professional Specialty Care		33.33%	10
Diagnostic Imaging/X-Ray		30%	9
Outpatient Hospital/Facility		23.33%	7
Professional Primary Care		20%	6
Prescription Drugs - Generic		20%	6
Infusion Procedures		16.67%	5
Skilled Nursing Facility		16.67%	5

Please select five (5) cost drivers that you believe have the most potential to be impacted by collaborative effort. (In other words, the Payer Provider Workgroup should focus on these for collaboration.)

		Response percent	Response total
Dialysis Procedures		13.33%	4
Hospice/Palliative Care		10%	3
Custodial Care		6.67%	2
Home Health		6.67%	2
In-home services for people with disabilities		6.67%	2
Professional Other (Physical Therapy, Occupational Therapy)		6.67%	2
Transport: Air Ambulance		6.67%	2
ICF/IID - formerly known as ICF/MR		3.33%	1
Long Term Acute Care Hospitals (LTACH)		3.33%	1
Professional Urgent Care		3.33%	1
Durable Medical Equipment		0%	0
Prescription Drugs (Outpatient) - Non-specialty		0%	0
Transport: Ground Ambulance		0%	0