CT OHS: Summary of Public Comments on Healthcare Benchmark Initiative, December 2020

The following list of public comments represents exact or thematically related comments submitted by two or more organizations in response to OHS' request for public comment. It does not include comments or themes addressed by only one commenter.

Theme of Comments	Summary of Comments	OHS Response
Cost Growth Benchmark		
Disagreement with calculation of cost growth benchmark	Some commenters expressed disagreement with the methodology employed to determine the cost growth benchmark value. Multiple hospitals recommended changing the methodology for the cost growth benchmark by using a weighted average of 90% potential gross state product (PGSP) and 10% forecasted median household income growth, which would result in a benchmark of 3.6%. Similarly, another commenter recommended that OHS conduct further analysis using prior years' experience to determine if the recommended weighting of economic indicators is appropriate for initial years, pointing out that five states use PGSP alone and there is value in consistency across markets. Another commenter advocated for OHS to tie the benchmark value to the 25th percentile of forecasted household income growth rather than forecasted median income growth to be address affordability.	OHS took no action on these comments. The benchmark methodology was recommended by a strong majority of the Technical Team in September after thorough consideration of similar recommendations. The Technical Team acknowledged that healthcare spending should not grow faster than a forecasted measure of state economic growth, but recognized the challenges individuals and families experience as healthcare consumes greater portions of their income. Therefore, the Technical Team created a blended benchmark value that incorporated both of these concepts. Chief among the concerns of the Technical Team was to align spending growth more closely with income growth in recognition that affordability is an important factor when constraining the rate of cost growth. One commenter noted the importance of allowing for hospital service-line expansion under the cost growth benchmark initiative. OHS expects new services to be accounted for within the benchmark.
Concern regarding triggers for revisiting benchmark	Some commenters asked that OHS identify additional conditions that would trigger a revisiting of the benchmark values beyond a	OHS took no action on these comments. The Technical Team gave this topic and these same comments thorough consideration. The

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	sharp rise in inflation. Another commenter recommended that OHS include an automatic periodic review in light of the economic impact of COVID-19.	Technical Team determined that there is benefit in maintaining consistency in the defined benchmark values over time and avoiding shifting expectations.
Cost growth drivers	Several commenters expressed interest in tracking high cost/high utilization drug expenditures as a cost driver. Another commenter asked that OHS consider the impact of plan design on cost growth and whether designs encourage/discourage value-based care.	The planned data use strategy will employ All-Payer Claims Database analysis to track cost growth drivers, including pharmacy. OHS will consider plan design and other influences on health care cost spending growth.
Concern that benchmark will serve as cap on spending and will lead to increased disparities	Some consumer advocates expressed concern that the benchmark will reduce aggregate healthcare spending, especially for those with significant healthcare needs. They were concerned that the benchmark will be applied to Medicaid, and that it will widen health disparities. They expressed concern that data to measure healthcare costs are not available.	The benchmark is not a cost "cap," but rather, a long-term strategy meant to put a long-term focus on healthcare spending. In addition, OHS will measure any unintended consequences resulting from the cost growth benchmark, with a focus on underutilization, affordability, and impact on marginalized and uninsured populations. While OHS does not believe these issues will arise, they are part of OHS's ongoing monitoring strategy, which was presented in draft form at a joint public meeting of the Technical Team and Stakeholder Advisory Board on November 17, 2020. Data to measure healthcare costs are available. To assess changes in the amount of healthcare spending, OHS will collect data from insurers for all lines of business, from the Centers for Medicare and Medicaid Services, the Connecticut Department of Social Services

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		and from the Veterans Health Administration. This data collection process is described in OHS' report. There is no protected health information collected from payers in determining compliance with the cost growth benchmark.
Request that OHS track out-of-pocket spending	Several commenters asked that OHS track consumers' out-of-pocket spending in addition to premium.	OHS plans to track changes in consumer out-of-pocket spending, as well as premiums, relative to benchmark.
Primary Care Spending Target		
Definitions of primary care providers and services	Several commenters made recommendations or requests for clarification regarding the definitions of primary care providers and services.	OHS clarified these definitions in the final report.
Inclusion of integrated behavioral health	Several commenters recommended that the primary care spending target include integrated behavioral health care services.	While the Technical Team rejected the idea of behavioral health clinicians as a class being categorized as primary care clinicians, it expressed interest in future exploration of including behavioral health counseling in the primary care spend target when such counseling is delivered by a behavioral health clinician who is part of the primary care practice. OHS intends to explore further how this might be done.
Changes in spending to achieve goal of primary care spending target	Several commenters stated that the implementation of the primary care spending target should include expectations regarding changes in spending. One commenter noted that the target should be accompanied by standards to ensure added spending will achieve expected results, and another that the target should be accompanied by reductions in spending for non-primary care services.	OHS intends to work with its Primary Care Work Group to pursue these suggestions.

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Value-based payments	Several commenters stated that efforts to increase primary care spending should be accompanied by increases in the use of value-based payment investments.	OHS intends to work with its Primary Care Work Group to pursue this suggestion.
Data Use Strategy		
Focus on price	Several commenters advocated for a focus on price in the data use strategy, with one recommending that OHS compare CT healthcare prices to those in other states and in other countries, and that OHS compare payers on price and add variation among payers to cost drivers analysis. Another recommended that unexplained variation in prices paid by commercial insurers to hospitals should be a focus of data reporting.	OHS will explore adding analysis of price and utilization across states to the data use strategy. OHS does not intend to add comparison to other countries due to the associated difficulty and applicability. OHS will examine variation across payers on price as a cost driver analysis. OHS reiterates that variation in commercial prices will be part of the data use strategy.
Audiences for data analysis	Several commenters requested that OHS include payers as a key audience for its data analyses.	OHS affirms that payers are an important audience for such analyses.
Implementation		
Concerns regarding COVID-19	Several commenters expressed concern regarding implementation of the healthcare benchmark initiative during the COVID-19 pandemic, and requested additional time for implementation. Commenters also requested additional detail regarding the steps that OHS will take to account for the pandemic. One commenter requested that OHS consider a two-year phase in to allow providers and payers to avoid "punitive treatment" as they recover from the pandemic. Another commenter stated that the COVID-19 pandemic is not a reason to postpone implementation of the cost growth benchmark.	OHS modified the final report to expand discussion of how the State will address the impact of COVID-19 when evaluating results. OHS reiterates that the OHS will continue to work with stakeholders to explain how OHS will address the impact of COVID-19 as it implements the healthcare benchmark initiative. In addition, OHS reiterates that no payer or provider will be penalized for exceeding the cost growth benchmark, or for not achieving the primary care spending target.

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Public comment and feedback	Several commenters encouraged OHS to take further steps to obtain additional public comment and feedback.	OHS will continue to engage in a robust manner with stakeholders, and to obtain public comment and feedback and expand on its communications efforts.