

The State of Delaware

GHIP Strategic Framework

State Employee Benefits Committee

January 23, 2023

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Overview of today's discussion

- At the December 2022 SEBC meeting, an overview of the GHIP Strategic Framework was presented
- Current goals have a measurement period of FY2023, and SEBC members weighed in on options including:
 - Retaining the same goals that have been in place since February 2020, but updating the measurement period beyond FY2023
 - Revising the goals to reflect the Committee's current areas of focus
- Today's discussion will focus on the feedback provided by the Committee, along with revised draft goal text for the Committee's further review and consideration on selected goals
 - Also includes an initial discussion of long-term planning opportunities (originally raised at the November 2022 SEBC meeting) as potential new strategies for inclusion with the revised goals
 - A proposed timeline of suggested next steps has also been provided

Feedback from the SEBC

General feedback included acknowledgement that the goals must be realistic for what the SEBC can reasonably accomplish, recognizing that some of the current goals rely on other stakeholders such as the medical TPAs and the Delaware provider community

Big Picture:

Increase proportion of medical spend to providers who are compensated for the quality, not quantity, of care delivered

Reduce cost for plan participants with diabetes

Limit health care cost inflation through targeted reduction in high cost, low value services and providers

Offer and increase engagement in tools that help plan participants use their health care benefits effectively

Goal language approved by SEBC in February 2020:

Using the Alternative Payment Model (APM) Framework and FY2021 medical spend as a baseline, increase GHIP spend through advanced APMs to be at least the following by the end of FY2023 (as % of total spend):

- Category 3: 40%
- Category 4: 10%

Reduction of GHIP diabetic cost per-member-per-month (PMPM) by 8% by the end of FY2023, using FY2021 spend as a baseline

Limit total cost of care inflation for GHIP participants at a level commensurate with the Health Care Spending Benchmark by the end of FY2023 by focusing on specific components, which are inclusive of, but not limited to:

- Outpatient facility costs
- Inpatient facility costs
- Pharmaceutical costs

In light of the GHIP's changing demographic profile, strive for an incremental increase in unique users utilizing a specific point-of-enrollment and/or point-of-care engagement platform / consumerism tool by at least 5% annually

Feedback from the SEBC (continued)

Big Picture:

Increase proportion of medical spend to providers who are compensated for the quality, not quantity, of care delivered

Goal language approved by SEBC in February 2020:

Using the Alternative Payment Model (APM) Framework and FY2021 medical spend as a baseline, increase GHIP spend through advanced APMs to be at least the following by the end of FY2023 (as % of total spend):

- Category 3: 40%
- Category 4: 10%

Summary of feedback from SEBC obtained in December:

- Discussed Delaware market's slower adoption of advanced APMs compared to other regions of the country, and need for the SEBC to further understand why this is the case
- Acknowledged that medical providers must agree to contract with medical TPAs under these alternative payment models in order for the GHIP and plan participants to benefit from these "pay-for-value" advanced APMs

Suggested next steps

- Invite Aetna and Highmark to a future SEBC meeting to present an update on their efforts to establish pay-for-value contracts with Delaware providers
- Continue annual measurement of the proportion of GHIP spend through advanced APM categories (leveraging the template developed by the Delaware Office of Value Based Health Care Delivery used for the annual rate review process for fully-insured plans offered in Delaware)
- Re-engage in discussions on hospital costs and transparency, including guest speakers/groups that have presented to the SEBC previously such as those from Johns Hopkins University
- Continue submitting aggregate GHIP data to the RAND Hospital Price Transparency Study, and review the most recent round of results with the SEBC
- For the next iteration of this goal, consider revising the target proportion of total spend through advanced APMs following updates from Aetna and Highmark on their contracting efforts in Delaware and following review of FY22 results for this goal

Feedback from the SEBC (continued)

Big Picture:

Reduce cost for plan participants with diabetes

Goal language approved by SEBC in February 2020:

Reduction of GHIP diabetic cost per-member-per-month (PMPM) by 8% by the end of FY2023, using FY2021 spend as a baseline

Summary of feedback from SEBC obtained in December:

- Restate the text so it references lower cost for the plan and plan participants
- Consider broadening this topic to other chronic conditions and behavioral health
- Discussed need for further dialogue on the current GHIP benefits for diabetics
- Request for further insight into how other employers have designed wellness programs and other benefits that have been effective at engaging members
- Interest in exploring how the DHIN can be further utilized to improve member health outcomes
- Interest in evaluating the effectiveness of the GHIP's current care management programs in driving member engagement, improving health outcomes and reducing costs, and exploring other models in use by other states

Suggested next steps and revised draft goal text (changes in purple font)

Suggested next steps:

- Discuss current GHIP benefits for diabetics
- Leverage ongoing deep dive on cost and utilization (currently with the Financial Subcommittee and includes a review of chronic condition prevalence, cost and utilization) to identify (1) additional chronic conditions that may be warranted for inclusion in this goal, and (2) appropriate cost reduction targets for this goal (denoted in brackets “[]” below) in the near future
- Review concepts and case studies of how other employers have been successful in driving engagement among plan participants
- Invite Aetna and Highmark to a future SEBC meeting to present an update on their care management program outcomes

Revised draft goal text:

Reduce per-member-per-month (PMPM) **cost trend** for the GHIP **and for plan participants for the following conditions** by the end of **FY2025**, using **FY2023** spend as a baseline

- **Diabetes: [x%] for the GHIP / [y%] for plan participants**
- **Behavioral health: [x%] for the GHIP / [y%] for plan participants**
- **Musculoskeletal: [x%] for the GHIP / [y%] for plan participants**

Consider including other chronic conditions based on ongoing “deep dive” analysis underway with the Financial Subcommittee

Feedback from the SEBC (continued)

Big Picture:

Limit health care cost inflation through targeted reduction in high cost, low value services and providers

Goal language approved by SEBC in February 2020:

Limit total cost of care inflation for GHIP participants at a level commensurate with the Health Care Spending Benchmark by the end of FY2023 by focusing on specific components, which are inclusive of, but not limited to:

- Outpatient facility costs
- Inpatient facility costs
- Pharmaceutical costs

Summary of feedback from SEBC obtained in December:

- Committee was supportive of continuing to focus on this goal

Suggested next steps and revised draft goal text (changes in purple font)

- Leverage ongoing deep dive on cost and utilization to identify top drivers of spend for the GHIP and plan participants to confirm whether any changes to the specific cost drivers noted within this goal are needed
- Leverage recent round of results of RAND Hospital Price Transparency Study to identify any other areas of spend for additional focus within this goal

Revised draft goal text:

Limit total cost of care inflation for GHIP participants at a level commensurate with the Health Care Spending Benchmark by the end of **FY2025** by focusing on specific components, which are inclusive of, but not limited to:

- Outpatient facility costs
- Inpatient facility costs
- Pharmaceutical costs

Feedback from the SEBC (continued)

Big Picture:

Offer and increase engagement in tools that help plan participants use their health care benefits effectively

Goal language approved by SEBC in February 2020:

In light of the GHIP's changing demographic profile, strive for an incremental increase in unique users utilizing a specific point-of-enrollment and/or point-of-care engagement platform / consumerism tool by at least 5% annually

Summary of feedback from SEBC obtained in December:

- Committee was supportive of continuing to focus on this goal

Suggested next steps and revised draft goal text (changes in purple font)

Based on Committee's support for the current goal, no changes to the text of this goal are suggested.

Proposed draft goal text:

In light of the GHIP's changing demographic profile, strive for an incremental increase in unique users utilizing a specific point-of-enrollment and/or point-of-care engagement platform / consumerism tool by at least 5% annually

Long-term planning opportunities for FY25 and later

- An initial list of long-term planning opportunities was originally included within the November 2022 SEBC meeting materials
- These long-term planning opportunities could be potential new strategies for inclusion with the revised goals
- Some of these opportunities can support one or more Strategic Framework goal
 - For example, carving out coverage of additional procedures to SurgeryPlus could support the first three goals
- Based on further feedback from the SEBC as the Strategic Framework goals are finalized for the upcoming FY24 plan year, these long-term opportunities will be further explored with the Committee

Long-term opportunity for FY25 and later

Carving-out coverage of additional procedures to SurgeryPlus

Implement a high deductible health plan with an HSA (“HSA plan”)

Primary care clinics

Direct contracting with a hospital system

Pre-65 marketplace

Reference-based pricing

Remove medical TPA(s) and administer plans in-house

Proposed timeline for suggested next steps

- Pending further feedback from the Committee about interest in pursuing the suggested next steps noted on the prior slides, the following timeline is proposed for covering the additional discussion topics and continued work on updating the GHIP Strategic Framework at future SEBC meetings
 - This timeline is subject to change depending on other priority items for future SEBC meeting agendas
- Revised draft goals will continue to be included for discussion at each of these meetings based on additional feedback gathered from the SEBC

Month	Suggested next steps	Other steps (timing TBD)
February 2023	<ul style="list-style-type: none"> • Discuss current GHIP benefits for diabetics • Discuss selected results from deep dive discussions with the Financial Subcommittee related to chronic condition prevalence and cost and top cost drivers for the GHIP and participants 	<ul style="list-style-type: none"> • Invite guest speakers/groups that have presented to the SEBC previously such as those from Johns Hopkins University to present an update on their work related to hospital costs and transparency
March 2023	<ul style="list-style-type: none"> • Continue discussion of selected results from deep dive discussions with the Financial Subcommittee related to the above topics 	
April 2023	<ul style="list-style-type: none"> • Pending availability, Aetna and Highmark to present an update on their efforts to establish pay-for-value contracts with Delaware providers and an update on the outcomes achieved by their care management programs 	
May 2023	<ul style="list-style-type: none"> • Review concepts and case studies of how other employers have been successful in driving engagement among plan participants • Review most recent round of results of the RAND Hospital Price Transparency Study, including GHIP-specific insights 	