

The State of Delaware

GHIP Strategic Framework

State Employee Benefits Committee

July 24, 2023

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Revisiting the GHIP Strategic Framework

- At the December 2022 SEBC meeting, an overview of the GHIP Strategic Framework was presented
 - Current goals were adopted by the SEBC in February 2020; will be measured against FY2023 plan experience to determine whether goals were achieved
 - Opportunity for SEBC to determine how to proceed with goal setting/measurement for FY24 and later
- FY22 progress toward the current goals was reviewed with the SEBC in January 2023
- SEBC provided feedback on revisions to the goals reflecting the Committee's current areas of focus in January and February 2023
- Also prompted deeper dive during the spring and early summer into selected topics related to certain goals, such as:
 - Discussion of chronic condition prevalence and cost within the GHIP, including resources available to support members diagnosed with such a condition
 - Observations from Delaware's Office of Value Based Health Care Delivery and from Highmark and Aetna on efforts to contract with Delaware providers under alternative payment models
 - Review publicly available information on health care cost, price transparency, provider quality and patient safety as it relates to providers within and adjacent to Delaware

Revisiting the GHIP Strategic Framework (continued)

- Prior SEBC feedback on the framework's goals summarized in the Appendix and includes updates on next steps that were suggested to the Committee in February 2023
- Remaining next steps to be completed, with proposed timing:
 - Review concepts and case studies of how other employers have been successful in driving engagement among plan participants – *August 2023*
 - Finalize updates to GHIP Strategic Framework goals – *August – October 2023*
 - Discussing and finalize updates to GHIP Strategic Framework strategies and tactics that support updated goals, including opportunities to incorporate longer term planning opportunities for FY25 and later¹ – *November – December 2023*
- Results of FY23 plan performance measured against current Strategic Framework goals will be available in early 2024

¹ Discussed with the SEBC in November and December 2022.

Appendix

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

GHIP Strategic Framework Goals

Big Picture:

Goal language approved by SEBC in February 2020:

<p>Increase proportion of medical spend to providers who are compensated for the quality, not quantity, of care delivered</p>	<p>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):</p> <ul style="list-style-type: none"> Category 3: 40% Category 4: 10%
<p>Reduce cost for plan participants with diabetes</p>	<p>Reduction of GHIP diabetic cost per-member-per-month (PMPM) by 8% by the end of FY2023, using FY2021 spend as a baseline</p>
<p>Limit health care cost inflation through targeted reduction in high cost, low value services and providers</p>	<p>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:</p> <ul style="list-style-type: none"> Outpatient facility costs Inpatient facility costs Pharmaceutical costs
<p>Offer and increase engagement in tools that help plan participants use their health care benefits effectively</p>	<p>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</p>

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 2022:

- 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 and updates since January 2023:

- 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 – *completed during May-June 2023 SEBC meetings*
- 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) – *FY22 results presented to SEBC in January 2023; FY23 results expected in January 2024*
- 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 – *completed via materials distributed to SEBC in April and May 2023. The principal researcher from Johns Hopkins University who met with the SEBC is no longer with the University, but there are now other sources of publicly available information that provide similar information as this earlier work that were included in materials recently shared with the SEBC.*
- Continue submitting aggregate GHIP data to the RAND Hospital Price Transparency Study, and review the most recent round of results with the SEBC – *completed via materials distributed to SEBC in April and May 2023*
- 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 – *to be incorporated into future revisions to 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 2022:

- 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, updates since January 2023 and revised draft goal text (changes in purple font):

Suggested next steps:

- Discuss current GHIP benefits for diabetics – *completed Feb 2023*
- 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 – *to be incorporated into future revisions of this goal*
- Review concepts and case studies of how other employers have been successful in driving engagement among plan participants – *for future discussion with the SEBC*
- Invite Aetna and Highmark to a future SEBC meeting to present an update on their care management program outcomes – *completed during June 20, 2023 SEBC meeting*

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 2022:

- Committee was supportive of continuing to focus on this goal

Suggested next steps, updates since January 2023 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 – *to be incorporated into future revisions of this goal*
- Leverage recent round of results of RAND Hospital Price Transparency Study to identify any other areas of spend for additional focus within this goal – *to be incorporated into future revisions of 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 2022:

- Committee was supportive of continuing to focus on this goal

Suggested next steps:

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