



**MINUTES FROM THE HEALTH POLICY & PLANNING SUBCOMMITTEE
TO THE STATE EMPLOYEE BENEFITS COMMITTEE
AUGUST 22, 2019**

A meeting of the Health Policy & Planning (“HP&P”) Subcommittee to the State Employee Benefits Committee (the “Committee”) was held Thursday, August 22, 2019 in the Large Conference Room of the Statewide Benefits Office (“SBO”), 97 Commerce Way, Dover, Delaware 19904

Committee Members Represented or in Attendance:

Director Faith Rentz, SBO, Department of Human Resources (“DHR”) (Appointee of DHR Sec. Johnson), Chair
Mr. Tanner Polce, Policy Director, Office of the Lt. Governor (Appointee of Lt. Governor Hall-Long)
Mr. Stuart Snyder, Chief of Staff, Department of Insurance (“DOI”) (Appointee of Commissioner Navarro)
Ms. Susan Steward, Policy Analyst, Office of the State Treasurer (“OST”) (Appointee of Treasurer Davis)
Mr. William Oberle, Delaware State Trooper’s Association (Appointee of the DSEA, Jeff Taschner)

Committee Members Not Represented or in Attendance:

Ms. Victoria Brennan, Sr. Legislative Analyst, Office of the Controller General (“OCG”) (Appointee for CG Morton)
Mr. Steve Costantino, Dir. of Health Care Reform, Department of Health and Social Services (“DHSS”) (Appointee of Sec. Walker)
Ms. Judi Schock, Deputy Principal Assistant, Office of Management & Budget (“OMB”) (Appointee OMB Dir. Jackson)

Others in Attendance:

Secretary Sandra Johnson, DHR, Committee Member	Ms. Gabriela Kejner, Chief of Staff, DHSS
Mr. Jeff Taschner, DSEA, Committee Member	Mr. Walter Mateja, IBM Watson Health
Deputy Director Leighann Hinkle, SBO, DHR	Ms. Jennifer Mossman, Highmark Delaware
Ms. Jaclyn Iglesias, Willis Towers Watson (“WTW”)	Ms. Paula Roy, DE Chiropractic Network
Mr. Chris Giovannello, Willis Towers Watson	Mr. Aaron Schrader, HR Manager, SBO, DHR
Ms. Christina Bryan, Delaware Healthcare Association	Ms. Caryn Shetzler, Trainer Educator, SBO, DHR
Ms. Julie Caynor, Aetna	Ms. Martha Sturtevant, Executive Assistant, SBO, DHR
Ms. Nina Figueroa, Policy Advisor, SBO, DHR	Ms. Elizabeth Zubaca, Hamilton Goodman Partners

CALLED TO ORDER

Dir. Rentz called the meeting to order at 1:03 p.m.

DIRECTOR’S REPORT – DIRECTOR RENTZ, CHAIR

Legislative Updates

As a result of legislation passed this year, SBO will be participating on a couple of work groups related to pharmacy contracting and pharmacy reimbursement strategies.

HCR 35 created the Interagency Pharmaceutical Purchasing Study Group to review and make recommendations on how to leverage State purchasing power to negotiate a lower cost for prescription drugs. The committee has been formed and will meet monthly beginning in September with recommendations expected in January.

HCR 57 establishes a Pharmacy Reimbursement Task Force to study the reimbursement practices of the Pharmacy Benefit Managers. SBO will participate.

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SBO will also have a seat at the table for the Primary Care Collaborative. SS1 to SB 116 enhances the Primary Care Collaborative and establishes the Office of Value-based Healthcare within the Department of insurance. Dir. Rentz is scheduled to meet with bill sponsors on how SBO can support the objectives.

Finally, SB 34 created an opioid impact fund and has a financial impact to the GHIP of approximately \$0.5M. The fund is established to support addiction in Delaware.

SEBC

The next Committee meeting will be held September 26, 2019. There will be an update on RFPs and contracting. The Committee will largely focus on the updated financials and a review of the proposed FY20 budget.

At the meeting the Committee will begin discussions regarding healthcare contracting starting with an overview of options, and followed by a presentation by Highmark. Highmark will review the progress they have made on value-based contracting. Aetna has been invited to present in October. It is expected that a portion of those presentations will be held in executive session. Subcommittee members are encouraged to attend, and are invited to the executive session of both meetings.

SBO

SBO has developed a survey to get a better idea of the Primary Care Provider (“PCP”) landscape in Delaware. The survey seeks to know what percent of respondents have a PCP, and to gauge their ability to access care for preventive and acute care.

APPROVAL OF MINUTES – DIRECTOR RENTZ

A MOTION was made by Mr. Oberle and seconded by Ms. Steward to approve the minutes from the June 6, 2019 Health Policy & Planning Subcommittee meeting.

MOTION ADOPTED UNANIMOUSLY.

PRIMARY CARE ACCESS: UPDATES & OPTIONS – MS. JACLYN IGLESIAS, WTW

Plan participants in the GHIP have expressed concern over the last few years regarding access to PCPs in Delaware. Recent studies have shown a declining number of full time PCPs nationally. A DHSS study showed that while Delaware had a sufficient number of PCPs, there were areas that are underserved by PCPs and specialty doctors.

In 2019 the Primary Care Collaborative identified other areas of concern regarding PCP access, including that lacking adequate incentives, fewer medical school students are returning to Delaware. And, there were challenges sited regarding independent practices not being sustainable financially.

SBO is aware that some PCP’s have moved to a concierge model, charging patients an access fee upwards of \$1600 each year per member outside of the covered services in the State GHIP.

Members discussed that because Delaware does not have a medical school, the State reserves 20 slots for medical school students in Philadelphia, but noted that there is not currently a residency requirement to practice in Delaware. Members also discussed incentives to encourage students to return to Delaware to practice. Dir. Rentz responded that SBO would make the suggestion to the Primary Care Collaborative.

Data provided by Highmark and Aetna does not suggest there is a provider access issue. Members discussed the disconnect between their data and personal experiences recounted to SBO from employees. Ms. Iglesias added that the data does not measure whether providers are accepting new patients, or if members are waiting an unreasonable amount of time.

Mr. Polce queried whether the PCP survey would capture member access only as it relates to medical doctors, noting that physician’s assistants and nurse practitioners are common providers for primary care. He added that workforce development, and recruiting should be included as part of the overall solution.

The members reviewed a demo of the PCP survey. There was a discussion regarding the goals and length of survey, and members made recommendations for additions and edits. The SEBC wants each member to have a relationship with a PCP.

There was a discussion regarding defined access standards and population requirements within the healthcare industry. Data on physician extenders is difficult to capture because it is billed under the medical ID of the physician. Data is self-reported by providers and not always up to date.

Ms. Steward queried the defined terms for urban, suburban and rural. Ms. Iglesias responded that she would follow up.

SBO is working with Aetna and Highmark to develop custom reporting on changes to the PCP network.

Members discussed challenges reported by PCPs practices to the Primary Care Collaborative. Members discussed the incentives that would be most effective toward delivering on the goals of the SEBC. Members discussed the potential for long-term returns to the GHIP of offering offsets to the administrative costs for providers.

Members reviewed options to consider for expanding primary care access.

Subsidizing Concierge Access Fees

The State could pay a portion of PCP concierge fees, or subsidize the entire amount. The cost is estimated to be between a few hundred thousand to several million dollars.

Because the plan covers expenses that are “medically necessary”, this option would need approval by DOJ to change the definition of what is medically necessary. Dir. Rentz noted that several employees has expressed their preference for this option.

Alternatively, the State could reimburse fees outside of the plan, and could be handled as a wage increase. This option would require DOJ approval. As a payment made outside of the medical plan, this option would not be limited to GHIP enrollees. Members expressed concern that this option incentivizes concierge medicine.

Ms. Steward expressed concern that employees paying concierge fees pay with after tax dollars, would not be made whole, because a reimbursement would be re-taxed.

Dir. Rentz queried whether concierge fees could be reimbursed as a FSA eligible expense. Ms. Iglesias responded that it is not considered an eligible expense.

Directly Contract with Regional PCP Providers

The State could establish relationships with regional PCP practices to encourage providers to offer preferred access to members enrolled in a state plan.

Members discussed whether providers would be required to be independent, and if a practice could allocate a portion of the practice to this contract.

Broaden the Scope of Telemedicine

Enhance telemedicine via advanced technology solutions to broaden the scope of what is accomplished in a telemedicine visit. Members would have access to a national network of doctors and this option could include a nurse to support the patient. There are leading vendors in this field, and a RFP would be required.

Members discussed the existing framework for care and the potential liability of not having the patient present. Telemedicine helps to broaden access to care, but the scope is limited and it is not an option for all ailments.

Dir. Rentz stated enhanced telemedicine could be piloted. Mr. Polce noted the Star Campus at the University of Delaware is a good example.

Contract with Third Party Vendor

Third party on-site clinics can provide access to care exclusively for employees enrolled in a State plan, or the State could partner with like-minded employers. This is not an inexpensive option; pricing exclusive of build out costs can range \$4M to \$22M, depending on the scope of services.

Mr. Taschner stated that New Jersey has been successfully building out PCP practices to service their employees, and could be invited to discuss their progress, challenges and results. Dir. Rentz responded that SBO has reached out to R-Health and they have offered to present to the Subcommittee.

Mr. Polce requested consideration for a hybrid of enhanced telemedicine and third party contracting.

Members discussed the unintended consequences that could result from shifting the PCP landscape. Dir. Rentz will seek input from the Primary Care Collaborative and the Health Care Commission.

Next Steps

All options will require additional research to fully assess the feasibility, timeline, as well as cost and savings.

The goal is to make recommendations on options for expanding access to primary care to the Committee by the end of calendar year 2019.

OTHER BUSINESS

Senator Bonini's ask of the Committee to consider alternatives for employees who might otherwise consider payday lending will be discussed at a future meeting, and was tabled in the interest of time.

Dir. Rentz requested the September 19th Subcommittee meetings be consolidated, suggesting that both Subcommittees meet at 10AM. Members had no objections.

ADJOURNMENT

A MOTION was made by Mr. Polce and seconded by Ms. Steward to adjourn the meeting at 2:56 p.m.

MOTION ADOPTED UNANIMOUSLY:

Respectfully submitted,

Martha Sturtevant, Statewide Benefits Office, Department of Human Resources
Recorder, Statewide Employee Benefits Committee