Agenda

• Opening Announcements
• Operational Updates
• Data Quality
• Regulatory Update/Data to Support Legislation
• Highlight of Expanded Analytic Capabilities
• Public Reporting
• Discussion: Process for Election of Committee Officers
CO APCD Sustainability – Funding Sources FY 2020-2021

• State Related Funding
  ▪ Est ~$4.2M total
  ▪ 90/10 –
  Est ~ $500K for FY20 if approved

• Non State Related
  ▪ Stakeholders - Est ~$750k total
  ▪ Grants - ~ $130k
  ▪ Additional COVID related grant opportunities
  ▪ PPP Loan Forgiveness

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>Est based on current information</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMS – Federal Portion</td>
<td>$ 1,009,617</td>
<td>$ 908,655</td>
</tr>
<tr>
<td>CMS – State Portion</td>
<td>$ 1,009,617</td>
<td>$ 908,655</td>
</tr>
<tr>
<td>State General Fund</td>
<td>$ 2,526,847</td>
<td>$ 2,053,576</td>
</tr>
<tr>
<td><strong>StateTotal GF</strong></td>
<td><strong>$ 3,536,464</strong></td>
<td><strong>$ 2,962,231</strong></td>
</tr>
<tr>
<td>Scholarship Fund</td>
<td>$ 500,000</td>
<td>$ -</td>
</tr>
<tr>
<td>HCPF Direct Analytics</td>
<td>$ 263,200</td>
<td>$ 263,200</td>
</tr>
<tr>
<td>Other State Agencies</td>
<td>$ 177,919</td>
<td>$ 60,799</td>
</tr>
<tr>
<td><strong>Total State Contracts</strong></td>
<td><strong>$ 5,487,200</strong></td>
<td><strong>$ 4,194,885</strong></td>
</tr>
<tr>
<td>Change from FY20 $</td>
<td>$ (1,292,315)</td>
<td></td>
</tr>
<tr>
<td>Change from FY20 %</td>
<td></td>
<td>-24%</td>
</tr>
</tbody>
</table>
Strategies to Replace Scholarship Funding

• Guidance provided to scholarship eligible organizations to seek alternative funding sources
• Strengthening relationships in the grant office at CU Anschutz to identify additional sources of funding for researchers
• Outreach to academic institutions/researcher to ensure that they are naming the CO APCD in their RFP’s, RFQ’s and grant requests when appropriate
• Outreach to academic institutions who have previously received CO APCD data to explore needs for data refreshes and additional analytics.
• Outreach campaign to schools of public health affiliated with major academic medical institutions nationally.
• Collaboration with a major local philanthropic organization to match organizations receiving grant funding with potential CO APCD data needs at a discounted cost
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Payer Forum Update

• Create Payer Forum, an assembly of senior leaders from payer organizations that provides an opportunity to discuss
  • Important issues that arise with data submissions and their implications
  • Creation of additional standards for accuracy and timeliness of submissions to the CO APCD
  • Increasing ERISA-based employer voluntary submissions
  • How CIVHC can provide valuable reporting tools and insights to the payer community
Payer Forum Update (cont’d)

• Identified one key leader/executive representing each payer, sent invitations to participate in July
• September meeting being scheduled
• Complete development of high-level, standardized feedback report describing timeliness, completeness and quality of data submissions for distribution
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Regulatory Update and Data to Support Legislation

Vinita Bahl, DMD, MPP •
CIVHC VP of Data Analytics
Data Submission Guide Updates

• DSG 11 updates to monthly files started in May 2020

• Alternative Payment Model and Drug Rebate Test files due July 15
  • All but one drug rebate file received
  • Validation check and payer feedback sent August 4
  • Quality and timeliness of submission much improved
  • Engaged Catalyst for Payment Reform (CPR) and Centers for Medicare & Medicaid Services to assist payers with proper classification of payments to APMs
Data to Support Legislation

Primary Care Payment Reform Collaborative

• Regular analysis of primary care spend, based on fee-for-service claims to assess changes and impact of COVID-19

• Support DOI regulation for increased primary care investment through alternative payment models (APM)
  • Principal vehicle for monitoring investment – CIVHC analysis of payer APM submissions
  • Work collaboratively with DOI, CPR and CMS to ensure payers classify provider payments to proper APM
Data to Support Legislation

Payment for Out-of-Network Services

• Supplement current fee schedules to include professional services that were introduced during COVID-19 pandemic

• Begin process of creating fee schedules for 2021
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• Regulatory Update/Data to Support Legislation
• **Highlight of Expanded Analytic Capabilities**
• Public Reporting
• Discussion: Process for Election of Committee Officers
Highlight of Expanded Analytic Capabilities

Vinita Bahl, DMD, MPP •
CIVHC VP of Data Analytics
# Review of FY20 Analytic Projects

<table>
<thead>
<tr>
<th>Analytic Project</th>
<th>Project Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Value Care</td>
<td>Measure the incidence and cost of services that offer no net benefit in specific clinical scenarios and can lead to patient harm</td>
</tr>
<tr>
<td>HealthPartners Total Cost of Care</td>
<td>Examine variation in risk-adjusted costs of care by geographic region, based on an aggregation of results for primary care practices in the region. Evaluate influence of price and utilization on costs.</td>
</tr>
<tr>
<td>Cost of Care</td>
<td>Identify services that contribute most to total health care expenditures and trends</td>
</tr>
<tr>
<td>Prescription Drug Expenditures and Rebates</td>
<td>Assess impact of drug manufacturer rebates and other compensation on prescription drug expenditures in Colorado</td>
</tr>
</tbody>
</table>
## Review of FY20 Analytic Projects (cont’d)

<table>
<thead>
<tr>
<th>Analytic Project</th>
<th>Project Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Out-of-Network Fee Schedules</td>
<td>Develop fee schedules using CO APCD to support HB19-1174, legislation to protect patients from surprise bills for services of out-of-network providers in in-network facilities and out-of-network emergency facilities</td>
</tr>
<tr>
<td>Alternative Payment Models (APM)</td>
<td>Measure the adoption of alternative payment models in Colorado</td>
</tr>
<tr>
<td>Primary Care Spend</td>
<td>Measure expenditures for primary care as a percentage of total medical expenditures to help develop investment targets. Include claims and non-claims-based payments under fee-for-service and APMs</td>
</tr>
</tbody>
</table>
### Review of FY20 Analytic Projects (cont’d)

<table>
<thead>
<tr>
<th>Analytic Project</th>
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</thead>
<tbody>
<tr>
<td>Episodes of Care</td>
<td>Create prototype analysis of costs for patients undergoing common surgical and diagnostic procedures across a continuum of care (pre-procedure, procedure and post-procedure). Evaluate influence of price, utilization and complications of care.</td>
</tr>
<tr>
<td>Opioid Prescribing Practices</td>
<td>Measure opioid prescribing practices based on CDC recommendations and by provider specialty</td>
</tr>
</tbody>
</table>
## Project Focus

<table>
<thead>
<tr>
<th>Analytic Project</th>
<th>Affordability</th>
<th>Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Value Care</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Total Cost of Care / Cost of Care</td>
<td>✓</td>
<td></td>
</tr>
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<td>✓</td>
</tr>
</tbody>
</table>
Prescription Drug Costs and Rebates

- Prescription drug expenditures fastest growing component of overall medical expenditures
  - Driven largely by specialty drugs, which constitute 2% of scripts, 48% of expenditures
  - By contrast, expenditures for generic drugs are decreasing

- Prescription drug rebates are substantial and have the effect of reducing the size and growth of overall drug expenditures
Prescription Drug Costs and Rebates (cont’d)

• Increases in rebates for non-specialty brand name and specialty drugs driving increases in spending for these expensive drugs

• Significant expenditures for specialty drug infusions in hospital outpatient settings; optimize site of care
Prescribing Patterns

- Two medication measures account for 30% of all low value care spending
  - Concurrent use of two or more antipsychotic medications
  - Opioids for treatment of acute low back pain
- Analysis of low value care medication measures and opioid prescribing practices highlights role of nurse practitioners and physician assistants
  - Acting as physician extenders or using a different approach to managing patients?
Other Key Observations

- Low value care expenditures in 2017 were $140 M (or $358 M using less conservative estimate); similar to Virginia on per member basis
- Procedure episode costs substantially influenced by facility prices for the procedure itself; complications of care observed
- Cost of care analysis shows expenditures for outpatient surgery increasing faster than for many other services
Other Key Observations (cont’d)

- Measurement of primary care spend and adoption of alternative payment models needs refinement
  - Last year’s results indicate very large portion of payments to providers are fee-for-service
- Variation in risk-adjusted total costs of care by region, due to differences in costs by primary care practice
Where Might We Go from Here?

• Prescription drug costs
  • Release public report of prescription drug expenditures and trends and impact of rebates
  • Conduct detailed analysis to examine opportunities for specialty drug cost savings through site of care optimization
  • Conduct analysis of opportunities to increase generic substitution

• Further examine prescribing practices of NPs and PAs
Where Might We Go from Here? (cont’d)

• Find means to engage providers and other stakeholders in effort to reduce low value care
• Expand analysis of variation in costs for common surgical and diagnostic procedures based on episodes of care and supplement with key quality measures
• Improve measurement of alternative payment models and primary care spend
• Conduct detailed analysis of changes in expenditures for outpatient surgery
• Examine risk-adjusted costs for primary care practices in geographic regions where costs are high
Analyses Examining COVID-19

• Initial efforts
  • Identify populations at-risk for severe disease
  • Evaluate impact of temporary cessation of elective procedures
  • Examine trends in use of telemedicine services

• Possible new, near term analyses
  • Medication use for mental health; opioid use
  • Specific analyses of use of telemedicine for pandemic response, maintaining continuity of care
  • Impact on payments by service category (e.g., acute care hospital)
  • Variation in payments for COVID-19-related services
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Public Reporting

Cari Frank, MBA •
CIVHC VP of Communication and Marketing
COVID-Related: Temporary Cessation of Elective Procedures

Elective Procedures Potential Lost Revenue for Facilities and Providers (two month time period, all payers) $406M+

Percent Elective Procedures by Care Setting

- Inpatient Facility: 24% Cost, 28% Utilization
- Outpatient Professional: 78% Cost, 72% Utilization
- Amb. Surgery/ Diagnostic Procedure Ctrs.: 91% Cost, 94% Utilization
Shop for Care Update

- 2018 data
- 11 new episodes
- Additional facilities
- New quality measure
- Price breakdown
Upcoming: Community Dashboard

- Cost, utilization, quality & access info in one report
- 2019 data
- By DOI or County
- Soft launch in June
- Publication in August

![Table](image)
Upcoming: Telehealth (COVID support)

- Supports understanding past and future trends in telehealth use
- Will be updated regularly with data refreshes
- Publication in August
Additional Upcoming Releases

• Spot Analysis Series
  • Prescription Drugs in Colorado
    • Overview of Spending on Prescription Drugs
    • Tracking Drug Rebates
    • Specialty vs Brand vs Generic Drug Utilization

• Shop for Care Trend Report

• NBER Stakeholder Convening Sept 17th: Medicaid Provider Quality Analysis
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• Discussion: Developing Committee By-laws
Potential Committee By-laws

• For consideration
  • Election process for chair
  • Term limits for chair
  • Creation of vice-chair
  • Nominating committee for vacant positions
  • Term limits for all positions
  • Other?
Next Meeting

9am – 11am

November 10