



ADVISORY COUNCIL ON AFFORDABLE HEALTH CARE

October 17th, 2023
1:00pm-3:00pm

AGENDA

- 1:00-1:10 – Council business
- 1:10-1:50 – Review of annual public hearing and comments
- 1:50-2:30 – Discuss analysis agenda
- 2:30-2:45 – Upcoming events
- 2:45 – Wrap up



COUNCIL BUSINESS

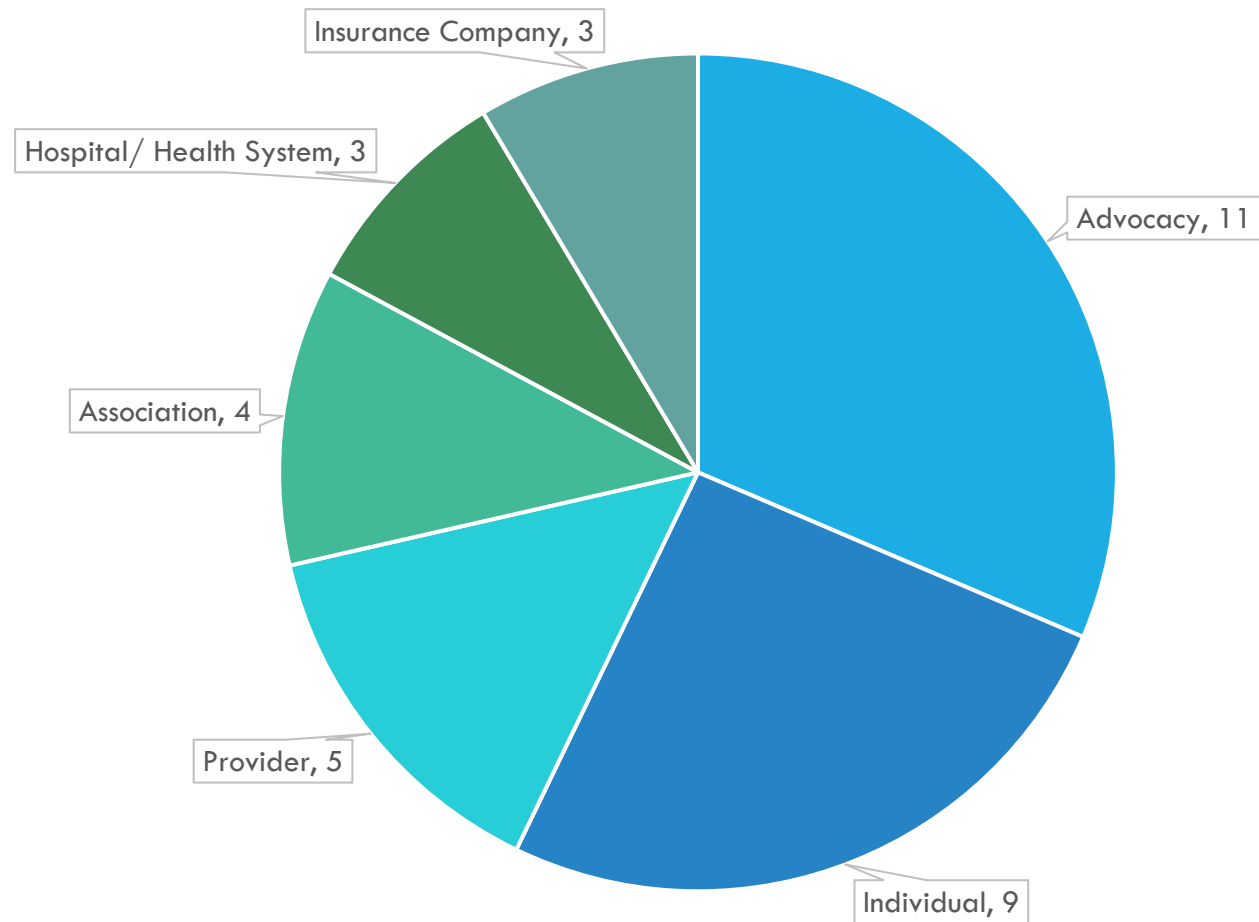
COUNCIL BUSINESS

- Business items:
 - Discussion/ vote on Council Charter
 - Reminder about conflict of interest forms



PUBLIC HEARING SUMMARY

COMMENTER OVERVIEW



CONSISTENT FEEDBACK

Clear themes in *Maine-specific* challenges:

- Rurality
- Relatively high average age of the population and associated higher health care needs
- Lower average income than other New England states, combined with relatively high cost of living
- Heavily consolidated provider landscape

THEMES — INDIVIDUALS

Barriers to health care:

- High premiums and out of pocket costs
- Complexity of systems
 - Navigating coverage options and eligibility/enrollment
 - Navigating plan benefits and costs, especially difficulty resolving billing issues between provider and carrier
- Lack of clarity and consistency in hospital free care programs

THEMES — ADVOCACY

- **Barriers:**
 - High premiums and out of pocket costs
 - High cost of prescription drugs
 - Eligibility gaps based on immigration status
- **Policy recommendations:**
 - Introduce a public option health insurance plan
 - Develop a single state-administered coverage program based on international models
 - Eliminate immigration status related eligibility criteria for MaineCare
 - Regulate prices for some segment of hospital services and prescription drugs
 - Prohibit anti-competitive terms in provider contracts (eg, anti-tiering and anti-steering clauses)

THEMES — PROVIDERS

- **Barriers:**
 - High administrative burden — as both a cost driver and contributor to burnout
 - Care coordination among different entities (with some references to EMR fragmentation)
 - Underinvestment in primary care
- **Policy recommendations:**
 - Support for thoughtful value-based payment reform that considers provider burden

THEMES — ASSOCIATIONS

- **Barriers:**
 - Acknowledgment that premiums and OOP costs are a major barrier for patients in accessing care
- **Policy recommendations:**
 - Prioritize low-barrier access to primary and preventative care
 - Support for thoughtful value-based payment reform that considers provider burden

THEMES — HOSPITALS/ HEALTH SYSTEMS

- **Barriers:**
 - Challenges associated with providing care during the pandemic and resulting impacts on infrastructure and workforce
 - How the age and income level of Maine's population drives higher health needs relative to the region
 - Inadequacy of reimbursement rates in government coverage programs
- **Policy recommendations:**
 - Emphasis on improving continuum of care for people in need of nursing care or community-based services and supports, to reduce extended unnecessary hospitalization
 - Recommendation to ensure continued quality of care is considered alongside affordability initiatives

THEMES — INSURERS

- **Barriers/ challenges:**
 - Highly consolidated provider landscape
 - Limitations placed on utilization management in state law
 - Pharmaceutical costs (particularly specialty pharmacy and physician-administered)
 - Reduced impact of MGARA on individual premiums due to market merger
- **Policy recommendations:**
 - Reconsider utilization management limitations and avoid further restrictions
 - Ensure that new coverage mandates undergo study and that cost impacts are considered
 - Prohibit anti-competitive terms in provider contracts
 - Reverse merger markets and small group reinsurance and offer alternative options to stabilize the small group market



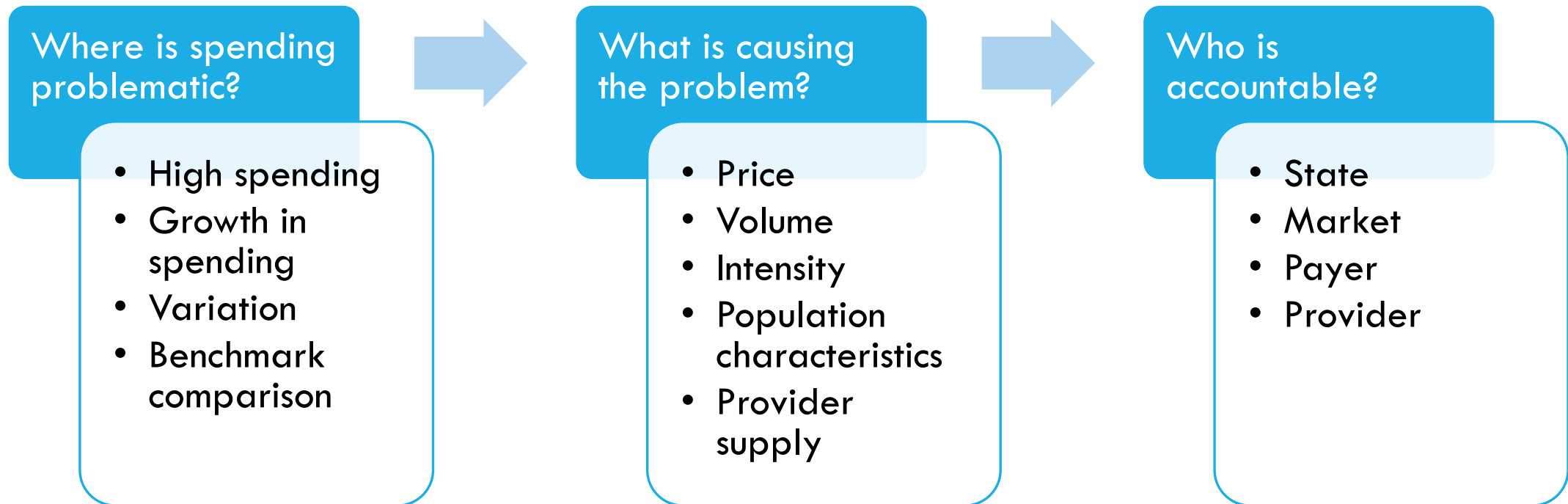
ANALYTICS AGENDA

FORMULATING AN AGENDA FOR ANALYSIS

Three main areas of analysis for 2023-2024:

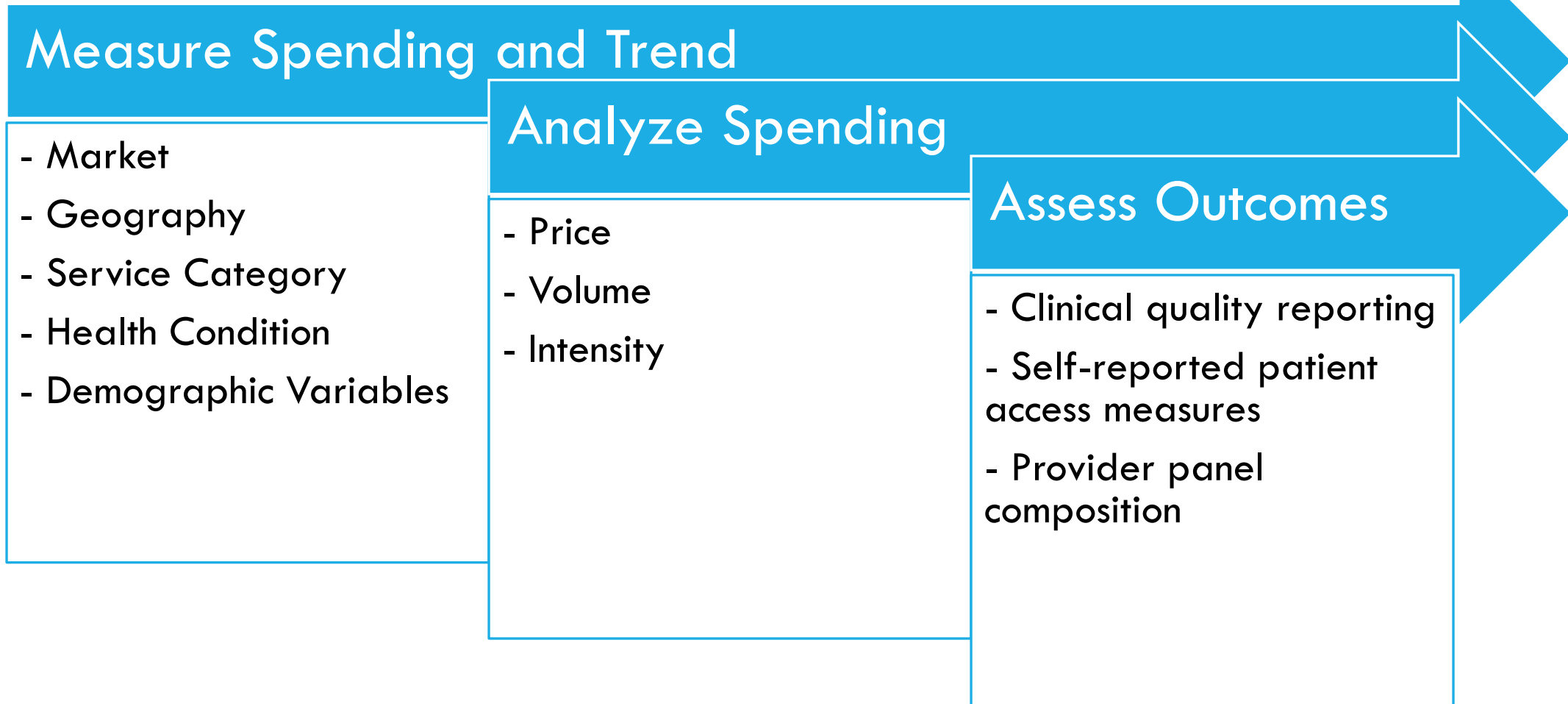
- Spending and cost growth
- Insurance enrollment and affordability
- Legislatively required study of publicly administered public option models

SPENDING AND COST GROWTH ANALYSIS



Adapted from “A Data Use Strategy for State Action to Address Health Care Cost Growth” published by the Peterson-Milbank Program for Sustainable Health Care Costs, June 2021.

FRAMEWORK FOR “PHASE I” SPENDING ANALYSIS



INSURANCE ENROLLMENT AND AFFORDABILITY

- Distribution of types of health coverage in Maine covering all market segments
 - Including detailed demographic breakdowns by age and income
- Estimates of distribution of health spending on premiums and out of pocket costs as a percentage of income
 - Considering whether it is possible to account for HSA availability/ utilization
- Analysis of characteristics of Maine's remaining uninsured residents

PUBLIC OPTION STUDY

- Focusing heavily in the report on goals for a public option and design decisions:
 - Eligibility & availability
 - Benefit package
 - Pricing and market impact
 - Administration
 - Quality and equity
- Considering outlining three generalized models:
 - Clear Choice compliant publicly administered individual/small group plan
 - MaineCare eligibility expansion
 - MaineCare look-alike plan with actuarially sound premiums



UPCOMING EVENTS

AHEAD MODEL ANNOUNCEMENT

- CMS recently introduced the “States Advancing All-Payer Health Equity Approaches and Development” (AHEAD) Model
 - State Total Cost of Care model combining primary care investment and hospital global budgets
 - Goals are to improve population health, advance health equity, and curb cost growth
 - Specifically requires multi-payer participation
 - More information at <https://www.cms.gov/priorities/innovation/innovation-models/ahead>
- Upcoming learning opportunities:
 - NASHP webinar on global budgets on 10/26 from 12:00-1:00
 - See events page on NASHP website to register
 - Maine-specific briefing from CMS on 11/2 from 12:00-1:00
 - Email Lisa.Letourneau@maine.gov to receive zoom information

NOVEMBER CONVENING

- Convening confirmed for Wednesday November 15th, 8:30-4:00pm
- Location: University of Southern Maine, Portland Campus
- In-person attendance will be by invitation-only due to space constraints, the event will be recorded and shared on the Office's YouTube channel.

DECEMBER ADVISORY COUNCIL MEETING

- Agenda:
 - November convening read-out and discussion
 - Review of outlined/draft legislative reports:
 - OAHC annual report (due January 1, 2024)
 - Public Option analysis (due January 31, 2024)
 - Update on any emerging legislative items
- 2024 Meeting Cadence: 1st Tuesday of every other month, 10:00-12:00
- Any other topics?



CLOSING |