

North Dakota Legislative Health Care Task Force Meeting #4

May 29, 2024

Agenda

- Welcome and Meeting Overview
- Review Purpose of the Task Force and Work to Date
- Discussion of Ongoing Activities to Support ND Health Care System:
 - Legislature
 - DHHS
- Subcommittee Discussion
- Next Steps

Reminder: Purpose of Task Force

- Understand the current health care costs and cost drivers in North Dakota
- Describe health care costs trends and cost drivers that the state should be prepared for
- Summarize the current status of health care cost transparency in North Dakota and develop a roadmap to improve transparency as needed

Work to Date: Meeting #1 (October 2023)

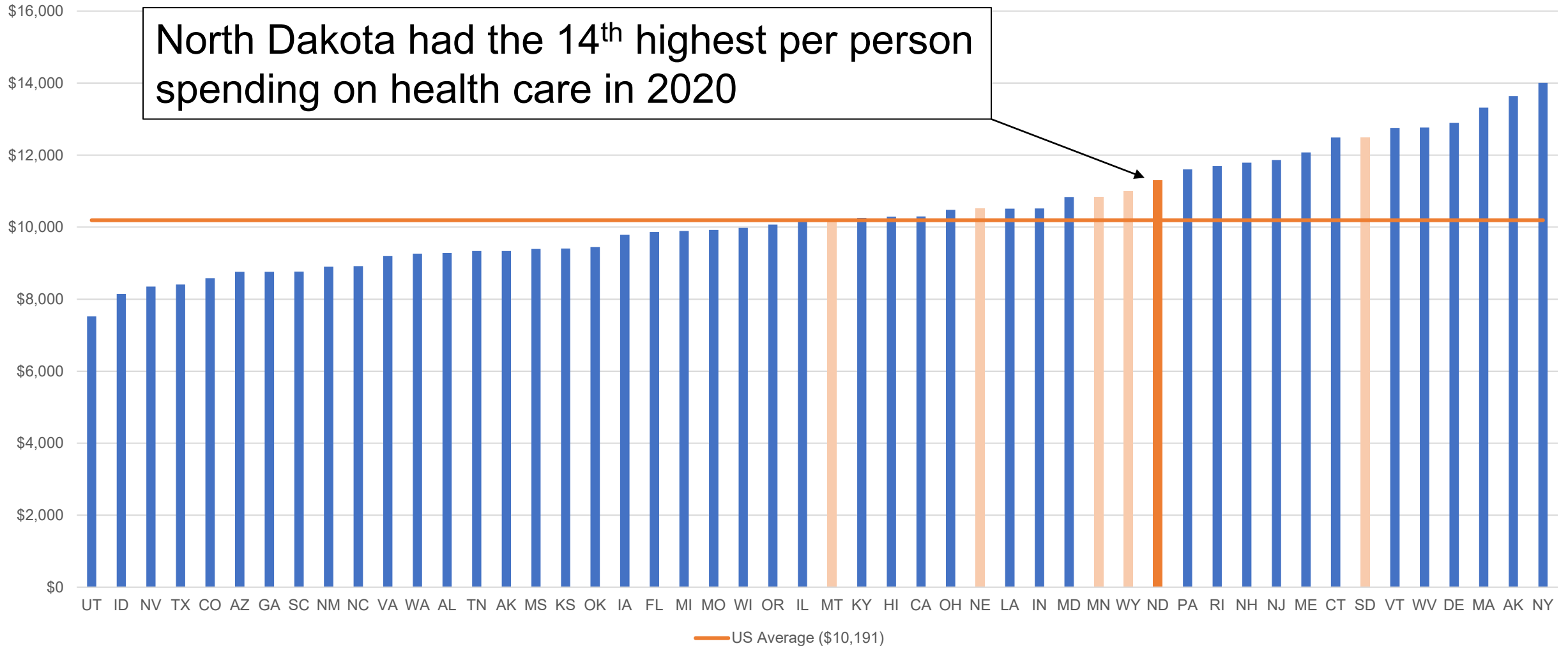
- Introductions
- Purpose of the Task Force
- Overview of the work plan
- Data on health care spending and outcomes in North Dakota and nationally

Key Takeaways and Discussion Points

- Higher and faster growth in health care spending in North Dakota compared to the national average
- Opportunities to improve quality in areas of preventive and diabetes care
- Need to have common definition of health care costs and consider provider input costs
- Desire to see more granular, state-specific analyses

Health Care Spending in the State is High

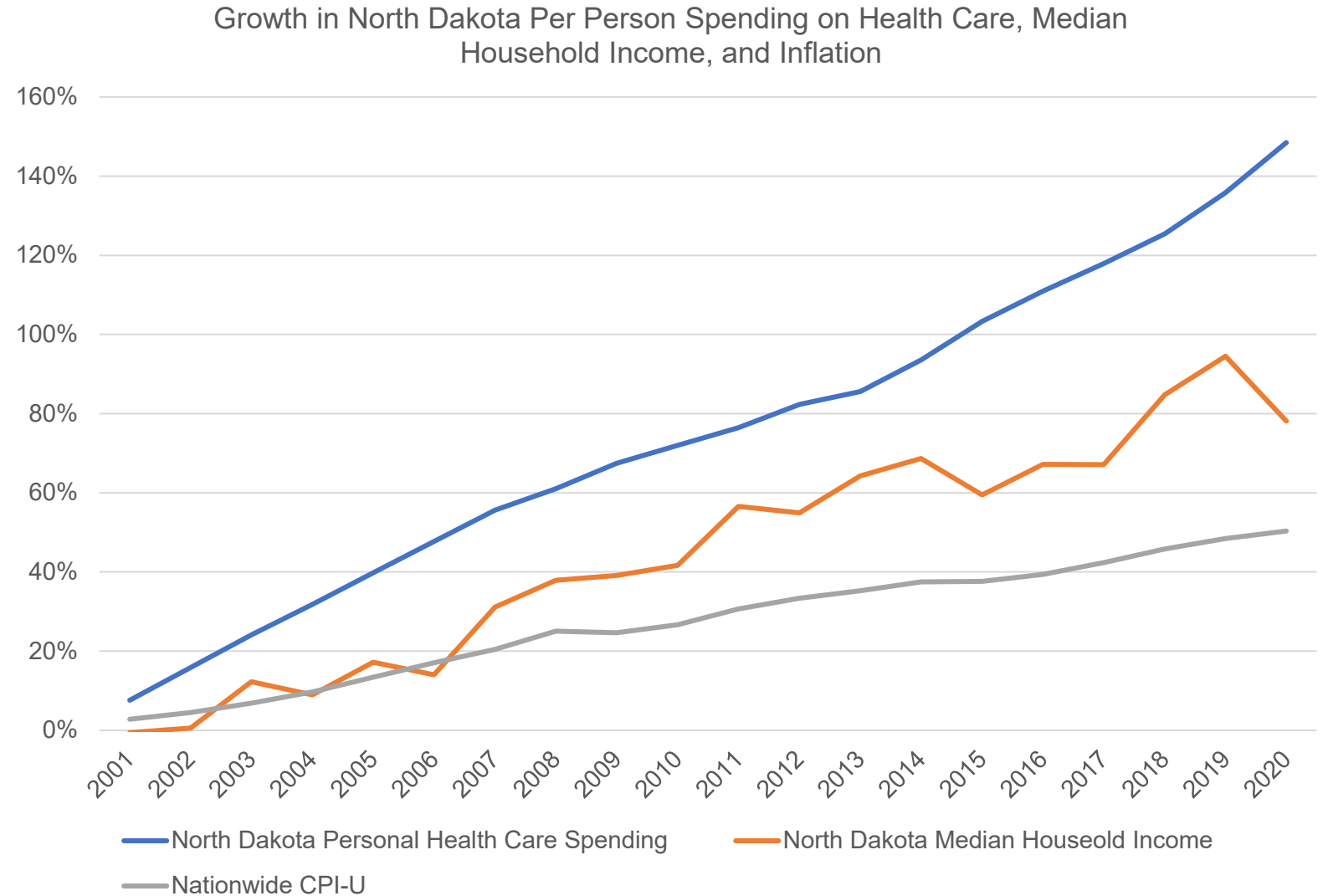
North Dakota had the 14th highest per person spending on health care in 2020



Source: State Health Expenditures by State of Residence, 1991-2020, Centers for Medicare & Medicaid Services.

Growth in Health Care Spending is Outpacing Growth in Other Economic Indicators of Well-Being

Over the last two decades, per person spending on health care has grown at almost twice the rate of growth in median income, and approximately three times the rate of growth in inflation.



Source: State Health Expenditures by State of Residence, 1991-2020, Centers for Medicare & Medicaid Services.

Work to Date: Meeting #2 (January 2024)

- Hospital financing 101 and financial analyses of Critical Access Hospitals
- Data on NDPERS spending
- All payer claims database(APCD) discussion

Key Takeaways and Discussion Points

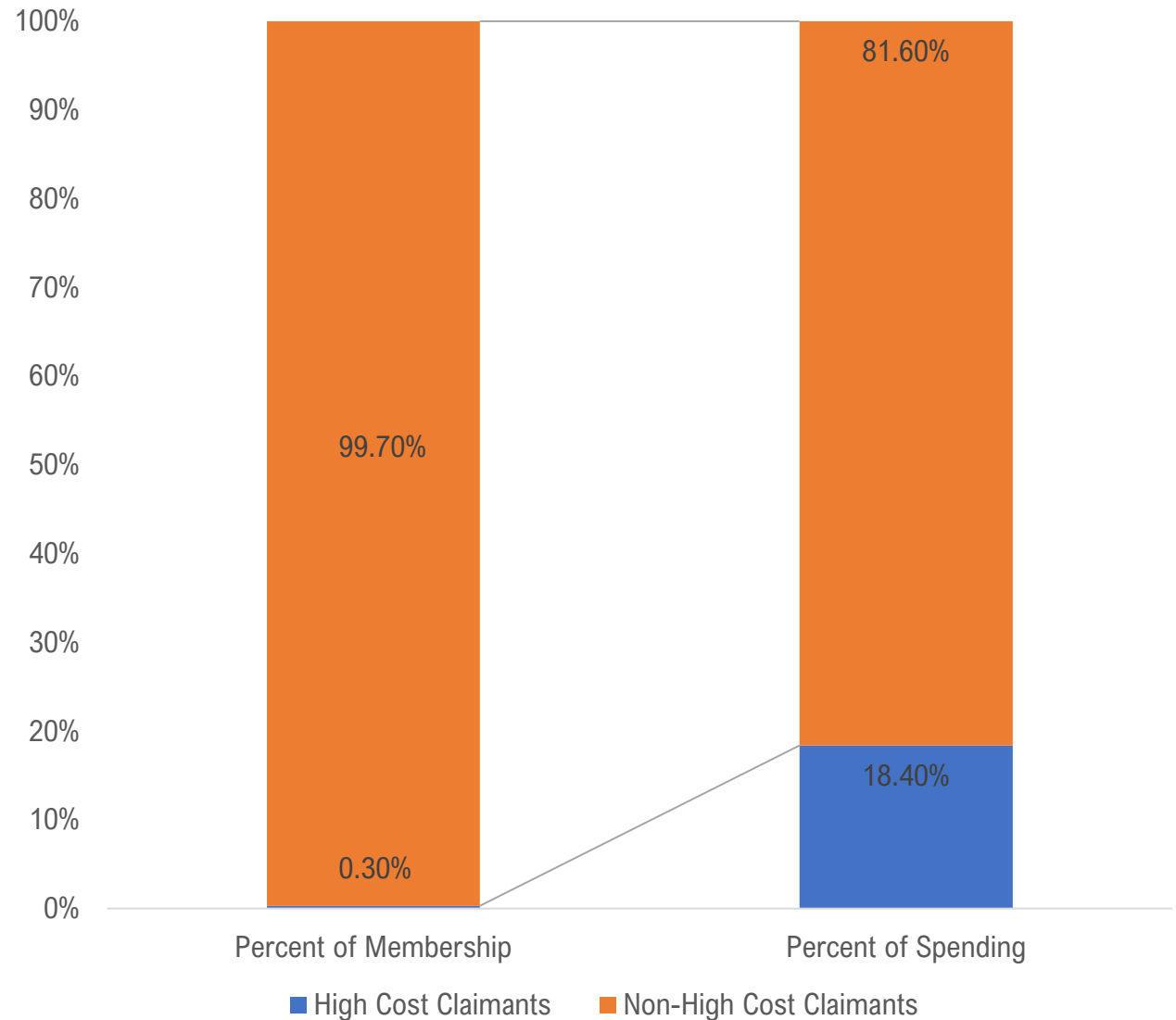
- Discussion of hospitals' ability to negotiate rates and what drives hospitals' cost structures
- High spending in chronic conditions and maternity care (potential opportunities to lower spending)
- Discussion of pros/cons of establishing an APCD
- Desire to ensure that focus is not just on costs, and that quality is considered

NDPERS: Spending on High Cost Claimants, June 2023

In 2023, high cost claimants* represent less than half a percent of members but account for 18% of total spending.

The top 5 diagnostic categories for high cost claimants, for which total spending ranged from \$5m to \$7m, were:

- Gastroenterology;
- Hematology;
- Neurology;
- Cardiology; and
- Endocrinology.



* High cost claimants are members with claims exceeding \$200k.

NDPERS: Top Episode Treatment Group Episodes

Chronic

- Diabetes, w/o surgery (\$15.8m)
- Inflammatory bowel disease, w/o surgery (\$13.6m)
- Psoriasis (\$11.7m)
- Mood disorder, depressed (\$8.2m)
- Adult rheumatoid arthritis (\$6.9m)
- Joint degeneration, localized – knee & lower leg, w/surgery (\$5.2m)

Non-Chronic

- Routine exam (\$5.8m)
- Pregnancy, with delivery, w/o c-section (\$5.1m)
- Other neonatal disorders, perinatal origin (\$4.3m)
- Pregnancy, with delivery, with c-section (\$2.7m)
- Viral pneumonia (\$2.7m)
- Other inflammation of skin (\$2.7m)

Key Takeaways from NDPERS Data



Spending on prescription drugs grew most rapidly. This was due to a slight increase in utilization, and a significant increase in price.



Overall spending on inpatient and outpatient hospital facility services also grew significantly, while utilization decreased, pointing to price increases as the main drivers of spending growth.



Future efforts to lower spending by improving care delivery could explore care for chronic conditions such as diabetes and arthritis, and maternity care.



There are opportunities to increase the rate of preventive care and wellness visits, which could lead to reduced spending over the long-term.

Work to Date: Meeting #3 (April 2024)

Key Takeaways and Discussion Points

- Payer presentations on spending drivers
 - Findings from stakeholder interviews
 - Measuring quality and aligned measures sets
 - Brainstorm of key topics for further discussion
- High prices of brand name drugs is a spending driver that is difficult to address
 - Payers are focused on VBP and primary care to improve care and lower spending
 - Interest in doing more around quality in a way that does not overly burdens providers

Follow Up Discussion: Payer Reimbursement and Potential for “Cost Shifting”

The debate around cost shifting

Belief that hospitals charge higher commercial prices to make up for low Medicare and Medicaid reimbursement rates

**Commercial
Payors & Providers**



**Economists &
Researchers**

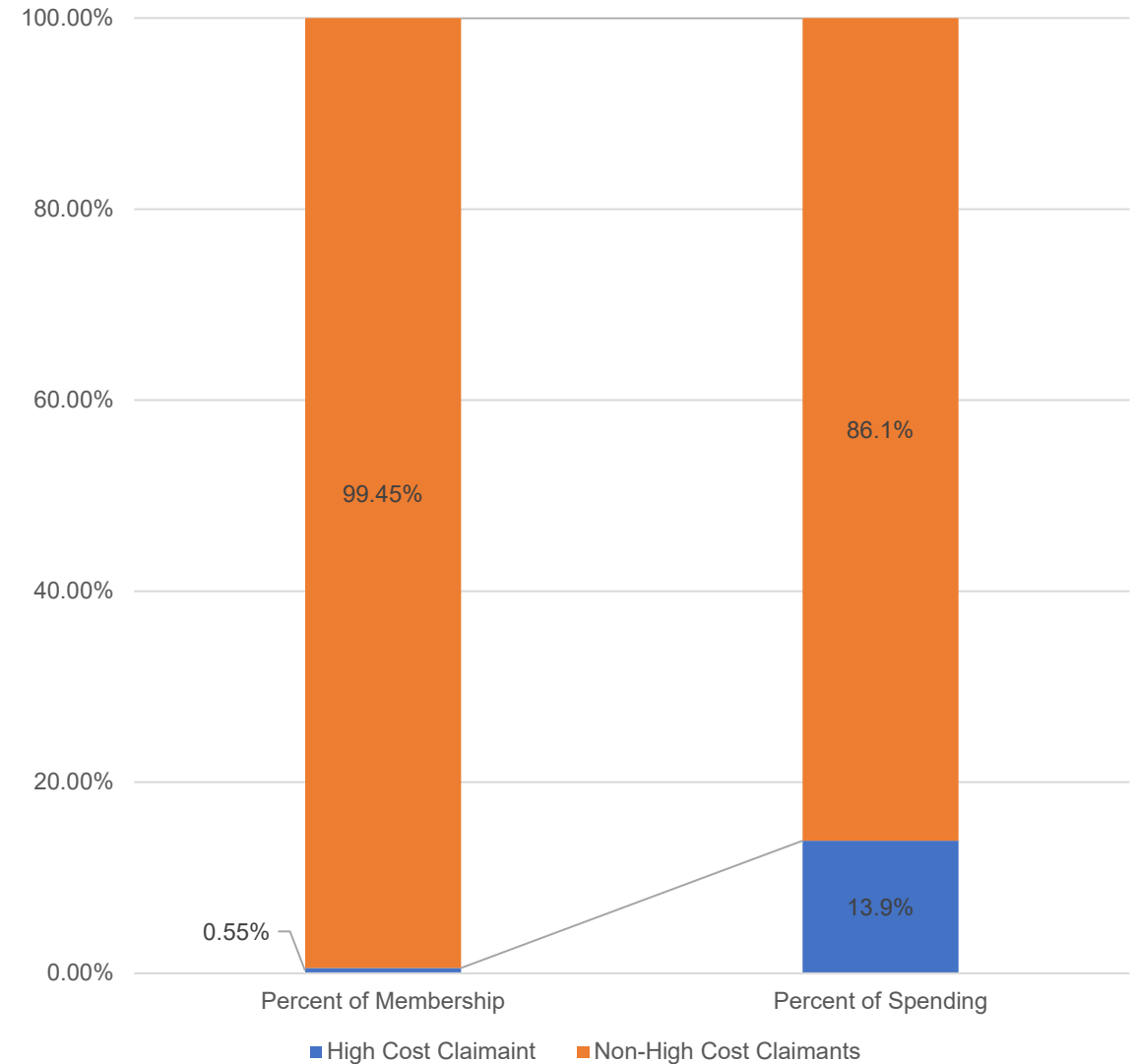
Research that market power and lack of competition are what drive high commercial prices for hospital services

Review of Some Literature on Cost-Shifting

- Association of Commercial-to-Medicare Relative Prices with Health System Financial Performance
 - Found that higher commercial-to-Medicare relative prices and a lower Medicare payer share were associated with higher profits and more days cash on hand
- Medicare Payment Advisory Commission, March 2020 Report to Congress
 - Found that when Medicare or Medicaid revenue increases, hospitals with more market power still aim to negotiate larger, rather than smaller, rate increases from commercial insurers
- The Prices that Commercial Health Insurers and Medicare Pay for Hospitals' and Physicians' Services
 - Found no correlation between the share of providers' patients covered by Medicare or Medicaid and commercial market prices

Medicaid: Medical Spending on High-Cost Claimants in the Fee-for-Service Population, FY 2023

- In FY 2023, high cost claimants represented about half a percent of members but accounted for 14% of total spending.
- The top clinical conditions associated with high-cost claimants were:
 - Neurological disorders
 - Cerebral palsy
 - Autism
 - Newborns with and without complications
 - Respiratory disorders



* High cost claimants are members with claims exceeding \$200k.

Medicaid: Top Episode Treatment Group Episodes for the Fee-for-Service Population, FY 2023

Chronic

- Neurological disorder (\$183.7m)
- Mental health conditions – depression, anxiety, substance use, psychoses (\$49.0m)
- Autism (\$20.1m)
- Diabetes (\$12.6m)
- Cerebral Palsy (\$9.7m)
- Schizophrenia (\$5.9m)
- Chromosomal anomalies (\$5.7m)

Non-Chronic

- Preventative/administrative health encounters (\$16.3m)
- Ear, nose and throat infections (\$4.6m)
- Skin infections (\$4.2)
- Vaginal deliveries (\$4.0m)
- Respiratory infections (3.6m)

Common Areas of Focus Across All Payers (Medicaid, NDPer, Commercial)

- Payers have areas of commonality among: high expense and utilization categories, high growth areas, areas where episodes are in use, and areas where HEDIS measures are being used to track outcomes and to support value-based programs.

Chronic

- Diabetes
- Inflammatory bowel disease
- Psoriasis
- Mental health conditions including depression
- Adult rheumatoid arthritis
- Cancers including screening and treatment

Non-Chronic

- Routine exams/Administrative visits including well child visits
- Pregnancy with normal delivery including prenatal and postpartum care
- Infections including other inflammation of skin

Key Takeaways from Stakeholder Meetings

- Some frustration with focus on cost-cutting in system.
- Focus on “fixing”, not on “preventing.”
 - Importance of primary care.
 - Limited availability of care coordination services.
- Limited access to services.
 - Limited access to specialty care across state but particularly in rural areas.
 - Unsustainability of rural EMS services being staffed by volunteers.
 - Impacts of workforce shortages (at all levels) on the ability to provide care.
- Crisis in the Mental health system.
- Burdensome prior authorization.
- Limited ability to share data across systems; need for data strategy to support population health efforts.
- Interest in value-based arrangements.
- Impact of high prescription drug costs on patients receiving needed medications.

Potential Issues To Address

Population Health and Prevention

- Chronic disease management.
- Quality improvement and population health.
- Investment in health information technology infrastructure.
- Services to keep elders in their homes and prevent nursing home admissions.

Workforce and Access

- Urgent care availability vs primary care.
- Determination/certificate of need process for new health care facilities.
- Maternity care in rural areas.
- Critical gaps in oral health access.
- Scope of practice rules.

Behavioral and Mental Health

- Use of Certified Community Behavioral Health Centers and peer supports.
- Quality relative to antipsychotic medication usage in nursing facilities.

Key Takeaways from Quality Measurement Discussion

- There are many different efforts to measure quality at the provider and plan level.
 - Providers often identify differences in quality measurement as an area of burden.
 - Aligning measures across payers can reduce burden associated with measurement and increase focus on a smaller set of measures, increasing the potential for greater improvement in quality.
- North Dakota performance on quality measures suggests room for improvement in the areas of primary care access and preventive care, and follow up care after hospitalization for mental illness
- Several Task Force members supported focusing on quality, noting that it is an essential component of VBP

Commercial Market Performance on Select Quality Measures for the Adult Population, 2021

Measure	Score	< 25 th Pctl	25 th to 50 th Pctl	50 th to 75 th Pctl	> 75 th Pctl
Primary Care Access and Preventive Care					
Cervical Cancer Screening	71.9				
Colorectal Cancer Screening	66.0				
Flu Vaccinations for Adults Ages 18 to 64	60.7				
Breast Cancer Screening	71.1				
Maternal and Perinatal Health					
Prenatal and Postpartum Care: Postpartum Care	82.1				
Care of Acute and Chronic Conditions					
Controlling High Blood Pressure	61.9				
Avoidance of Antibiotic Treatment for Acute Bronchitis/Bronchiolitis	41.9				
Comprehensive Diabetes Care: Hemoglobin A1c (HbA1c) Poor Control (>9.0%)*	65.9				
Plan All-Cause Readmissions*	0.64				
Asthma Medication Ratio: Ages 19 to 50	83.7				
Asthma Medication Ratio: Ages 51 to 64	88.5				
Behavioral Health Care					
Medical Assistance with Smoking and Tobacco Use Cessation	9.7				
Antidepressant Medication Management - Effective Acute Phase Treatment (12 weeks)	78.7				
Antidepressant Medication Management - Effective Continuation Phase Treatment (6 months)	62.2				
Follow-Up After Hospitalization for Mental Illness: Age 18 + (7 days)	40.1				
Follow-Up After Hospitalization for Mental Illness: Age 18 + (30 days)	67.1				
Follow-Up After ED Visit for Alcohol and Other Drug Abuse or Dependence: Age 18 + (7 Days)	14.5				
Follow-Up After ED Visit for Alcohol and Other Drug Abuse or Dependence: Age 18 + (30 Days)	20.0				
Follow-Up After ED Visit for Mental Illness: Age 18 + (7 days)	47.6				
Follow-Up After ED Visit for Mental Illness: Age 18 + (30 days)	64.0				

Commercial Market Performance on Select Quality Measures for the Child Population, 2021

Measure	Score	< 25 th Pctl	25 th to 50 th Pctl	50 th to 75 th Pctl	> 75 th Pctl
Primary Care Access and Preventive Care					
Childhood Immunization Status (Combo 3)	77.9				
Childhood Immunization Status (Combo 10)	55.3				
Well-Child Visits in the First 30 Months of Life (First 15 Months)	75.0				
Well-Child Visits in the First 30 Months of Life (15 Months-30 Months)	81.3				
Care of Acute and Chronic Conditions					
Asthma Medication Ratio: Ages 5 to 11	89.5				
Asthma Medication Ratio: Ages 12 to 18	83.2				
Behavioral Health Care					
Follow-Up After ED Visit for Mental Illness: Age 6 to 17 (7 days)	63.4				
Follow-Up After ED Visit for Mental Illness: Age 6 to 17 (30 days)	80.5				

* Lower rate is better for the measure.

Source: Quality Compass (purchased license from NCQA).

Medicaid Market Performance on Select Quality Measures for the Adult Population, 2021

Measure	Score	< 25 th Pctl	25 th to 50 th Pctl	50 th to 75 th Pctl	> 75 th Pctl
Primary Care Access and Preventive Care					
Cervical Cancer Screening (Ages 21 to 64)	41.3				
Colorectal Cancer Screening (Ages 21 to 24)	41.3				
Flu Vaccinations for Adults Ages 18 to 64	NA				
Breast Cancer Screening (Ages 50 to 64)	36.3				
Maternal and Perinatal Health					
Prenatal and Postpartum Care: Postpartum Care	43.8				
Care of Acute and Chronic Conditions					
Controlling High Blood Pressure	67.8				
Avoidance of Antibiotic Treatment for Acute Bronchitis/Bronchiolitis	54.4				
Comprehensive Diabetes Care: Hemoglobin A1c (HbA1c) Poor Control (>9.0%)*	35.8				
Plan All-Cause Readmissions*	0.85				
Asthma Medication Ratio: Ages 19 to 64	86.6				
Behavioral Health Care					
Medical Assistance with Smoking and Tobacco Use Cessation	NA				
Antidepressant Medication Management - Effective Acute Phase Treatment (12 weeks)	59.3				
Antidepressant Medication Management - Effective Continuation Phase Treatment (6 months)	40.4				
Follow-Up After Hospitalization for Mental Illness: Age 18 + (7 days)	29.1				
Follow-Up After Hospitalization for Mental Illness: Age 18 + (30 days)	53.2				
Follow-Up After ED Visit for Alcohol and Other Drug Abuse or Dependence: Age 18 + (7 Days)	24.4				
Follow-Up After ED Visit for Alcohol and Other Drug Abuse or Dependence: Age 18 + (30 Days)	33.9				
Follow-Up After ED Visit for Mental Illness: Age 18 + (7 days)	44.6				
Follow-Up After ED Visit for Mental Illness: Age 18 + (30 days)	62.7				

Medicaid Market Performance on Select Quality Measures for the Child Population, 2021

Measure	Score	< 25 th Pctl	25 th to 50 th Pctl	50 th to 75 th Pctl	> 75 th Pctl
Primary Care Access and Preventive Care					
Childhood Immunization Status (Combo 3)	65.6				
Childhood Immunization Status (Combo 10)	44.1				
Well-Child Visits in the First 30 Months of Life (First 15 Months)	36.5				
Well-Child Visits in the First 30 Months of Life (15 Months-30 Months)	39.3				
Care of Acute and Chronic Conditions					
Asthma Medication Ratio: Ages 5 to 18	91.6				
Behavioral Health Care					
Follow-Up After ED Visit for Mental Illness: Age 6 to 17 (7 days)	58.0				
Follow-Up After ED Visit for Mental Illness: Age 6 to 17 (30 days)	76.0				

* Lower rate is better for the measure.

Source: Centers for Medicare & Medicaid Services published data based on Mathematica analysis of MACPro and FORM CMS-416 reports.

**MANY INITIATIVES ACROSS THE STATE
FOCUSED ON IMPROVING HEALTH CARE**

Not the Only Game in Town



**LEGISLATIVE
COMMITTEES**



**ONGOING DHHS/
MEDICAID
INITIATIVES**

Health Services Committee

- [Health Services Committee | North Dakota Legislative Branch \(ndlegis.gov\)](https://ndlegis.gov/committees/health-services)
- Overlapping Members: Rep. Alisa Mitskog, Vice Chair, Rep. Emily O'Brien, Rep. Robin Weisz, Sen. Judy Lee
- Key Topics:
 - Emergency Medical Services ([25.9069.01000.pdf \(ndlegis.gov\)](#))
- Other Topics:
 - Brain Injury Treatment
 - Dissolution of Comprehensive Health Association of North Dakota (and plan)

Interim Health Services Committee

- [Health Care Committee | North Dakota Legislative Branch \(ndlegis.gov\)](https://ndlegis.gov)
- Overlapping Members: Sen. Kyle Davison (Chair); Rep. Greg Stemen (Vice Chair), Rep. Jon Nelson, Rep. Emily O'Brien, Rep. Robin Weisz
- Key Topics
 - Mandated Health Insurance Benefits
 - Value Based Payment
 - Use of Contract Nurse Agencies
 - Prior Authorization
- Reports
 - “Receive a report by the North Dakota Legislative Health Care Task Force by Oct 1”

Interim Human Services Committee

- [Human Services Committee | North Dakota Legislative Branch \(ndlegis.gov\)](https://ndlegis.gov)
- Overlapping Members: Rep. Alisa Mitskog; Rep. Greg Stemen, Sen. Kyle Davison, Sen. Dick Dever, Sen. Judy Lee
- Key Topics:
 - Study Implementation of 2018 Behavioral Health System Study and 2022 Acute Psychiatric and Residential Care Needs Study
 - Rates for Intermediate Care Facilities (ICF)
 - Expansion of FQHCs
 - Capacity to serve mental health needs of children (in the hospital and community)
- Other Topics:
 - Early childcare programs
- Annual Reports
 - Committee receives a number of annual or bi-annual reports from DHS, including one on provider rates under Medicaid expansion



HHS Activities to Support the North Dakota Health Care System



Health & Human Services

Activities to Support the North Dakota Health Care System: Medicaid Eligibility



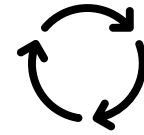
Pregnant Women Eligibility Increased to 175% FPL



12 Month Postpartum Coverage



Children's Health Insurance Program (CHIP) Eligibility Increased to 205% FPL



- Eligibility Process Improvements:
- Redesigned eligibility processing
 - Enhanced self service portal
 - Increased passive reviews
 - Increased renewal outreach

Activities to Support the North Dakota Health Care System: Children's Home and Community Based Services



Increased
Autism
Waiver Slots



Increased
Medically
Fragile Waiver
Slots



Children's
Cross
Disability
Waiver
Planning &
Advisory
Council



Pilot Projects:

- Youth Day Services for Teens with Disabilities
- Paid Family Caregiver Program

Activities to Support the North Dakota Health Care System: **Long Term Care**



Basic Care
Study



Dual-Special
Needs Plans
(D-SNPs)
Implementation



Nursing
Facility
Quality
Incentive
Payments



Informed
Choice
Specialists to
Connect with
Individuals in
Need of
Services

Activities to Support the North Dakota Health Care System: **Primary Care & Quality**



Health
System Value
Based
Purchasing
Program



Sunset
Primary Care
Case
Management
Program



Health Tracks
New Member
Outreach &
Birthday
Outreach

Activities to Support the North Dakota Health Care System: Behavioral Health



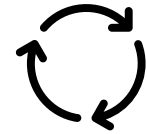
Unified
Assessment
for Behavioral
Health
Adolescent
Residential
Care



Certified
Community
Behavioral
Health Clinics
(CCBHCs)



Long Term
Care &
Psychiatric
Facility
Collaborative

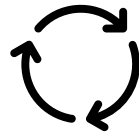


1915(i) Process
Improvements

Activities to Support the North Dakota Health Care System: Service Delivery & Process Improvement



Complex
Discharge
Coordination



Process
Improvements:

- NEMT
- QSP Provider Enrollment
- Provider Enrollment Call Center Support



Provider
Outreach &
Feedback
Loops

SELECTING SUBCOMMITTEES

Selecting Subcommittees

Subcommittee Options

- Behavioral Health
- Chronic Care Management
- Primary & Preventive Care
- Quality
- Tools to Monitor the Health Care System
- Value Based Payment

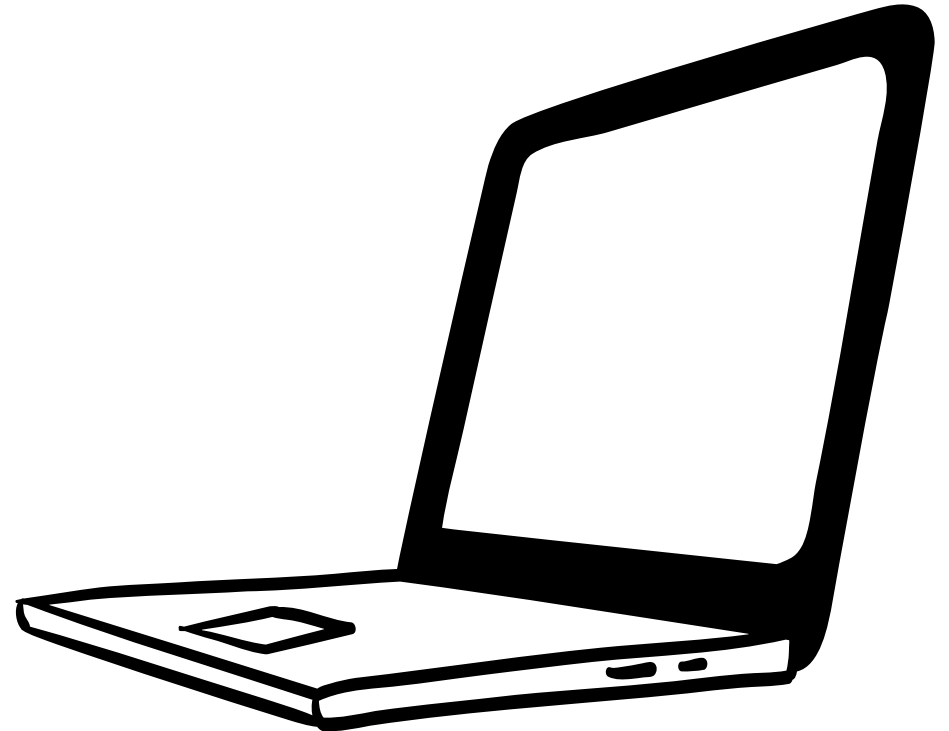
Considerations:

- Does the topic sit within the purpose of the Task Force?
 - Transparency, Cost, Quality, Access
- Is the topic one where can have a significant potential for impact?
- Is the topic one that the State may have ability to take on?
 - May want combination of broad strategies and specific interventions

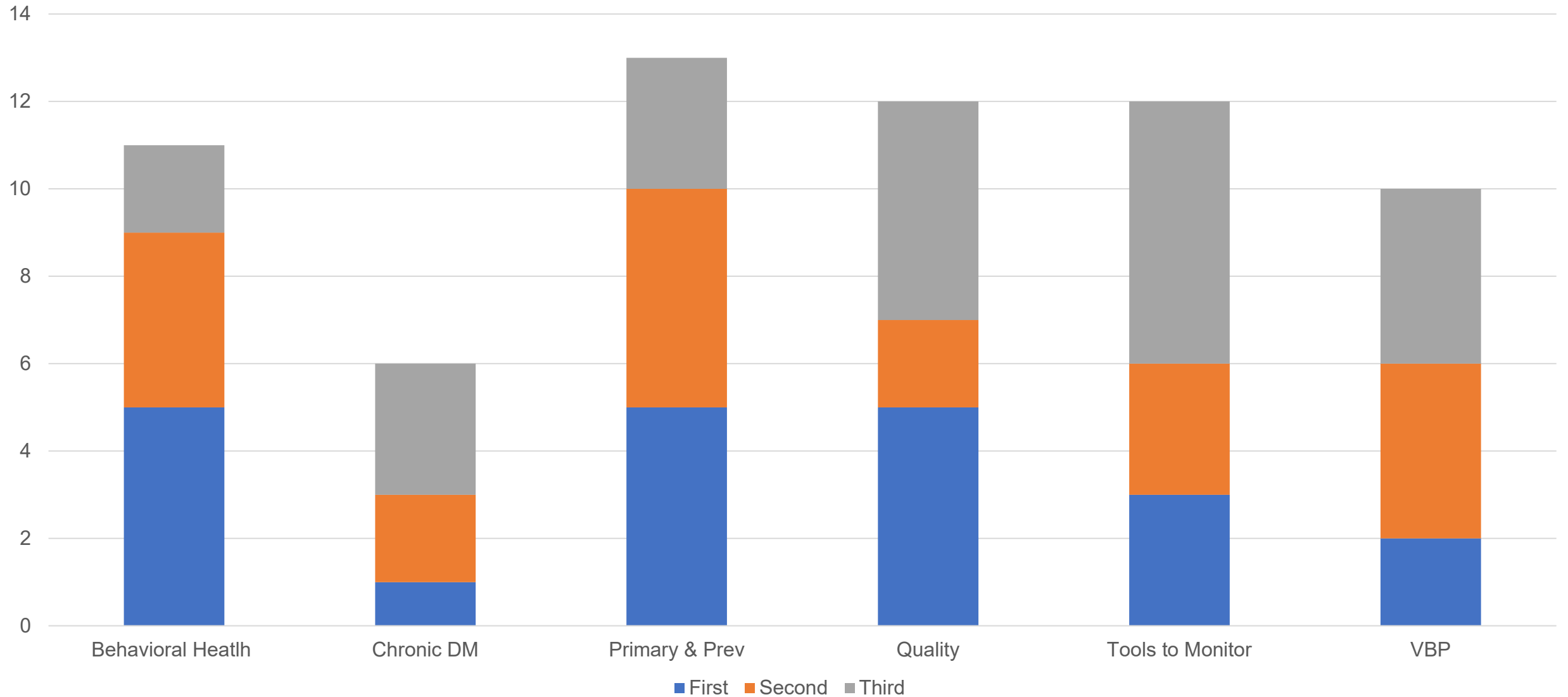
Task Force Survey

Process

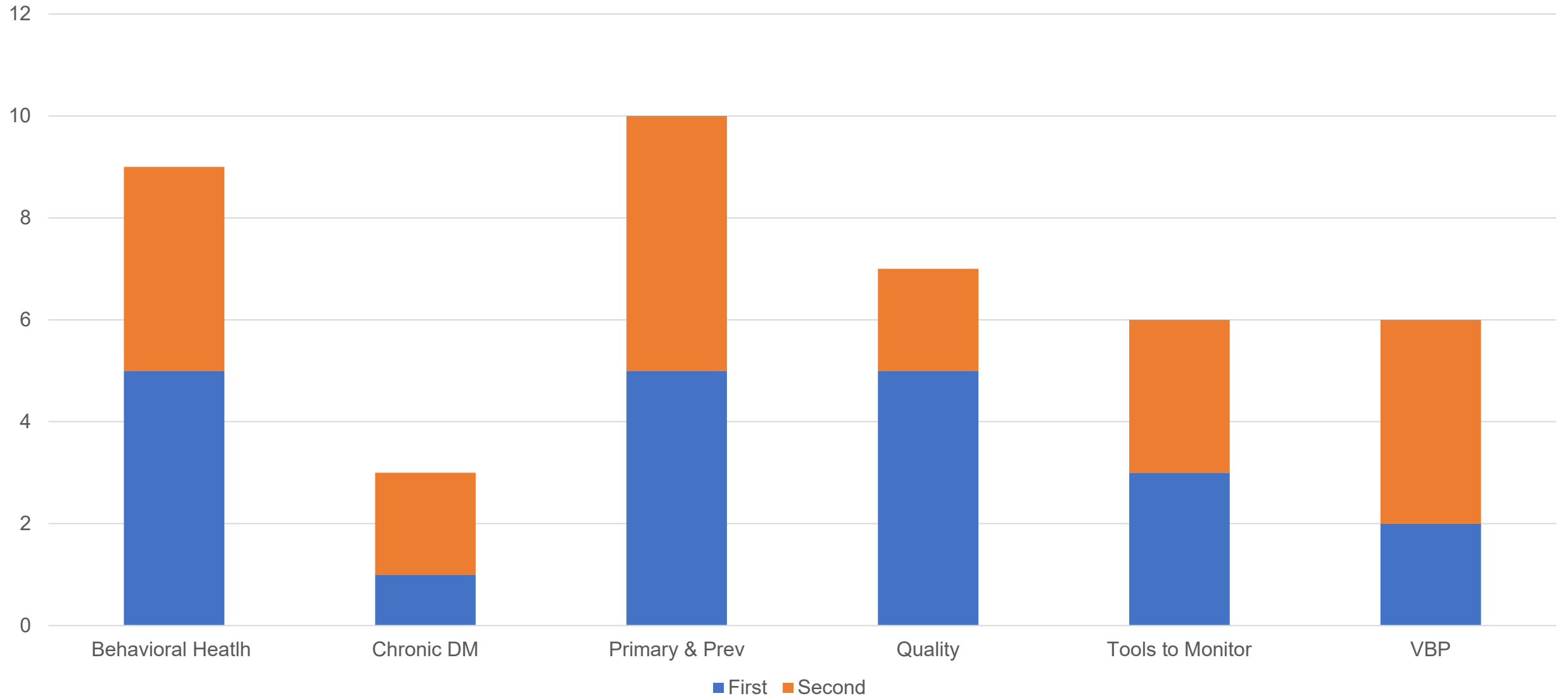
- Bailit Health conducted a survey using Alchemer of Task Force members to get an understanding of their interest in potential subcommittees and topics
- Survey occurred during month of May
- Received responses from 21 of the 26 Task Force members
- Responses showed at least some interest in most topic areas; no clear direction from survey results



Survey Results (First, Second, Third Choices)



Survey Results (First and Second Choice Only)



Survey Results: Primary and Preventative Care

- Received five first place votes, five second place votes and three third place votes
- Task Force members seemed to have consensus on the following as topics of interest:
 - Patient engagement (e.g., understanding consumer behavior and initiatives to improve engagement)
 - Initiatives to improve access to primary and preventative care, including in rural areas
- There was also some interest in:
 - Improving outcomes (e.g., well-child visits, maternal health, immunizations)
 - Digital health innovations
- Suggested additional topic included:
 - Maternal Health

Survey Results: Behavioral Health Care

- Received five first place votes, four second place votes and two third place votes
- Task Force members seemed to have consensus on the following topic of interest:
 - Initiatives to improve access to BH services, including in rural areas
- Task Force members showed some interest in the following topics
 - Integrated BH and primary care/co-location
 - Partnership approaches (e.g., BH providers and EDs, CBOs, etc.)
 - Support for repeated ED usage (“frequent flyers”)
- Limited interest shown for the following topics:
 - Harm reduction
 - Provider education
 - Digital health innovations
 - Initiatives to improve outcomes
- Additional topic identified: IMD Waiver

Survey Results: Quality

- Received five first place votes, two second place votes and five third place votes
- Task Force members showed some interest in the following topics
 - Aligned measurement set
 - Linking payment to quality
 - Promoting evidence based care
 - Addressing social determinants of health
 - Data sharing between plans/providers to support quality improvement
- Limited interest shown for the following topics:
 - Transparency/public reporting of measures
 - Measuring health disparities among geographies and populations
 - Provider data sharing to support clinical site of care

Survey Results: Tools to Monitor the Health Care System

- Received three first place votes, three second place votes and six third place votes
- Task Force members seemed to have consensus on the following topic of interest:
 - Provider access, including in rural areas and scope of practice rules
- Task Force members showed some interest in the following topics
 - Monitoring health care expenditures through regular data reporting (annual survey, APCD)
 - Determination of need/Certification of need processes
 - Consumer affordability tools (e.g., including public dashboards)
 - Pharmacy price controls
- Limited interest shown for the following topics:
 - Setting cost growth targets

Survey Results: Value Based Payment

- Received two first place votes, four second place votes and four third place votes
- Task Force members seemed to have consensus on the following topic of interest:
 - Six #1 votes for aligned quality measure set specific to multi-payer VBP initiatives
 - Primary care APM
 - Shared-risk/capitated models
- Task Force members showed some interest in the following topics
 - Pharmacy (long term drugs – effectiveness over time)
 - Maternal health APM
 - Total cost of care models
 - Incentives to improve health disparities, including based on geography

Survey Results: Chronic Care Management

- Received one first place votes, two second place votes and three third place votes
- Task Force members seemed to have consensus on the following topic of interest:
 - Initiatives to improve outcomes
- Task Force members showed some interest in the following topics
 - Care management
 - Initiatives to improve access to providers, including access in rural areas
- Limited interest shown for the following topics:
 - Hypertension
 - Diabetes
 - Digital health innovations

A Proposed Approach: Two Subcommittees

Quality

**Care
Coordination**



Focus: Primary Care and Prevention

Proposed Subcommittees and Potential Topics for Focus

- Quality Subcommittee could focus on:
 - Define “what is quality”
 - Identifying aligned measures, beginning with primary and preventative care measures
 - How to measure progress
 - How to measure patient experience
 - How to incentivize performance improvement
- Care Coordination Subcommittee could focus on:
 - Patient engagement
 - Initiatives to improve access to care
 - Initiatives to improve wellness visits, screenings, and immunizations
 - Co-location of primary care and behavioral health
 - Primary Care APM

Discussion

What do you think of these proposed subcommittees and topics?

Do you have a different proposal that you want to put forward?

Which subcommittees would you like to participate in?

NEXT STEPS

Revised Task Force Meeting Timeline and Agenda

Schedule

- Subcommittee meetings to be held June-August
- Present findings to full Task Force at end of August/beginning of Sept.

Meeting #	Date	Tentative Agenda Topics
#1	Held 10/25/23	<ul style="list-style-type: none">• Introduction to the Task Force's charge• Level-setting and discussion of process and meeting ground rules• High-level presentation of national trends in health care costs and cost containment strategies
#2	Held 1/31/24	<ul style="list-style-type: none">• Hospital finances• Health care cost trends in North Dakota• Presentation on APCD
#3	Held 4/4/24	<ul style="list-style-type: none">• Health care cost trends in North Dakota, including feedback from stakeholders on costs and cost drivers in the State (cont.)• Criteria for selecting policy recommendations
#4	Today 5/29/24	<ul style="list-style-type: none">• High level review of potential policy solutions to consider• Sub-committees held over summer to discuss
#5	Aug/Sept 2024	<ul style="list-style-type: none">• In-depth discussion of policy solutions to recommend to the Legislature, including feedback from stakeholders on potential recommendations
#6	Early Oct 2024	<ul style="list-style-type: none">• Presentation of report to the Legislature and finalization of recommendations