

SUMMARY MINUTES

May 18, 2022

Pursuant to NRS 241.020(3)(a) as amended by Assembly Bill 253 of the 81st Legislative Session, this meeting will be convened using a remote technology system and there will be no physical location for this meeting. The meeting can be listened to via telephone or viewed live over the Internet.

Agenda Item I - Call to Order, Welcome and Roll Call

Chairman Khan called the regular meeting to order at 9:02 a.m. Those in attendance and constituting a quorum were:

Commission Members Present

Bobbette Bond Sara Cholhagian Ralston Lilnetra Grady Flo Kahn Dr. Ikram Khan Leann McAllister Yarleny Roa-Dugan Sandie Ruybalid Dr. Beth Slamowitz Dr. Tiffany Tyler-Garner Mason Van Houweling Tyler Winkler

Commission Members Absent

All members present

Advisory Commission Members Present

Gina Castanada, representing Silver State Health Insurance Exchange Laura Rich, Executive Officer, Public Employees Benefits Program (PEBP) Barbara Richardson, Insurance Commissioner Nevada Division of Insurance (DOI) Marla McDade Williams, representing Nevada Department of Health and Human Services (DHHS)

Commission Staff Present

Malinda Southard, Executive Director Suzanne Sliwa, Deputy Attorney General Lezlie Mayville, Executive Assistant

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Agenda Item II - Approval of April 20, 2022, Minutes

Ikram Khan, Chairman

The Commission was presented with an email draft of the summary minutes of the April 20, 2022, meeting.

MOTION was made to approve minutes of the April 20, 2022, meeting as presented, by Commissioner McAllister. Seconded by Commissioner Tyler-Garner. Commissioner Cholhagian Ralston abstained from the vote as she was not present at that meeting. Carried without dissent. (This item taken out of order)

<u>Agenda Item III - Introduction of new Patient Protection Commission Member, Sara</u> <u>Cholhagian Ralston</u>

Malinda Southard, Executive Director

Commissioner Cholhagian Ralston greeted everyone and told them how happy she was to be back with the PPC in this new role. She is honored to be a part of the conversation again in this in this new capacity and advocating on behalf of patients.

Agenda Item IV - Public Comment:

No public comment

<u>Agenda Item V - Discussion of Funding Request to the Peterson-Milbank Program for</u> <u>Sustainable Health Care Costs</u>

Malinda Southard, Executive Director

Executive Director Southard explained the reason for sharing this funding request with the commission being that this request is part of the Peterson-Milbank Program (PMP) to receive up to \$200,000 in available funding to support the health care cost growth benchmark work in Nevada. The PPC has not yet requested any of these funds and it is important to do so now as we are heading into Phase 2 of the cost analysis reporting. One commissioner was appreciative of the transparency and fully supports. Another commissioner wanted to confirm this would not cost the state money going forward, and another thought they had already approved this. Executive Director Southard wanted to ensure everyone was aware that we only have until 12/31/22 to access these funds and how important they are for continuing the data analysis work we started almost a year and half ago. There were no other comments or questions and no opposition.

Agenda Item VI - Review and Discussion of Possible Bill Draft Requests Including Ranking of Priorities

Malinda Southard, Executive Director

To keep everyone on even footing, all commissioners did not submit priorities, and in our due diligence to the public to comply with Open Meeting Law (OML), this agenda item today will only surround sharing the results of the recent survey deployed to the commissioners to help identify the top six Bill Draft Request (BDR) topics. This way we can have a strong basis for the BDR discussions, and enough time to thoughtfully consider all the topics of main interest of all commissioners. The commissioners can then decide how they may want to change, add, or delete, items from each area and potential policy solutions they may want to include. Would like to be able to come to the next meeting prepared to have an informed discussion on all potential proposed PPC topic areas in this public forum. One commissioner commented she had a real concern about only having the six BDR topics for consideration, when during a previous meeting they were all asked to present their topics. Not all those topics are included in these six and she wanted to know why there was

never a discussion on those topics, even if all the commissioners did not respond. She does not want to have any discussion until all topics are brought forward. Chair Khan acknowledged she had a good point, but today's discussion would focus on these six with plenty more time to include the other topics in the upcoming meetings. One commissioner said it was her understanding that this is just a survey for future deliberation and would like clarity. Being newly appointed, she did not have the opportunity to submit any topics, and this gives her some comfort knowing she can still do so. Executive Director Southard reminded the commissioners that no one is being asked to vote on BDR topics today. They are opening the discussion with these six. These are preliminary baseline priorities that were in the poll. One commissioner thought they were well organized as presented and was not interested in tabling the discussion. Would like to move forward with the discussion.

Slide 8, Item #1-Access to and Interoperability of Electronic Medical Records-Development of the Plan Required by AB348.

Mr. Bailit first apologized for the inaccurate math on this slide in response to percentage of responding members. Discussion included but was not limited to, there are some state data systems that are wonderful, but only work when data is entered into the system. One commissioner suggested adding to this measure by codifying the interoperability final Federal ruling into Nevada state law to help with state/fed continuity. It would avoid unintended consequences and fit in this measure. Currently there is no Nevada Office of Health Information Technology. One commissioner would like to know what the cost would be to implement this measure. Another commissioner said item E, sums up the main points. At the federal level, insurers regulated by CMS are required to provide claims data. Medicaid has been compliant with this regulation since last year; Medicaid has a smartphone app for patients to have access to their medical information while visiting their doctor. Nevada does not have a robust health information data exchange or clinical data repository. If the state does not own the data, the insurers are not required to comply. If this bill request is about operationalizing a Health Information Exchange (HIE), it will be expensive. Nevada is not in a position to do this; this type of system would need to be built from the ground up, and Nevada does not currently have the resources. One member does not support this bill going forward; she likes the thought of it, unsure if it is the best way to control health care spending in the state. One commissioner feels a way to connect doctors with each other does not necessarily require an HIE, and the state should control the existing data if there is a Health Information Technology (HIT) system. Another commissioner said this type of solution may not control the spend, but it would control health care spend waste and duplication. If this proposed solution can help eliminate duplicate magnetic resonance imaging (MRIs) and other expensive tests, it would greatly control spend and yield better patient outcomes. Another commissioner thinks the coordination helps with quality of care, there is some value in this proposal for the patient. Are there federal requirements now on interoperability, and if so, we need to review.

Slide 9, Item #2 Codify Cost Growth Benchmark Program.

One commissioner thinks this would be great progress and should be in statute to continue moving forward. Another commissioner fully supports this and the continuity of what the PPC has already done with improving patient's access to care and in line with the Governor's office, and 100 percent supports along with three other commissioners.

Slide 10, Item #3 Mental and Behavioral Health Provider Workforce Development.

Discussion began with one member noting this is a new topic and wanted the commissioner who submitted this is give more details particularly how this would be enforceable. The submitting commissioner said this proposal is focused on mental health physicians, nursing shortages, and provider coverage of these services. This was a big priority for PPC last year and a priority he would like to move forward this time. Supporting professional development and facilitating improvements to the licensure of providers will all go toward improving access and care. A commissioner asked what that requirement would look like for private carriers and how would it be enforced? Providers do not want to accept less dollars for how much health insurance plans are paying for these services. Maybe is not hospital bed shortage, but a resource and access issue. Workforce needs more support from the PPC. There are not enough mental health providers in Nevada, not

just in the rurals but also in urban areas. Another commissioner would like to see what other states' laws are and how they affect spending. Another said expediting credentialing and licensing need to be looked at and discussed with those state boards to bring these doctors and nurses to the state quicker. Laura Rich noted last year a shortage of mental health providers who were in network; PEBP directed the providers to contract with new network. The new network did contract with the new providers, but did not necessarily contract with them at the same rate as other providers who were already in network. The potential here can raise health care costs. The providers may choose not to participate because they are not being offered contracts at ideal rates. Beth Slamowitz wonders if this subject would be better served as a legislative study to understand where deficits are in the state and some of the roadblocks causing the state shortage in providers and access. A commissioner suggested licensing of foreign medical graduates. Licensing is easier for new graduates, but existing foreign medical providers in practice for a long time have difficulty getting all their documentation here and approved. Nevada needs a better process for licensing reciprocity. Reciprocity rules were relaxed during the pandemic and no apparent problems arose from it. Another commissioner suggested we want no unintended consequences on this for patient costs. One commissioner mentioned sometimes the need to spend money up front saves the system for the better in the long run.

Slide 11, Item #4 Expand Medicaid Coverage regardless of Immigration status.

A commissioner wondered if we know the population impact and have a number for how much this would cost to implement. Another stated, this bill topic is top priority for her. The Chair feels health care access is as important as education as far as budget dollars should go. The State needs to dedicate more funds for health care, and it starts at the budgetary level with the Legislature. It seems a majority of funding goes to education. Immigrants deplete provider and hospital resources because they are all underfunded. One commissioner added their support and the need to explore more access and affordability. Another added that care is being delivered regardless of immigration status, the State needs to provide more resources and more efficiency. Many without insurance coverage or a primary care provider simply report directly to the hospital emergency room. PPC would like to hear more from Director Whitley on this issue. This BDR topic would be a sounder approach than the public option, opined another commissioner.

Slide 12, Item #5 Address the Housing Crisis through Multiple Means. The Chair asked Deputy Attorney General Sliwa if this is in the domain of the PPC. Ms. Sliwa replied it is not really a legal question, but this topic is most likely outside the domain of the PPC. A commissioner opined there is a clear link between one's housing situation and health/mental health. The Chair stated we would see where this comes out when all commissioners vote. Regardless of outcome, one commissioner said she appreciated her fellow commissioner applying the social determinants of health as an important relation housing has to health. Another commissioner stated social determinants of health are the foundation of health.

Slide 13, Item #6 Access to Telehealth-Insert clear, effective, and sustainable telemedicine language in the NRS. One commissioner confirmed the payment parity portion of Senate Bill (SB) 5 expires in June 2023, so codification would extend. Another commissioner noted the provision sunsets because it was controversial. A commissioner said she supports improving access to telehealth especially in rurals, and wants to know how can the PPC support their needs. This has been a challenge for all boards and commissions because those in rurals are in some areas, electronically challenged. Can be difficulted get providers to participate in telehealth because some do not have the resources. Chair Khan has asked for more information on this. He added not all doctors have the ability to have telehealth access and older populations have challenges with telehealth medicine. Another commissioner reminded the group the only portion of telehealth sunsetting is payment parity. Nevada has some of the strongest telehealth legislation in the nation.

Agenda Item VII - Discuss Possible Cost Growth Mitigation Strategies

Michael Bailit, President, Bailit Health

This is an introduction to this topic; Cost Growth Mitigation Strategies will be included in future meetings.

Slide 17- Reactions from the Advisory Subcommittee.

Mr. Bailit shared the Stakeholder Advisory Subcommittee's recommendations to perform a price study to better understand the role of price growth in driving overall spending growth and to perform a root case analyses to better understand unnecessary utilization in Medicaid in the areas of emergency department utilization, long-stay hospital patients, and long- stay post-acute care patients. Mr. Bailit explained there is robust evidence nationally demonstrating in the commercial market, growth in health care costs is due to pricing increases, and that health care consolidation leads to higher health care costs without improving care quality or patient outcomes. One commissioner mentioned they tried to tackle market consolidation during last legislative session, and she hopes Mr. Bailit can share some details on other states strategies in handling this massive issue. She also supported the recommendations made by the advisory subcommittee.

Slide 21 - Oregon's Health Care Market Oversight Program. Mr. Bailit shared a few strategies used by other benchmark states, including but not limited to Oregon passing legislation in 2021 directing the Oregon Health Authority to oversee material change transactions, such as mergers, affiliations and acquisitions. Another strategy included setting price growth caps, with opportunities to be structured in several different ways.

Slide 25 - Rhode Island's Affordability Standards. Rhode Island Office of the Health Insurance Commissioner established Affordability Standards that commercial insurers must adhere to for premium rates approval. One condition included limiting price growth for both inpatient and outpatient services to the Medicare price index plus 1 percentage point. BDR submission comments came up again in this conversation and the commissioners agreed they would like a thorough review of all 17 items submitted, plus Commissioner Ralston's topics.

Slide 26 - Delaware's Hospital Growth Caps. Delaware implemented affordability standards that insurers must meet for rates approval, modeled after Rhode Island. Chair Khan cautioned the commissioners that Nevada is different from other states and should be very careful of identifying affordability strategies which may not have the potential to work well in Nevada.

Slide 27- Prescription Drug Pricing Legislation. Mr. Bailit remarked some states have attempted to introduce legislation addressing prescription drug pricing; some have been successful and some not. Nevada should have good pharmacy data specifically for our state by the end of this calendar year. One commissioner added that drug price increases have most definitely had an impact on state spending by 100%. Another opined that drug cost transparency has been challenging because we have been told its proprietary information. A commissioner mentioned the pharmaceutical industry performs heavy research that goes into the science and therapeutics costs that add to price of the drug and since the pandemic, the biggest challenge for his hospital has been the supply chain. Medicaid is the largest insurer in the state, and we need to be very clear on that. As more and more people come into our state, we need support for the Medicaid budget, so those benefits are available for everyone that needs it. One of the patient advocates reminded the PPC of the importance of access to care and patient costs, this discussion is not just about a commodity. A couple other commissioners agreed. One commissioner wants more confidence in what our costs truly are regarding the cost growth benchmark. Another asked if there is a way to limit the percentage of profit going to the health care organizations to lower the cost to patients. Mr. Bailit answered we can do try to do that, but he has seen organizations working on very slim margins. Another informed the group a majority of providers in Nevada are for-profit entities or are publicly traded and report to shareholders.

Slide 34-Discussion: Cost Growth Mitigation Strategies-what do you propose for future consideration? Where would the group like to dig more deeply? Some comments included but were not limited to areas the PPC has explored during this discussion and add follow up on cost vs. profit. A motion was suggested to accept the Stakeholders recommendations and add all 17 BDR topics for presentation. (This item is agendized as a

discussion and not an action item.) One commissioner asked if the PEBP Phase 1 Cost Driver Analysis Report showing cardiac care's significant increase as a big cost driver, if this is unique to Nevada. Mr. Bailit answered that a spending per condition analysis report is included as an item in the funding request presented earlier today. Another commissioner added that Rand Ford data just came out and she would like a summary of that in meeting materials. Mr. Bailit added Executive Director Southard can consider scheduling a presentation from the National Academy for State Health Policy (NASHP) if that interests the commission. Executive Director Southard added that she just watched the NASHP Hospital Cost Tool webinar, and will follow up on that request. Mr. Bailit wanted to confirm there is a general interest to support the cost growth strategies presented. Those that commented supported and added other suggestions including but not limited to performing a deeper dive on cost data associated with children, particularly in Medicaid, (Mr. Bailit added this can be added to Phase 2 analysis), interest in what other states are doing to control drug costs, more information about value based care, affordability review boards for insurance and drug pricing, and price growth caps. Essentially, a deeper dive of all cost growth mitigation strategies introduced today was the consensus.

Agenda Item VIII - Public Comment

No public comment

Agenda Item IX - Wrap up and Adjournment

Dr. Ikram Khan, Chairman

Meeting was adjourned at 11:45 a.m.

Respectfully submitted,

Naumlle

Lezlie Mayville Office of the Patient Protection Commission

APPROVED BY:

Dr. Ikram Khan, Chair

6/22/2022 Date:

Meeting Materials

AGENDA ITEM	PRESENTER	DESCRIPTION
V.	Malinda Southard, Executive	Data Funding Request to the Peterson-Milbank
	Director, PPC	Program for Sustainable Health Care Costs
VI.	Malinda Southard, Executive Director, PPC	BDR Compilation for PPC Polling
VII.	Michael Bailit, President, Bailit Health	Cost Growth Mitigation Strategies

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