

Governor's Office of PLANNING AND BUDGET

Governor's Office of Health Strategy and Coordination

Implementation of FY22 and FY23 Health Initiatives

Grant Thomas

Director

House Health Committee Meeting

March 8, 2023



HB 186 - Creation of OHSC

- The Office of Health Strategy and Coordination (OHSC) was established after passage of House Bill 186 (2019 Session)
- Funded during the 2021 legislative session in the FY2022 budget and administratively attached to the Governor's Office of Planning and Budget
- Governor Kemp appointed a Director in June 2021, and OHSC now consists of four full time staff

<u>Mission:</u>

to break down the silos between government agencies, health care providers, and health care consumers and to promote health care policies that increase access and quality.

Statutory Powers and Duties:

"Strengthen and support the health care infrastructure of the state through interconnecting health functions and sharing resources across multiple state agencies and overcoming barriers to the coordination of health care."

"Facilitate collaboration and coordination between state agencies, coordinating state health functions and programs, serving as a forum for identifying Georgia's specific health issues of greatest concern, and promoting cooperation from both public and private agencies to test new and innovative ideas."



Governor's Office of PLANNING AND BUDGET THE STATE OF GEORGIA

Georgia Access-1332 Waiver

The Patients First Act (2019 Session) authorized Governor Kemp to submit a section 1332 Waiver application to pursue innovative strategies for providing residents with access to high-quality, comprehensive, and affordable health insurance.

- The Georgia Access Waiver introduces two new programs to address the healthcare access and affordability challenges facing many residents across the state in order to reduce premiums, increase access, and promote a more competitive individual health insurance market:
 - Part I: Reinsurance
 - Part II: Georgia Access Model



Reinsurance Program

Reinsurance Overview

- Reinsurance is essentially insurance for insurance companies.
- Through a federal and state partnership, the government pays a portion of the highest cost claims so that health insurance carriers can in turn keep costs lower for the entire insurance pool.

Waiver Impact

- When the PFA was signed in 2019, Georgia only had 4 carriers offering plans in the individual market. Today, we have nearly tripled that number with 10 carriers offering plans for 2023. The program reduces premiums by providing state payments matched by the federal government to insurance companies keep premiums low for the entire individual insurance market.
- Georgia has nearly tripled the number of carriers offering plans in the individual market from 4 to 10 since the Patients First Act was signed.
- The Reinsurance program has reduced premiums by an average of 12.4% across the state, which represents an average annual premium reduction of almost \$1,000 a year per enrollee or \$83 per month.



Governor's Office of PLANNING AND BUDGET THE STATE OF CEORGIA

Georgia Pathways - 1115 Waiver

The Patients First Act (2019 Session) authorized Governor Kemp to submit a section 1115 Waiver application to pursue innovative strategies for providing residents with access to high-quality, comprehensive, and affordable health insurance.

- The waiver program known as Georgia Pathways is a partial expansion of Medicaid for able-bodied but low income Georgians under 100% FPL aged 19 to 64.
- The program will voluntarily expand Medicaid to otherwise-ineligible Georgians who meet and continue to satisfy a minimum number of qualifying hours earned through work, job training, education, volunteering, and similar activities.
- The program provides roughly 376,000 Georgians with the opportunity to gain access to Medicaid coverage.
- **Update on implementation**: In 2021, implementation plans for Georgia Pathways were placed on an indefinite hold to allow litigation to unfold in federal court over CMS's rescission of core elements of the program. In September of last year, Georgia received a favorable judgment holding the federal rescission unlawful, allowing implementation plans to move forward with a launch date of July 1, 2023. The state is moving forward with implementation and planning activities to meet the July 1, 2023 go-live date.



Governor's Office of

OHSC Health Initiatives in FY22 and FY23

- Implementation of the All-Payer Claims Database (APCD) (SB 482, 2020)
- Review of Medicaid Managed Care contracts with recommendations made to DCH ahead of the upcoming procurement cycle (HB 186, 2019)
- Survey and study on the transport of individuals to and from emergency receiving, evaluation, and treatment facilities **(HB 1013, 2022)**
- Creation of recommended comprehensive unified drug lists for mental health and substance use disorder prescriptions under Medicaid and PeachCare for Kids, and the State Health Benefit Plan **(HB 1013, 2022)**
- Collection and reporting of nursing and hospital data (FY2023 Budget) and other data initiatives



All-Payer Claims Database (APCD)

Senate Bill 482 from 2020 (O.C.G.A. 31-53-40 et seq.) called on OHSC to create and implement an All-Payer Claims Database in Georgia, to be administered by the Georgia Tech Research Institute Center for Health Analytics and Informatics (GTRI-CHAI), in order to "...facilitate the reporting of health care and health quality, cost, and efficiency data resulting in transparent and public reporting of safety, quality, cost, and efficiency information at all levels of health care."



What is an APCD?

- All Payer Claims Databases (APCDs) are centralized data repositories for health insurance membership and healthcare claims data from private and public payer sources across a state
- Their purpose is to improve transparency of costs, quality, and utilization of care
- Once established, an APCD can be used by a state to inform important policy discussions





Governor's Office of PLANNING AND BUDGET THE STATE OF GEORGIA

Georgia APCD Team

Member Group	Program Role					
Office of Health Strategy & Coordination (OHSC)	Mandated to create and implement an All- Payer Claims Database in Georgia					
Georgia Tech Research Institute – Center for Health Analytics & Informatics (GTRI-CHAI)	Statutory APCD administrator					
Georgia Technology Authority – Technology Empowerment Fund (TEF)	Project assurance					
Georgia Data Analytics Center (GDAC)	Analytics environment					
Onpoint Health Data (Onpoint)	Data collection partner					



Governor's Office of PLANNING AND BUDGET APCD - Entities Required to Submit Claims Data

- Commercial insurance plans with at least 1,000 covered lives in the previous calendar year
- Medicaid and State Health Benefit Plan
- Certain entities, such as ERISA plans, are not required to submit data, but may choose to do so voluntarily



Initial Prioritized Use Case Categories

Cost & Utilization

- Total Costs of Care
- Chronic Disease Costs of Care
- Avoidable Costs
- Behavioral Health Costs of Care
- Surprise Billing
- Pharmaceutical Costs

Population Health

- Chronic Disease Trends
- Cancer Trends
- Behavioral Health Trends
- Maternal Health

Health Care Quality

- Low-Value Care
- Preventive Screening



Use Case: Comparing Cost of Services for Potentially Avoidable ED Visits (Virginia)

• Utilizing its APCD, Virginia identified that roughly 14% of the 1.5 million emergency department visits in 2017 may have potentially been avoided* and treated with lower cost care in a primary care provider's office

Governor's Office of

PLANNING AND BUDGET

• The total cost for emergency department visits in 2017 when compared to the total cost for similar services by primary care provider in the same year revealed a potential savings of \$100,515,823

*Potentially avoidable ED visits were defined using the Oregon Health Authority methodology http://vhi.org/Media/flyers/Potentially%20Avoidable%20ED%20Visits.pdf

COMMON AVOIDABLE VISITS ACROSS VIRGINIA





Governor's Office of PLANNING AND BUDGET THE STATE OF GEORGIA

APCD Key Milestone Dates

Milestone	Target Date					
Data Collection Vendor Award	October 2022					
Data Submission Guide Distributed	December 2022					
APCD Portal in Production	April 2023					
Mandatory Submissions – Health & Pharmacy	June 1, 2023					
Mandatory Submissions – Dental	December 1, 2023					
Initial Analytic Use Cases	January 2024					
Payer Onboarding Completed	December 2024					



Governor's Office of PLANNING AND BUDGET

APCD Budget – State Funding

	AMENDED FY22	FY23	FY24 (proposed)
DCH APCD State Base	\$ 800,000	\$ 800,000	
OHSC APCD State Base			\$800,000
Approved State Funds	\$ 2,815,000	\$ 1,230,000	
Total Budget	\$ 3,615,000	\$ 2,030,000	\$ 800,000

- For FY24, the Governor's budget recommendation requests that the base funding of \$800,000 be transferred from DCH to OHSC.
- The state funds appropriated are utilized to draw down matching FMAP funding from CMS.



Review of CMO Contracts

HB 186 (2019) and O.C.G.A. § 31-53-3(b)(6), directs OHSC to review the Medicaid care management organization (CMO) contracts and make recommendations to the Department of Community Health (DCH) prior to the next procurement cycle.

- Georgia has three CMOs serving its traditional low-income Medicaid adults and children as well as those children eligible for the Children's Health Insurance Program (CHIP), PeachCare for Kids®, through a full-risk mandatory managed care program called Georgia Families.
- Georgia also has a single CMO serving its foster care, adoption assistance, and juvenile justice populations through the Georgia Families 360 managed care program.
- OHSC reviewed the current CMO contracts and submitted a recommendations report to DCH in October 2022. The report included information with strategic insight on national trends and initiatives adopted in other states related to Medicaid Managed Care. The review also provided specific recommendations and considerations for the upcoming procurement cycle of the state's managed care contracts.



HB 1013 (2022) tasked OHSC with conducting a survey or study on the transport of individuals to and from emergency receiving, evaluation, and treatment facilities (ERETs), with a report of findings due in January 2023.

- OHSC contracted with UGA's Carl Vinson Institute of Government for the development of the transport study.
- Report includes the results of a 6-week survey conducted by CVIOG of 48 participating ERET facilities that tracked admissions and discharge data and the method of transport used.
- Data collected from participating facilities includes many factors such as length of stay, originating county of transport, transportation method for intake and discharge, and whether the patient is a minor.
- Findings demonstrate that numerous transportation methods were used for individuals in crisis, with ambulances being the most common mode of transport for admission and family/friends being the most common mode of transport for discharge.
- Study better illustrates the scale and variety of resources used in mental health crisis transportation and can be used to help inform decision-making when examining methods to improve crisis transportation in Georgia.



Preferred Drug List Study

HB 1013 (2022) and O.C.G.A. § 31-53-3 tasked OHSC with creating a unified preferred drug list (PDL) for mental health and substance use prescriptions under Medicaid and PeachCare for Kids and a comprehensive unified formulary for these same drug classes in the State Health Benefit Plan.

- OHSC contracted with Mercer Government Human Services Consulting for its development.
- Study and report includes numerous factors that helped inform initial recommendations for unified drug lists within Medicaid and SHBP, including budgetary and operations considerations, comparisons of current drug lists used across programs, and a review of other state experiences with unified drug lists.
- Successfully implemented unified formularies offer several advantages, including driving drug utilization to the lowest net cost, higher rebate negotiating leverage for the state, and consistent expectations and experiences for beneficiaries and prescribers.
- Analysis of the true financial impact a switch to a unified PDL would have on the state was limited due to confidentiality requirements on supplemental rebate agreements and information. Final recommendations must include analysis of proprietary and confidential rebate information at the National Drug Code level.



Governor's Office of

PLANNING AND BUDGET

Data Projects

The FY2023 budget included a line item for \$126,086 to assist OHSC with the collection and reporting of nursing and hospital data.

- OHSC has partnered with the Georgia Data Analytic Center (GDAC) on both the nursing and hospital transparency projects, and this partnership has also helped enhance OHSC's role of coordinating with agencies to address issues such as hoteling.
- Support for this initiative comes from an assessment of legislation passed in 2019 (HB 186 and HB 321) that increased hospital reporting requirements for individual hospital financial and operational information.
- Using the elements already collected and aggregated by DCH in its annual survey, GDAC worked with OHSC to create a data dashboard that displays survey findings in a comparative, useful format, and provides users access to direct links to hospital transparency reporting pages for additional information beyond the scope of the survey.



Hospital Transparency Dashboard

Hospital Financial Survey - Overview					<u>Data Download</u>			Reference GDAC				
ear	County		acility Name			Facility Type			Owner Type			
2020	▼ (All)		•	(All)		•	(All)			▼ (All)		
Counties with no hospitals in current se	elections:	55										
ears Selected : 2020												
				^								
1,020,333 Inpatient Admissions			14,416,030 Outpatient Visits	\$5,297,539 Charitable Contributions			\$26,387,124,208 Total Expenses			\$3,706,311,447 Bad Debt		
-					1							
Statewide Hospital Count		Finan	cials								View By Funds	
		Select			Sort By				Sort			
and and		Facility	Name	•	Total Expenses				▼ Des	cending		
V-44/1 - 12,245 - 2	~				Charity Care Expenses	Percent of	ty Care of Total Expense	Indigent Care Expenses	Indigent Care Percent of Total Expense	Utilet Flee Cale		Total Expense
		2020	Northside Hospital	Link for Transperancy	\$258,284,466		14.53%	\$166,881,558	9.39%	\$155,490,114	8.74%	\$1,778,073,79
	South		Grady Memorial Hospital	Link for Transperancy	\$213,930,626		18.22%	\$310,775,054	26.47%	\$455,528	0.04%	\$1,174,046,06
$\frac{1}{1}$ $\frac{1}{6}$ $\frac{1}{4}$ $\frac{5}{9}$ $\frac{1}{2}$ $\frac{3}{2}$ $\frac{0}{1}$ $\frac{1}{10}$	Carolina		Emory University Hospital Midtowr	Link for Transperancy	\$36,305,736		3.30%	\$82,951,589	7.55%	\$1,396,978	0.13%	\$1,099,105,96
			Northeast Georgia Medical Center	Link for Transperancy	\$167,537,286		16.87%	\$147,481,044	14.85%	\$0	0.00%	\$993,065,2
			Emory University Hospital	Link for Transperancy	\$43,708,717		4.66%	\$71,689,443	7.65%	\$6,672,677	0.71%	\$937,531,7
	2		Wellstar Kennestone Hospital	Link for Transperancy	\$95,291,109		10.81%	\$389,434,010	44.19%	\$44,277	0.01%	\$881,344,9
	1		AU Medical Center	Link for Transperancy	\$44,274,606		5.12%	\$37,252,699	4.30%	\$118,981,496	3 13.75%	\$865,407,8
$\frac{3}{2}$	C.		Piedmont Hospital	Link for Transperancy	\$98,905,709		11.73%	\$12,710,827	1.51%	\$8,217,822	0.97%	\$842,860,7
	12		Northside Hospital Gwinnett	Link for Transperancy	\$64,713,338		8.93%	\$55,600,491	7.68%	\$23,206,452	3.20%	\$724,366,4
	1		Medical Center, Navicent Health, Th	1e Link for Transperancy	\$156,882,152	1	25.59%	\$56,191,964	9.17%	\$7,043,301	1.15%	\$613,072,58
	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~		Phoebe Putney Memorial Hospital	Link for Transperancy	\$9,561,044		1.68%	\$57,968,734	10.18%	\$1,562,681	0.27%	\$569,204,13
(P1P1 2 1) 1 C Cor	2		Wellstar Cobb Hospital	Link for Transperancy	\$45,497,721		8.24%	\$240,679,319	43.57%	\$47,518	0.01%	\$552,365,51
	Z		Memorial Health University Medica		\$15,814,650		2.92%	\$104,926,463	19.34%	\$1,528,783	0.28%	\$542,417,47
			Children's Healthcare of Atlanta at		\$8,453,701		1.68%	\$22,940,217	4.55%	\$2,711,090	0.54%	\$503,633,17
			University Hospital	Link for Transperancy	\$57,760,220		11.69%	\$19,607,899	3.97%	\$70,587	0.01%	\$493,926,12
			Northside Hospital Forsyth	Link for Transperancy	\$105,321,942		22.27%	\$42,226,412	8.93%	\$18,942,074	4.00%	\$473,026,74



Governor's Office of

- Data can play an important role in enhancing delivery of services and improving overall efficiencies.
- This can further be improved by establishing frameworks for statewide or interagency data sharing.
- GDAC has established an integrated data system with the authority to seek out data from state agencies to further research and inform policy decisions to support the health, safety, and security of Georgia citizens.
- Opportunity to standardize the process by which interagency data sharing occurs in Georgia and create a presumption of data sharing between agencies without compromising the data privacy of individuals.
- Recommendations issued by the Behavioral Health Reform and Innovation Commission in its 2022 annual report around data sharing and the potential to revisit SB 374 from 2022.



Governor's Office of PLANNING AND BUDGET THE STATE OF GEORGIA

## Questions & Comments?

Email: grant.thomas@opb.georgia.gov Website: <u>https://opb.georgia.gov/ohsc</u>