



Healthcare Benchmark
Initiative Steering Committee
May 20, 2025

Meeting Agenda

<u>Time</u>	<u>Topic</u>
1:00 p.m.	I. Welcome and Roll Call
1:05 p.m.	II. Approval of March Meeting Minutes – Vote
1:10 p.m.	III. Technical Team Recommendations for 2026–2030 Cost Growth Benchmarks and Primary Care Spending Targets
1:45 p.m.	IV. Update on June 23, 2025 Healthcare Benchmark Hearings
2:15 p.m.	V. Public Comment
2:30 pm.	VI. Wrap-Up and Next Steps
2:35 p.m.	VII. Adjournment

Approval of March 24th Meeting Minutes – Vote

Technical Team Recommendations: 2026–2030 Healthcare Cost Growth Benchmarks and Primary Care Spending Targets

Healthcare Benchmark Technical Team

- OHS convened the Technical Team in fall 2025 and charged it with recommending the following to OHS:
 1. Annual healthcare cost growth benchmarks across all payers and populations for CYs 2026–2030
 2. Primary care spending targets, as a share of total health care expenditures, across all payers and populations for CYs 2026–2030
- The Technical Team was also charged with centering health equity in its recommendations.

Technical Team Composition

- Members of the Technical Team included:
 - health policy researchers and economists;
 - experts in state and federal regulation of health insurance and healthcare markets;
 - individuals with expertise in healthcare prices and spending in private insurance markets;
 - a clinician with expertise in healthcare quality improvement and patient safety;
 - healthcare purchasers, and
 - current and former state and federal policymakers.

A list of the 10 Technical Team members and their affiliations are incorporated in the Appendix.

Technical Team Process

- The Technical Team held seven two-hour public meetings between November 2024 and March 2025.
- The Technical Team reviewed and discussed the following to inform its recommendations to OHS:
 - spending trends in Connecticut
 - cost growth benchmark and primary care spending target performance
 - economic indicators and decision-making criteria for selecting a recommended indicator(s) on which the benchmark is based
 - technical methodological considerations
 - approaches taken by other states that have implemented cost growth benchmarks and primary care spending targets

Technical Team Observations about Spending Trends and Contributors (1 of 3)

1. Technical Team members discussed the need for relief for Connecticut residents. Members noted the following:
 - The cost of healthcare is already unaffordable, unsustainable, and simply too high.
 - Healthcare costs continue to take up a greater proportion of residents' income.
 - Employers can absorb only so much of an annual increase in premiums before passing on costs to employees.
 - Additional policy changes are needed for the system to change to reduce excess costs.

Technical Team Observations about Spending Trends and Contributors (2 of 3)

2. Members observed the variation in spending growth by market
 - Total spending growth rate masks the significant contribution of commercial market spending.
 - Lower trends in Medicare and Medicaid spending have brought down the overall rate of growth in Total Healthcare Expenditures (THCE).
 - Members emphasized the importance of reporting spending growth by market to ensure sufficient attention is drawn to the high rates of growth in commercial market spending.

Technical Team Observations about Spending Trends and Contributors (3 of 3)

3. Members underscored the need for OHS to continue to analyze cost drivers and bring heightened attention to the role of prices.
4. Members indicated that more accountability for entities with excess cost growth is a critical lever to spur systems to become more efficient and, ultimately, to slow the trajectory of spending growth.

TECHNICAL TEAM RECOMMENDATIONS: 2026–2030 HEALTHCARE COST GROWTH BENCHMARK

Criteria for Selecting an Economic Indicator

- The Technical Team recommended the following decision-making criteria for identifying an indicator to which to tie the benchmark:
 1. provide a stable and therefore predictable target;
 2. rely on independent, objective sources with transparent calculations, and
 3. produce a benchmark value such that spending growth will not exceed change in consumer, employer, and taxpayer ability to pay.
- Technical Team members considered several indicators, including median household income, inflation, average annual wage, and Medicare spending trends.

Technical Team Benchmark Recommendations

- 1 Use **forecasted median household income** as the indicator for the 2026–2030 healthcare cost growth benchmarks.
 - » Establishes that the share of residents' income going to healthcare should not grow faster than their income.
- 2 Apply a **downward adjustment** to the benchmark in the later years to account for the excess costs that are already built into the system.
 - » Spending is already unaffordable. Continued growth will make it even more so, particularly in the commercial market.

TECHNICAL TEAM RECOMMENDATIONS: 2026–2030 PRIMARY CARE SPENDING TARGET

Technical Team Primary Care Spending Discussion Highlights

- Technical Team members observed the following:
 - The primary care spending target has not resulted in a re-allocation of spending away from specialty, hospital and drug spending to primary care.
 - A significant amount of spending on primary care services is in urgent care and emergency department settings, rather than with traditional primary care practices.

Technical Team Primary Care Spending Target Recommendations

- 1 Retain the 2025 primary care spending target for 2026–2030.
 - »» Progress to meet the target for the performance years has been lacking, and the state is highly unlikely to meet the 2025 goal.
- 2 Pursue additional, complementary strategies to strengthen traditional primary care, establish clear outcome goals for increased primary care investment and identify measures to track performance and progress.
 - »» A primary care spending target alone is unlikely to achieve that desired outcome.

2026–2030 Benchmark and Target Next Steps

- OHS is considering the recommendations of the Technical Team.
- In early June, OHS will publish its 2026–2030 healthcare cost growth benchmark and primary care spending target recommendations.
- OHS' recommendations will be discussed during a public hearing on Monday, June 23rd at the Legislative Office Building in Hartford.

Discussion: Technical Team

- What reactions or questions do Steering Committee members regarding the Technical Team's recommendations?

Healthcare Benchmark Initiative Technical Team

1. **Loren Adler**, MS, Fellow and Associate Director, Center on Health Policy, Brookings Institution
2. **Don Berwick**, MD, MPP, Senior Fellow at the Institute for Healthcare Improvement
3. **Sabrina Corlette**, JD, Co-Director, Center of Health Insurance Reforms, Georgetown University's McCourt School of Public Policy
4. **Francois de Brantes**, MS, MBA, Senior Partner, High Value Care Incentives Advisory Group
5. **Stefan Gildemeister**, MA, State Health Economist and Director, Minnesota Department of Health
6. **Paul Grady**, Connecticut Business Group on Health
7. **Jason Hockenberry**, PhD, Associate Dean for Faculty Affairs, Department Chair and Professor of Public Health (Health Policy), Yale School of Public Health
8. **Chris Manzi**, MBA, President, Pequot Health Care
9. **Roslyn Murray**, PhD, MPP, Assistant Professor of Health Services, Policy and Practice, Brown University Affiliated Faculty, Center for Advancing Health Policy through Research
10. **Josh Wojcik**, Director, Health Policy and Benefits Services Division, Office of the State Comptroller

Informational Hearings and Public Comment Periods

Benchmark Informational Hearings

- This year, OHS is holding **two** hearings
 - In the morning, a hearing on the Benchmark results, including a focus on significant contributors
 - In the afternoon, a hearing on the proposed 2026–2030 benchmarks, including an opportunity for public comments

Hearing on the Benchmark Results

Informational Hearing I : Healthcare Benchmark Results for 2023

June 23, 2025 , 9:00 AM – 12:45 PM

Legislative Office Building, Room 1C

Tentative Panel Discussions:

- Healthcare Affordability in Connecticut: Highlights of the 2023 Cost Growth, Quality and Primary Care Benchmark Reports
- The Business Case and the Impact on Consumers
- Cost Growth Benchmark Report – Insurers
- Spending Drivers for 2023 – Prescription Drugs
- Spending Drivers for 2023 – Hospital Price Variation

Hearing on the 2026–2030 Benchmark Values

Informational Hearing II: Setting the 2026 – 2030 Healthcare Benchmarks

June 23, 2025, 1:30 PM – 4:00 PM

Legislative Office Building, Room 1C

Tentative Panel Discussions:

- The Cost Growth Benchmark and Primary Care Spending Target for 2026–2030
- Quality Benchmarks for 2026–2030
- Advancing Primary Care and Constraining Cost Growth

Hearings on the Benchmark: Public Comment

- **OHS will release proposed benchmark values for public comment approximately Monday, June 9th, 2025**
 - *OHS will call for oral and pre-filed written comment from interested parties and the public.*
 - *OHS will accept oral comment from members of the public. Those wishing to provide comment during the hearing may sign up to do so by emailing OHS@ct.gov.*
 - *Written comments should be submitted electronically to OHS@ct.gov with the subject line: June 23 Benchmark Hearing. Written comment should be electronically sent or post-marked no later than Monday, June 16th, 2025. Any written comments provided after the hearing must be received no later than Monday, June 30th.*
 - *All oral and written public comment will be recorded and posted on the OHS website: Office of Health Strategy Website.*
 - On June 16th, OHS will offer an additional virtual listening session to receive public comment
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Public Comment

Wrap-Up and Next Steps

Wrap-Up and Next Steps

- Benchmarks:
 - On **June 23rd** OHS will hold the **annual public hearing** on the cost growth benchmark, primary care spending target, and quality benchmark results
 - On or around June 9th, OHS will release preliminary Benchmark values for 2026–2030
 - On June 16th, OHS will hold an additional listening session on the preliminary 2026–2030 Benchmarks
 - Public comment may be submitted to OHS at OHS@ct.gov with the subject line “June 23 Benchmark Hearing”