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KHPA Purchaser Advisory Council Meeting
July 18, 2007, LSOB 9th Floor Conf Rm, Topeka KS
Minutes - Final

KHPA Purchaser Advisory Council Members Present:

- Jane Chandler Holt – Chair
- Bill Bruning
- Brad Clothier
- Andrew Corbin – Fred Palenski (substitute)
- Ken Daniel
- Bob Finuf
- Valerie Keller
- David Knocke
- John Naramore
- Linda Steinke
- Dr. Marla Tobin
- Keith Wisdom

KHPA Purchaser Advisory Council Members Unable to Attend:

- Tresia Franklin
- Gregg LeMaster
- Jeff Levin

KHPA Board Members Present:

- Connie Hubbell

KHPA Staff Participants:

- Dr. Marcia J. Nielsen, Executive Director
- Dr. Andrew Allison, Deputy Director
- Janis DeBoer, Advisory Council Manager

Welcome by Jane Chandler Holt, Purchaser Advisory Council Chair

Chair Holt opened the meeting, welcomed members, the public, and KHPA staff. The agenda was reviewed along with handouts (packet information provided to Advisory Council members is available on the KHPA Advisory Council website). Again this month, the objective of the meeting was to facilitate discussion on health reform policy questions with an emphasis on paying for prevention and primary care and promoting personal responsibility.

"Rising Health Care Costs, Prevention & Primary Care, and Personal Responsibility" – Presented by Dr. Marcia Nielsen, Executive Director

Dr. Nielsen's presentation focused on the rising costs of health care in the United States and factors that impact our overall health. Dr. Nielsen recently attended a conference where Dr. Fienberg, President of the

Institute of Medicine, presented the IOM's top ten concerns regarding the US health system and stated that "30 to 40% of every dollar spent in the US on health care is spent on overuse, underuse, misuse, duplication, etc." Data from a 1975 study indicate four factors influence our health: medical care; genetic make-up; the environment; and how we live (behavior) which explains 51% of our health outcomes (a council member noted that more recent research indicates the percentage of health outcomes related to behavior has increased to 60-70%).

Kansas specific data was presented as it relates to health behavior and chronic disease. In 2003, 60.5% of Kansans were overweight or obese and childhood obesity has increased 36% in the past 20 years in Kansas. Smoking among adults has remained relatively unchanged from 1992-2003 (although youth rates have declined in the recent past). The prevalence of risk factors for coronary artery disease and stroke in Kansas has also increased.

Recommendations from national research institutes were included in the presentation. Dr. Nielsen noted that the Commonwealth Fund State Scorecard on Health System Performance, 2007, ranks Kansas in the second quartile and we should be proud of that ranking, however, we can do better.

Open Discussion of Policy Questions – Facilitated by Chair Holt
Chair Holt led the discussion on the twelve policy questions as follows:

Prevention and Primary Care – Healthy Lifestyles:

1) **What barriers exist that prevent Kansans from having healthy lifestyles?**

Comments/Input/Feedback from members:

- Barriers or excuses?; self-imposed barriers
- Television; direct advertising influences our behaviors
- Lack of physical activity; joining a fitness center may be cost-prohibitive for low-income individuals
- Lack of safe walking trails
- No real accountability
- Absence of accountability

Summary: The general consensus of the Purchaser Provider Council members was acknowledgement of limited options for low-income individuals and an absence of accountability for Kansans overall when considering barriers that prevent Kansans from having health lifestyles.

Prevention and Primary Care - Interventions:

2) **Do you have examples of interventions in your organization that have improved health behaviors?**

Comments/Input/Feedback from members:

- Eliminated smoking in work environment
- Disincentives and accountability worked to reduce smoking
- Intervention can be incremental, but effective; weight loss programs, yoga classes, promoting the use of pedometers in the workplace.

Summary: The general consensus of the Purchaser Advisory Council members was successful interventions utilized to improve health behaviors within organizations currently include both "carrots" and "sticks."

Prevention and Primary Care – Health Benefit Designs to Incentivize and Reward Health:

3) **What changes might be included in health benefit designs to incentivize and reward health? (The question was modified to replace "should" with "might.")**

Comments/Input/Feedback from members:

- Consumer-driven plans; primary care prevention, tracking and coaching on healthy behaviors,

incentives on the back-end.

- Should insurance companies be involved in prevention? Due to the transient nature of insurance coverage, maybe it is more appropriate for the employer to focus on prevention. Typically, an employee/employer relationship lasts longer than an individual and insurer relationship.
- Is it practical for small businesses to get in the "wellness business?"
- Increase in productivity can be the result of improved employee health.
- Consumer-directed plans will not have much luck in businesses with less than 10 employees.
- If you can modify one risk, individuals feel more empowered to consider two, three, or four behavioral changes.
- Support the use of Health Risk Assessment (HRA) screenings to establish the health status so we can measure.

Summary: The general consensus of the Purchaser Advisory Council members was consumer-driven incentives in health benefit designs may be an effective approach, however, meaningful change will only occur when individuals are accountable for their choices.

Prevention and Primary Care – Decrease Obesity and Tobacco Use:

4) **What policies should Kansas adopt to decrease obesity?**
5) **What policies should Kansas adopt to decrease tobacco use?**

Comments/Input/Feedback from members:

- Community health record; personal health records should be available across the State.
- State, counties, and cities (communities) need to be involved in establishing effective public policies; parks, paths; playgrounds.
- There needs to be a huge urban planning component in any public policy.
- Increase taxes on sugar and unhealthy foods.
- Focus on K-12 physical education; focus on Kansas kids
- Can there be a premium adjustment in the premium assistance program for example? Is yes, how do you assess for compliance?
- Research suggests that wellness programs with less than 50 employees are more effective than large employer wellness programs.
- Increase the tobacco tax.
- Fully load the cost of cigarettes; consider the social costs

Summary: The general consensus of the Purchaser Advisory Council members was that all parts of government should be involved in adoption of public policies to decrease obesity and tobacco use; health plans and insurers are not the only answer.

Prevention and Primary Care – Health Benefit Designs to Manage Chronic Disease:

6) **What changes might be included in health plan benefit designs to better manage chronic disease?**

Comments/Inputs/Feedback from members:

- Promote the use of HRA screening; sets a baseline
- Chronic disease is the biggest opportunity to manage.
- Bring people in and let them know where they stand.
- Mandate community health record.
- If mandated, who pays for a community health record?
- HIT Commission is currently addressing issues surrounding a community health record.
- A national platform is necessary to support a state-wide community health record (standardized format).
- Develop a support statement for the development of standardized format to our federal delegation.
- Private enterprise is already addressing the issue of providing a community health record, however, a

national standardized format is necessary.
- We need federal standards.

Summary: The general consensus of the group was support for development of a statement to our federal delegation urging them to move forward on the design and implementation of a national, standardized format for health information technology and community health records.

Prevention and Primary Care – Patient-Centered Medical Home:

7) **What barriers exist that prevent Kansans from having a medical home?**
8) **What changes might be included in health plan benefit designs to drive the delivery of care to a patient-centered medical home?**

Comments/Input/Feedback from members:

- Is low reimbursement a barrier?
- Medical home does not work very well; asking too much of doctors.
- Doctors are overworked; need more physical assistants.
- Tiered co-pays for primary care services versus specialists are an option to drive the care to patient-centered medical home.
- Tiered co-pays work.

Summary: The general consensus of the Purchaser Advisory Council members was to incorporate tiered incentives (e.g. tiered co-pays) in health plan benefit designs to drive the delivery of care to a patient-centered medical home.

Prevention and Primary Care – Prevention Effort Priorities:

9) **Given the state's limited resources, what prevention efforts should the state focus on first?**

Comments/Input/Feedback from members:

- Chronic diseases; young children; tobacco use
- Tax incentives to employers; give employers a tax break.
- Invest in HRA screenings, for example.

Summary: The general consensus of the Purchaser Advisory Council members was to focus on young children, chronic diseases, and provide support to employers by creating and maximizing incentives for voluntary baseline prevention and wellness programs when considering the state's limited resources.

Personal Responsibility:

10) **What policies should Kansas adopt to encourage Kansans to embrace healthy behaviors?**
11) **What policies should Kansas adopt to encourage the use of cost-effective health care services?**
12) **What policies should Kansas adopt to promote contributions to the cost of health insurance, based on ability to pay?**

Comments/Input/Feedback from members:

- Tobacco tax increase
- Mandate health insurance
- Mandating health insurance does not encourage more "skin in the game."
- Encourage urban planning; safe places to live and play
- Promote transparency; make cost and quality information available, move to a consumer-driven world
- Support evidence-based medicine.
- Support personal responsibility; there must be some "skin in the game."

Summary: Policies Kansas should adopt to promote personal responsibility triggered responses from Purchaser Council members as follows: encourage community culture that creates safe places to live and

play; promote health care transparency to move toward a consumer-driven world; support evidence-based medicine in health plan benefits; everyone should have some "skin in the game."

The group was reminded of the agenda for the August meeting which is to review the summary statements for each of the policy questions presented from the June and July meetings. The summary statements, once consensus is reached, will be reflected in the interim report presented to the Kansas Health Policy Authority Board on August 20 by the Council Chairs.

Dates of the remaining Purchaser Advisory Council meetings are as follows: August 8, and September 5.

Next Steps

- The Advisory Council grid will be used to prioritize the issues that the council will consider for health reform, focusing first on health insurance reform options, as identified by SB 11 (June meeting).
- Other health reform options, such as those developed in collaboration with other agencies, will be considered subsequent to the health insurance reforms (July meeting).
- Advisory councils will begin to "fill in the grid," identifying the advantages and disadvantages of various health reform options (August meeting).
- The KHPA Board and Health for All Kansans Steering Committee will then use the grid to inform their development of health reform options (August meetings).
- The development of health reform options will be iterative, in that the Board and Health for All Kansans steering committee will direct/provide feedback to the Advisory Councils as they consider reform options (September meetings).
- Independent consultants and KHPA staff will analyze various reform options in order to identify the economic costs (to consumers, to business, to state government, to federal government) as well as to identify the number of individuals who will get access to health care under each reform option (September meeting).
- The Joint Oversight Committee for the KHPA will be apprised/consulted on health reform options (September meeting).
- The KHPA Board will present the final health reform options to the legislature (KHPA Oversight Committee and legislative leadership) and Governor on November 1 2007.

Adjournment

Next Meeting: Wednesday, August 8, 1:30 – 3:30 at the LSOB, 9th & Jackson, 9thst floor, Conference rooms 9E/9F.