

Summary of Approved Recommendations
November 19, 2007

The Blue Ribbon Commission for Health Care Reform approved this package of recommendations for comprehensive health reform on Nov. 19, 2007. We will elaborate upon the rationale behind of specifics of these recommendations for the Commission's final report to the Colorado General Assembly, due Jan. 31, 2008.

These recommendations are drawn, in large part, from the Commission's 5th proposal. In addition, many of these elements were included in a number of the other 31 proposals submitted to the Commission. As such, they seem to reflect a view shared by many informed participants as to their importance for comprehensive reform. The recommendations also incorporate suggestions from the Commission's Task Forces and reflect some of the common themes that emerged from our three rounds of community meetings around the state.

Reviewed for these recommendations:

- *Lewin Baseline Reports*
- *Contents of the 23 comprehensive proposals, especially coverage strategies*
- *Lewin's analysis of the 4 proposals*
- *The specification of the 5th proposal*
- *The initial evaluation results of the 5th proposal*
- *Exit interviews with the 4 key authors*
- *Recommendations of the Report Committee (3 meetings)*
- *All Task Force Recommendations*

PART 1

Implementing Recommendations as a Comprehensive Plan

- A. Implement these recommendations of the Blue Ribbon Commission on Health Care Reform as a comprehensive, integrated package.

PART 2

Reducing Health Care Costs, while Enhancing Quality of Care

- B. Slow the rate of growth of employer and private health insurance premiums by covering the uninsured and increasing Medicaid provider reimbursement rates as a means of minimizing the cost shift.
 - 1. Reduce uncompensated care by covering at least 85% of the uninsured in Colorado, through the recommendations in Part 2.
 - 2. Reduce cost-shifting by increasing Medicaid provider reimbursements (See Recommendation W).
- C. Reduce employee premiums for health insurance.
 - 1. Require Colorado employers to establish at least a Section 125 premium-only plans that allow employees to purchase health insurance with pre-tax dollars.
 - 2. Provide subsidies for uninsured low-income workers below 300% FPL to purchase their employer's plan, or, for workers not offered coverage by their employer, provide subsidies up to 400% FPL for private coverage.
- D. Reduce administrative costs.
 - 1. Require health insurers and encourage all payers in Colorado to use standard claims attachment requirements, eligibility and coverage verification systems, standard electronic ID cards, standard prior authorization procedures and uniform insurance application forms.
 - 2. Combine administrative functions of public health insurance programs (such as Medicaid, CHP+, premium subsidy program, CoverColorado).

3. Review regulatory requirements on third-party payers and providers with the goal of reducing administrative burden.
- E. Promote consumer choice and direction in the health care system.
1. Increase price and quality transparency (Recommendation M).
 2. Create a Connector for individuals and employees (Recommendation S).
 3. Provide a choice of Minimum Benefit Plans, including a Health Savings Account option, for all consumers purchasing in the individual insurance market (Recommendation V).
 4. Provide consumers with evidence-based medical information at the point of service to aid in decision-making through patient-centered care.
- F. Increase use of prevention and chronic care management.
1. Where allowed by HIPAA, allow health insurance premiums to be reduced for enrollees who engage in healthy behaviors.
 2. Eliminate patient copayments for preventive care and reduce patient copayments for chronic care management services as defined by nationally-recognized, Colorado-vetted uniform guidelines, such as those developed by the Colorado Clinical Guidelines Collaborative.
 3. Encourage employers to provide workplace wellness programs.
 4. Encourage individual responsibility for health, wellness and preventive behavior.
 5. Increase funding for local public health agencies in Colorado to perform functions such as preventing disease and injury, assessing community health, and promoting healthy behavior.

G. Provide a medical home for all Coloradans.

1. Enhance the provision, coordination, and integration of patient-centered care, including “healthy handoffs.”
2. Reimburse providers for care coordination and case management, particularly in the Medicaid/CHP+ and CoverColorado programs.

H. Improve end-of-life care.

1. Identify a process to develop consensus, by a multi-stakeholder group, based upon best scientific evidence regarding strategies to foster clinically, ethically, and culturally appropriate end-of-life care, including palliative and hospice care.
2. Ask patients, upon entry to a nursing home, home health, or other critical point of access, to complete an advanced directive. There would be no requirement to complete an advanced directive, patients would be fully-informed, there would be no outside pressure to complete the form, and revocation rights would be clear and simple.

I. Commission an independent study to explore ways to minimize barriers to physician extenders such as Advanced Practice Nurses from practicing to the fullest extent of their licensure and training.

J. Support the adoption of health information technology.

1. Support the creation of a statewide health information network, focusing on interoperability.
2. Support the creation of an electronic health record for every Coloradoan, with protections for patient privacy.

K. Support the provision of evidence-based medicine¹.

1. Adopt population-specific care guidelines and performance measures, where they exist, based on existing national, evidence-based guidelines

¹ Evidence-based medicine is defined as “A set of principles and methods intended to ensure that, to the greatest extent possible, population-based policies and individual medical decisions are consistent with the evidence of effectiveness and benefit.”

and measures, recognizing the importance of patient safety and best care for each patient.

L. Pay providers based on quality.

1. Pay providers based on their use of care guidelines, performance on quality measures, coordination of patient care, and use of health information technology.

M. Ensure that information on insurer and provider price and quality is available to all Coloradans and that it is easily accessible through a single entry point (e.g. Web site).

1. Require DOI to report annually to the legislature regarding financial information on licensed carriers and public coverage programs; information should include medical loss ratios, administrative costs, etc, by line of business; require Medicaid, CHP+, CoverColorado and other public coverage programs to provide DOI with this information; and require brokers to report their compensation to their clients.
2. Develop a statewide system aggregating data from all payer plans, public and private, building upon regional systems or efforts already taking place for sharing data among providers

N. Create a multi-stakeholder “Improving Value in Health Care Authority” to:

1. Create this multi-stakeholder group to fundamentally realign incentives to in the Colorado health care system to reduce costs and improve outcomes.
2. Give the Authority rule-making authority to implement the Commission’s recommendations regarding administrative simplification (Recommendation C), health care transparency (Recommendation K), and the Ombudsman and Advocacy Program.
3. Direct the Authority to study and make recommendations to the Governor, state legislature, and rule-making agencies regarding prevention (Recommendation E), medical homes (Recommendation F), health information technology (Recommendation H), evidence-based medicine (Recommendation I), provider reimbursement (Recommendation J). The Authority will also be responsible for assessing and reporting on the effectiveness of reforms, especially their impact on vulnerable populations and safety net health care providers.

4. Direct the Authority to develop a statewide system aggregating data from all payer plans, public and private, building upon regional systems or efforts already taking place for sharing data among providers (this recommendation is taken directly from the Provider Task Force Recommendations).
 5. Establish the Authority before embarking on the improvements to coverage and access described in Part 2.
- O. Examine and expand the efforts of Colorado communities which have been proven over the years to enhance quality and lower cost.
- P. Conduct a comprehensive review of current Colorado long-term care information as a supplement to any review of the Commission reports, such as the SB 173 report , the report of the Developmental Disability Interim Committee, the Medicaid Redesign Project (SB 06-128), and the National Clearinghouse for Long-Term Care Information.

PART 3

Improving Access to Care, with Mechanisms to Provide Choices

- Q. Require every legal resident of Colorado to have at least a Minimum Benefit Plan, with provisions to make the mandate enforceable.
1. Require purchase of a Minimum Benefit plan (average monthly premium of approximately \$200 for an individual).
 2. Design and periodically review the Minimum Benefit Plan through the “Improving Value Authority.” Ensure that the process is process to create the minimum benefit package is transparent, participatory, equitable, compassion, sensitive to value, flexible and responsive.
 3. Provide an affordability exemption or consider another mechanism for addressing affordability, such as extending the premium subsidy program to a higher income level. Assuring affordability should include consideration of both premium and out-of-pocket costs.
 4. Enforce through tax penalty; automatically enroll those who are eligible into fully-subsidized public coverage programs.

R. Implement measures to encourage employees to participate in employer-sponsored coverage.

1. Require Colorado employers to establish premium-only Section 125 plans that allow employees to purchase health insurance with pre-tax dollars.
2. Provide subsidies for uninsured low-income workers below 400% FPL to purchase their employer's plan.
3. Enforce waiting periods (minimum periods of being uninsured) for eligibility for the premium subsidy program, to discourage employers and employees from dropping employer coverage to enroll in public programs; create exceptions for involuntary loss of coverage, COBRA coverage, or qualifying events, such as marriage or birth.

S. Assist individuals and small businesses and their employees in offering and enrolling in health coverage through creation of a "Connector."

1. Offer three to four standard benefit plans.
2. Certify participating health plans.
3. Provide information and education, such as comparative price and quality information.
4. Use same rating rules as the reformed individual and current small group market.

T. Maximize access to/enrollment in private coverage for working lower-income Coloradans who are not offered coverage at the workplace.

1. Provide premium subsidies to workers who are not offered coverage at the workplace who earn less than 300% of poverty for purchase of private health insurance equivalent to CHP+ benefit package.
2. Provide premium subsidies to individuals and families who earn between 300-400% of poverty such that their premium cost is no more than 9% of their income.
3. To facilitate enrollment and reduce fraud, use auto enrollment strategies that use existing state data to determine subsidy eligibility (e.g. tax, wage, and nutrition program information).

U. Require all health insurance carriers operating in Colorado to offer a Minimum Benefit Plan in the individual market, with an emphasis on value-based and consumer-directed benefit design.

1. Require all health carriers offering health insurance in Colorado to offer a Minimum Benefit Plan in the individual market.

V. Guarantee access to affordable coverage for Coloradans with health conditions (Implement in conjunction with Recommendation Q).

1. Require health insurance companies to issue coverage (guarantee issue) to any individual or family who applies for individual health insurance and who is not eligible for the restructured CoverColorado program.
2. Allow health insurance companies to set premiums for these individuals and families based on their age and geographic location; disallow the consideration of past and current health conditions.
3. Restructure CoverColorado to cover those who apply for coverage, have an identifiable, high-cost health condition as defined by the newly expanded program and are not eligible for Medicaid, CHP+ or a premium subsidy. Finance CoverColorado to ensure that premiums are equal to the standard rates in the individual market.

W. Restructure and combine public programs (Medicaid and the Child Health Plan Plus) for parents, childless adults and children (excluding the aged, disabled, and foster care eligibles).

1. Merge Medicaid and CHP+ into one program for all parents, childless adults and children (excluding the aged, disabled, and foster care eligibles).
2. Pay health plans at actuarially-sound rates and providers at least CHP+ rates in the new program.
3. For all other Medicaid enrollees, ensure that physicians are reimbursed at least 75% of Medicare.
4. Provide the CHP+ benefit and cost-sharing package to enrollees in the new program, including dental, with access to a Medicaid supplemental package, including EPSDT for children, for those who need Medicaid services.

5. Require enrollment in managed care, where available

X. Improve benefits and case management for the disabled and elderly in Medicaid.

1. Encourage enrollment of the aged and disabled into integrated delivery systems that have incentives to manage and coordinate care.
2. Promote care delivery in a consumer-directed, culturally competent manner to promote cost-efficiency and consumer satisfaction.
3. Provide care coordination and targeted case management services.
4. Provide dental coverage up to \$1,000 per year.
5. Explore potential for further reforms to Medicaid, particularly for those who are disabled (see Appendix X).

Y. Improve delivery of services to vulnerable populations.

1. Create a Medicaid buy-in program for working disabled individuals.
2. Create a medically-correctable fund for those who can return to work or avoid institutionalization through a one-time expense.
3. Increase number of people served by the home- and community-based programs equal to the number of people on the current waiting list for these services.²
4. Provide mental health parity in the Minimum Basic Benefit Plan (Recommendation R).
5. Establish a Medically-Needy or other catastrophic care program for those between 300% and 500% of poverty to address the issue of people who have health insurance but do not have coverage for catastrophic events (Fund at \$18 million in state funds).

Z. Expand eligibility in the combined Medicaid/CHP+ program to cover more uninsured low-income Coloradans.

² Including the Children's HCBS waiver program, the Child Autism waiver program, the Adult Comprehensive waiver program, the Adult SLS waiver program, the Early Intervention waiver program, the CES waiver program, and the Family Support waiver program.

1. Expand Medicaid/CHP+ to cover all uninsured legal residents of Colorado under 205% of poverty.
2. Restrict the expansion to adults with less than \$100,000 in assets excluding car, home, qualified retirement and educational accounts, and disability-related assets.
3. Work with federal government to ensure federal funding for low-income childless adults; do not fund expansion through reduction of services to current Medicaid and CHP+ eligibles.

AA. Ease barriers to enrollment in public programs.

1. Use auto enrollment strategies to increase enrollment, reduce fraud, and lower administrative costs and pursue presumptive eligibility where possible.
2. Provide one-year continuous eligibility to childless adults, parents, and children in the newly merged Medicaid/CHP+ program.

BB. Enhance access to needed medical care, especially in rural Colorado where provider shortages are common.

1. Continue to pay all qualified safety net providers enhanced reimbursement for serving Medicaid patients.
2. Explore ways to minimize barriers to physician and dentist extenders such as advanced practice nurses and dental hygienists and others from practicing to the fullest extent of their licensure and training.
3. Promote and build upon the existing statewide nurse advice line.
4. Expand telemedicine benefits for Medicaid and CHP+ enrollees, especially in rural areas.
5. Develop and expand mechanisms to recruit and retain health care workers who will provide services in underserved areas of Colorado, such as state-based loan repayment, loan forgiveness programs, tax credits, and other approaches.

DD. Create an Consumer Advocacy Program

5. Create a program that is independent and consumer-directed

- a. Provide system navigators to guide people through the system
- b. Resolve problems
- c. Provide assistance with eligibility and benefit denials
- d. Help qualify people on Medicaid for Medicare
- e. Help people qualify for SSI

CC. Continue to explore the feasibility of giving Coloradans the option to enroll in coverage that will stay with them, regardless of life changes, such as the Optional Continuous Coverage Portable Plan that the Commission modeled.

EE. Continue to explore the feasibility of allowing employers to offer 24-hour coverage

PART 4

Increase efficiency and access before expanding coverage

PART 5

Dissolve the Commission once its final report is made to the General Assembly Jan. 31, 2008

Appendix X: Medicaid reform ideas recommended for study

1. Guarantee prompt (direct) reimbursement to clients and providers for any eligible expenses incurred during any delays in eligibility or periods in which the individual met all other periods that the client met all eligibility requirements, but for submission of an application (with a reasonable time limit), or if the client was required to self-pay, regardless of whether the service/supply was provided by a authorized Medicaid provider (e.g. hiring a neighbor for home care v. an agency).
2. Require all Medicaid recipients to have needed care coordination that includes prescription coordination and management, including medication review of new and continuing prescriptions.
3. Provide consumer training and education to allow consumers to identify savings in their own care and potentially provide incentives for doing so.
4. Pursue strategies for providing more reliable transportation, including funding strategies for Medicaid recipients that address inter-agency conflicts.
5. Combine waiver programs where appropriate (e.g. waivers with similar benefits thus saving on admin costs).
6. Support strategies to increase access to home based care in a cost effective way, so that people currently hospitalized (example vent dependent kids) can go home- and receive adequate care in the community. Results in long term savings.
7. Investigate stipend respite care as a benefit for eligible waiver participants. (Saves money because people can go home from hospital).
8. Look at pooling DME purchasing.
Can we purchase DME more cheaply or use equipment more efficiently? Set aside funding to help with this- example of potential savings is permitting recycling of wheelchairs, etc.
9. Create consumer-directed program for supplies. For example, Medicaid enrollees can buy Depends much more cheaply over the counter in the market place than through a Medicaid supply company.

10. Create new program for care coordinator to facilitate getting people transitioning out of corrections or the foster care system on to SSI and Medicaid as appropriate.
11. Study how to provide health management and care coordination for foster care children.
12. Facilitate transition to services for those on Medicaid aged 18-21, particularly across multiple systems.
13. Assist veterans transitioning from VA medical Services to DDS and SSI
14. Simplify and standardize entry into all HCBS programs
15. Integrate systems so that mental health, education, and human services all work together to get appropriate services to children particularly when a child needs institutional care. Long term savings in getting appropriate care to kids when they need it.
16. Integrate mental health reform with health care reform. Look at the other recommendations for mental health coming from interim committees and DCCO.
17. Generally eliminate prior authorization requirement for over-the-counter products costing less than \$100, with appropriate utilization review.