

# Activating Efforts to Eliminate Waste & Inappropriate Care

June 15 | 4:15 PM - 5:00 PM ET



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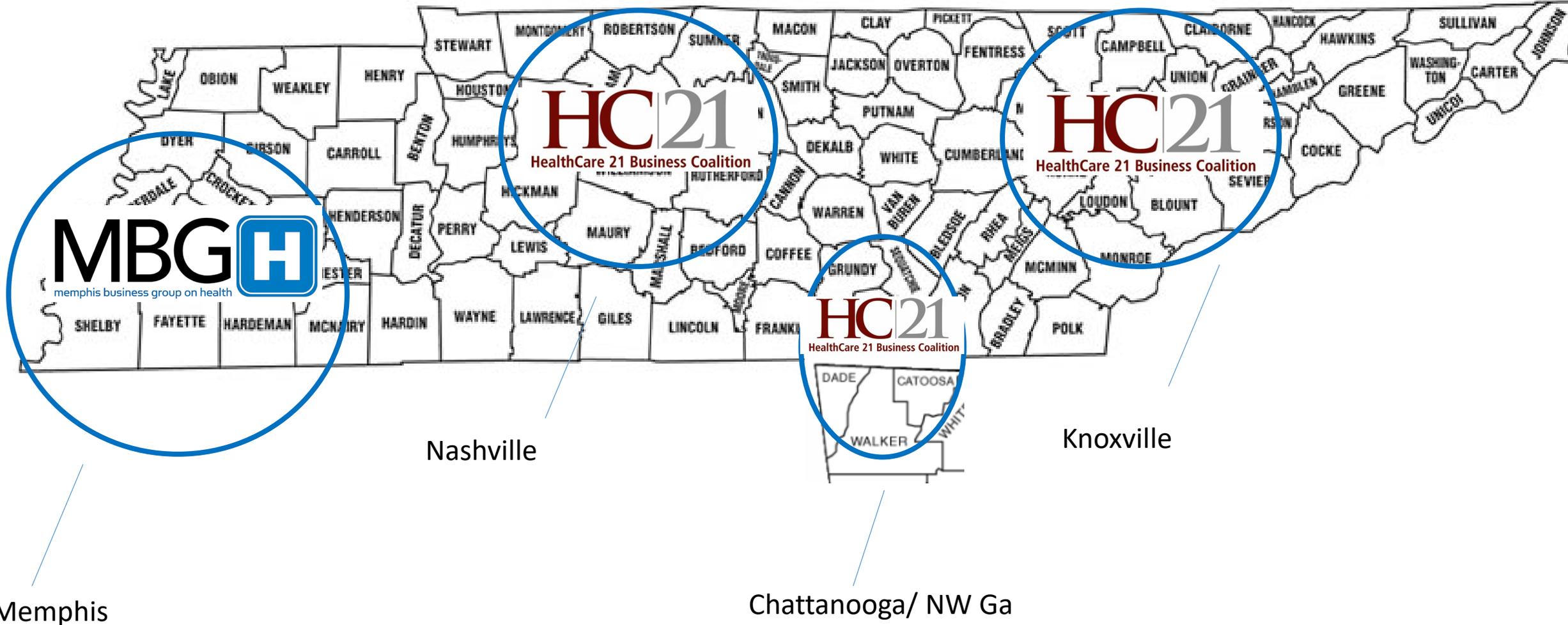
#NASUMMITS

# Activating Efforts to Eliminate Waste & Inappropriate Care

National Alliance Leadership Summits

June 15, 2020

Al Charbonneau, Gaye Fortner, Laurie Lee, and Cristie Travis



The Tennessee Employer Consortium on Health (TEC) brings employers from each market together to coordinate activities across Tennessee. The TEC is managed by HC21 and MBGH CEOs.

By the  
end of  
the  
day....

- Statewide *employer leaders*:
  - Created a *NEW* vision for a statewide, employer-led model that will dramatically reduce cost and improve quality *across TN*
  - Identified priorities for implementing *bold, innovative, data driven* approaches to address *waste & affordability* across TN
  - Committed to build coalition capacity to achieve actionable change in our markets

A model was created that is *irresistible* to employers because it addresses their pain points; lays a strong foundation for fundamental, long-term infrastructure change; better serves their employees/families/communities by providing high quality, safe, and affordable care.

# TEC Action Framework

Implement bold, innovative, data driven approaches to address waste & affordability of health & health benefits

## Lead

- Identify priorities
- Select focus areas
- Champion local action

## Leverage

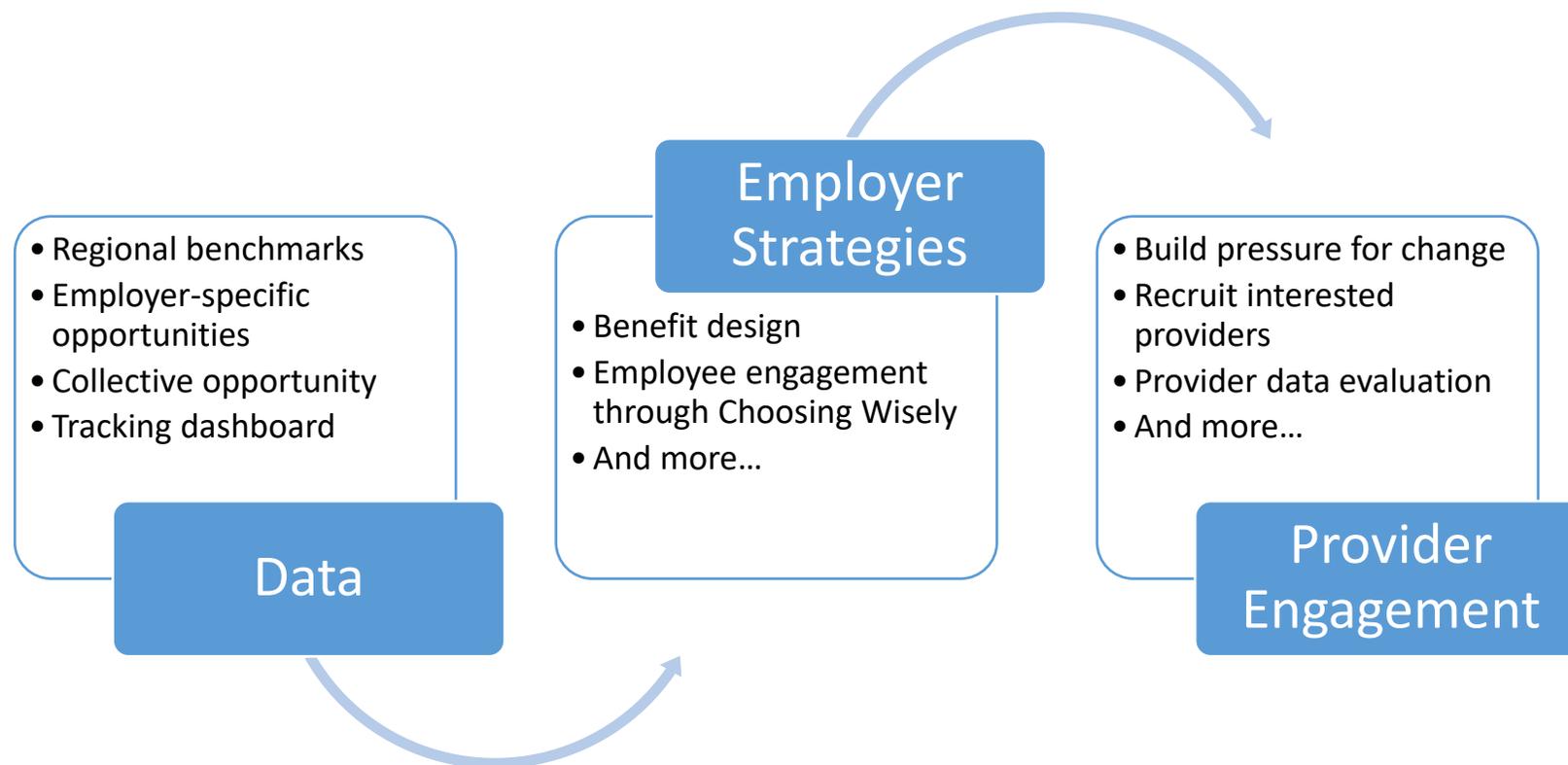
- Use collective influence to achieve infrastructure change
- Support market strategies to have statewide impact

## Localize

- Implement actions to reduce waste & improve affordability to provide employer value
- Spread effective strategies across employers for market change

# Collaboration Strategies to Address Low Value care

- Imaging for low back pain
- Vitamin D screening
- Testing prior to low risk surgery



# Employer Perspective

- Why now?
- Aligns with other principles 
- Creates new opportunities
  - Coalesce all stakeholders around common aim
  - Provider interface
  - Collective action
- But also raises challenges
  - Effort to sustain
  - Calendar share

# Early Take-Aways

- Providers are interested
- Employers engaged
- Undeterred by current crisis
- Challenges

# Low Value Care/Choosing Wisely

Al Charbonneau  
Executive Director

# RI Low Value Care/Choosing Wisely Roll Out



- 70+ Companies Adopting
- Major Physician Groups
- 4 Insurers
- Governor & General Assembly
- Studies
  - Imaging for Low Back Pain
  - Analysis of Claims
  - Brown University Analysis of APCD Data



# RI Low Value Care/Choosing Wisely Roll Out (cont)



**Rhode Island Health Care Cost Trends Steering Committee**

**Compact to Reduce the Growth in Health Care Costs and State Health Care Spending in Rhode Island**

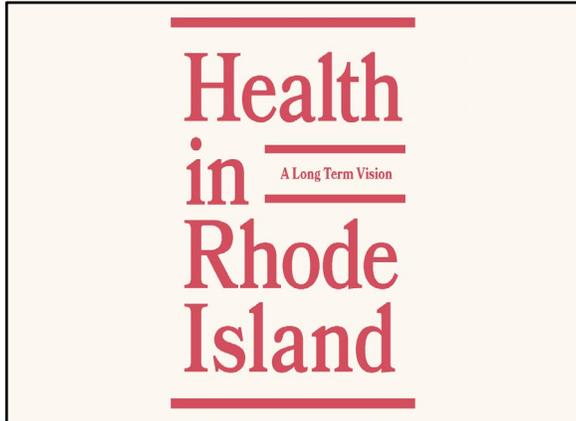
We, the undersigned members of the Rhode Island Health Care Cost Trends Steering Committee (Steering Committee), sponsored by the Governor, Rhode Island Executive Office of Health and Human Services (EOHHS), and the Office of the Health Insurance Commissioner (OHIC) to develop an annual health care cost growth target for Rhode Island, have developed a set of recommendations (attached) which we believe will help Rhode Island reduce the growth in health care costs and state health care spending.

Specifically, we agree upon and support the following cost growth target and methodology, and commit to taking all reasonable and necessary steps to annually keep health care cost growth below the target at the organizational level (as applicable to our organization) and state level, while maintaining or improving quality and access:

- The cost growth target shall be the value of Rhode Island's Potential Gross State Product (PGSP). PGSP is the total value of the goods produced and services provided in a state at a constant inflation rate and is 3.2%.
- The target's duration is four years, i.e., 2019 through 2022, with the stable value of 3.2% maintained throughout. We commit to revisit the methodology of the cost growth target during 2022 and advise the state on whether to keep the existing target or establish a new target for 2023 and beyond.
- Only highly significant changes in the economy will trigger re-visiting of the target methodology. The Steering Committee will work with the state to determine a functional definition of "highly significant" and develop a plan for handling such events.
- The cost growth target will be used to assess health care cost growth for all Rhode Island residents who have commercial (insured and self-insured), Medicaid, and Medicare coverage. Performance assessment relative to the target will include consideration of claims spending, non-claims-based spending, pharmacy rebates, consumer cost sharing and insurer administrative costs and margin.

1. Components of health care spending are described in the "Methodology to Measure and Report on the Total Cost of Health Care in Rhode Island" section of the attached recommendations. PGSP is the sum of the forecast growth in potential labor productivity, forecast potential labor force growth and forecast inflation, minus the annual rate of population growth in the state. The 3.2% value was calculated using the most recently available data on November 7, 2018.

	Peter (and) Angela Socies
Name, Title	Organization
	RT Business Group on Health
Name, Title	Organization
	Traft's Health Plan
Name, Title	Organization
	Office of the Health Insurance Commissioner
Name, Title	Organization
	THE WILSON ORGANIZATION, LLC
Name, Title	Organization
	UnitedHealthcare
Name, Title	Organization
	Bank Newport
Name, Title	Organization
	Hospital Association of RI
Name, Title	Organization



- **RI Health Care Cost Trends Steering Committee**
  - Compact to Reduce Health Care Costs
  - Incorporates Low Value Care
- **Rhode Island Foundation**
  - RI 10 Year Long Term Health Care Plan
  - Incorporates Low Value Care

# RI Low Value Care/Choosing Wisely Roll Out (cont)



- **Care Transformation Collaboration of Rhode Island**
  - Ramp Up Pressure for Change
  - Low Value to High Value
    - Evidence
    - Data
    - Payment Reform

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