




Office of Affordable Health Care

Advisory Council Meeting, December 4th, 2024



Agenda

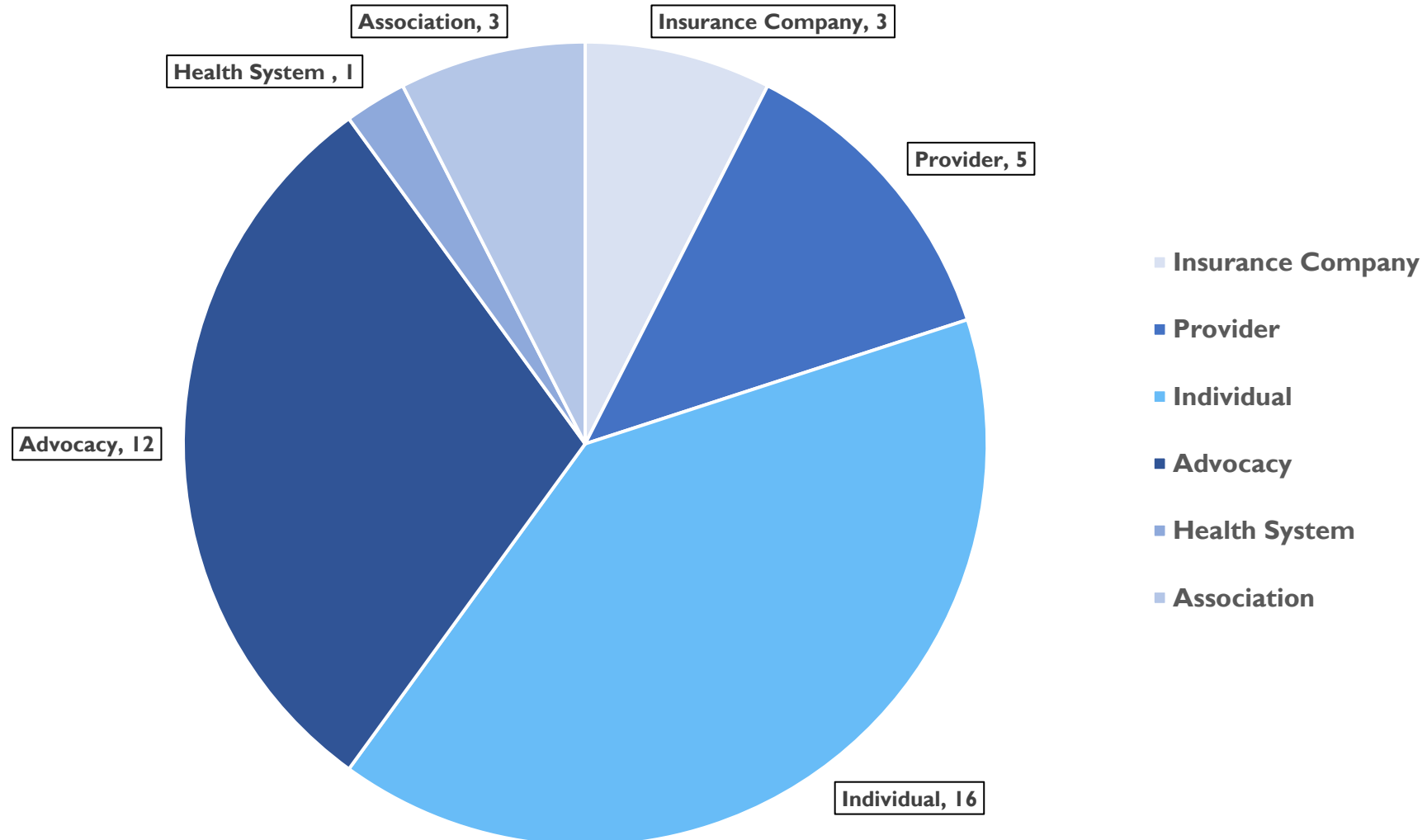
- Annual Public Hearing Comment Review
- Annual Report Outline
- Continued Discussion of Policy Focus Areas
 - Constraining Prices
 - Aligning Incentives for Efficiency
 - Provider Market Oversight
 - Workforce?



Annual Hearing Comment Summary



Commenter Overview



Consistent Feedback

Overarching themes in comments:

- Hospital system and provider consolidation
- Rurality
- MaineCare reimbursement rates and exclusions
- Inflation and high cost of living across the state

Themes – Individuals

Barriers to health care:

- High premiums, deductibles, and out of pocket costs
 - Leading many to skip, delay, or forgo care/preventative care
- Receiving unexpected bills and lack of price transparency
- Difficulty navigating systems after losing coverage during the unwinding
- Complexitiy of MaineCare eligibility determinations

Policy recommendations:

- Single payer system

Advocacy Participation

Name	Representation
United States of Care	National - Consumers
AARP	Older adults
Maine AllCare	Publicly funded health care for all
Partnership for America's Health Care Future Action	National - Opposition to public option
Maine Municipal Employees Health Trust	Benefit program for local govt employees/retirees
Consumers for Affordable Health Care	Consumers
Maine State Chamber of Commerce	Businesses
Maine Access Immigrant Network	Social services for immigrants/refugees
New Mainers Public Health Initiative	Health care services for immigrants/refugees
Healthcare Purchaser Alliance of Maine	Employer purchasers
Maine Equal Justice	Social services/consumers
MedHelp Maine	Medication access/consumers

Themes – Advocacy

Barriers to health care:

- High premiums, deductibles, and out of pocket costs
- High cost of prescription drugs
- Hospital consolidation and high cost of hospital services
- Eligibility gaps based on immigration status
- Medical debt

Policy recommendations:

- Remove MaineCare eligibility requirements based on immigration status
- Bolster transparency and access to free care
- Introduce state-based universal health care or a public option plan
- Address high hospital prices
- Limit facility fees

Themes – Independent Providers

Barriers to health care:

- Patients are delaying preventative care due to cost
- Transportation, particularly in rural areas

Policy recommendations:

- Greater price transparency
- Strategies to address high premium, deductible, and out of pocket costs

Association Participation

Name	Representation
Maine Primary Care Association	FQHCs
Maine Medical Association	Physicians
Pharmaceutical Care Management Association	PBMs

Themes – Associations

Barriers to health care:

- High premiums, deductibles, and out of pocket costs
- Provider and hospital consolidation

Policy recommendations:

- Accelerate value-based care
- Stop patent abuse and promote generic and biosimilar competition
- Support payment reform to advance primary care

Themes – Hospitals / Health Systems

Barriers to health care:

- Challenges associated with providing care during the pandemic and resulting impacts on infrastructure and workforce
- Inadequacy of reimbursement rates in government coverage programs
- Broken continuum of care in Maine leaves hospitals overwhelmed

Policy recommendations:

- Increase MaineCare payments to hospitals

Themes – Insurers

Barriers to health care:

- Highly concentrated provider networks and hospital systems
- High cost of specialty drugs
- Anti-competitive contract terms

Policy recommendations:

- Prohibit anti-competitive contract provisions
- Increase state review of hospital and healthcare provider consolidation
- Preserve utilization management tools
- New coverage mandates should undergo study with their cost impacts considered



Annual Report Outline



Proposed 2024 OAHC Annual Report Outline

- Introduction and Operations Update
- Analytics Plan and Review of 2024 Work Products
 - Health Coverage and Household Costs
 - Health Care Expenditures Report
 - Hospital Payments and Utilization
- Public Hearing Comment Summary
- Learnings from Consumer and Business Listening Sessions
- Focus Areas for 2025
 - Regulating Commercial Prices
 - Aligning Incentives for Efficiency
 - Provider Market Oversight



Policy
Development

Review from October Meeting: Assessing Policy Domains

Domain	Alignment	Feasibility	Opportunity
Subsidizing Consumer Costs	High opportunity for relief for a segment of consumers, does not address underlying costs	Anticipate identifying new revenue for subsidies or expansion would be a significant challenge	High level of coordination necessary regarding both revenue and coverage options
Constraining Prices	Opportunity for broad impact across markets, potential to redirect resources for greater efficiency	Requires an understanding of where and how savings can be achieved without impacting access or quality	Currently not within the purview of any other state agency
Aligning Incentives for Efficiency	Highly aligned in that initiatives could encompass affordability, quality, and efficiency	Anticipate that there could be alignment with existing stakeholder initiatives and ability to identify shared goals	While other agencies have expertise in this area, believe OAH is well-positioned to be a broader convener
Insurance Market Oversight	Opportunity for intervention for a segment of the market, but reach is limited by federal preemption	Established structure for state authority, though there have been significant developments in the space recently	Bureau of Insurance has authority and expertise in this area
Provider Market Oversight	See particularly high alignment in considering how to protect against financialization of health care providers	Taking protective measures may be minimally disruptive, although the legal landscape for action is complex	DHHS has authority in this space, but some new market dynamics may not be a focus
Prescription Drug Affordability	Both acute affordability challenges for patients and concerning recent trends in overall spending across payers	Challenging for states to regulate because of the multi-party out-of-state supply chain	Bureau of Insurance has authority over PBMs; relationship to Prescription Drug Affordability Board

Regulating Commercial Prices for Health Services

Problem Statement:

Increasing commercial prices for health care services are a driver of higher insurance premiums and out-of-pocket costs, which are widely cited by consumers as a barrier to accessing care and a growing financial burden on households and employers. Meanwhile, providers cite difficulty in financing key services, particularly primary care and behavioral health care, and recruiting and retaining physicians, nurses, and other staff.

Next Steps:

- Assess the magnitude of impact of unit prices on premium increase requests for state-regulated health plans
- Expand analyses of price and utilization to more specifically identify geographic and/or service level trends, and to include non-hospital services
- Analyze hospitals' audited financial reports to understand changes in input costs to health care providers

Provider Market Oversight and Competition

Problem Statement:

Private equity (PE) investment in health care has grown dramatically in the U.S. over the last 10 years, and early evidence suggests that PE ownership of health care providers can lead to higher prices, staff reductions, and in some cases lower quality of care. While Maine has seen less PE activity in the health care sector than other parts of the country, protective action could be warranted given the significant impacts to access and quality experienced in other states.

Next Steps:

- Review and assess options for mitigating risk from PE acquisition, including recent efforts in other states

Aligning Incentives to Promote Efficiency and Quality

Problem Statement:

There is general agreement that paying for health care on a traditional fee-for-service basis is not the best model to support efficient, high-quality, and patient-centered care. Payers and providers in Maine have made progress in introducing new models for payment and delivery of care, but fragmentation of the payer landscape and other operational challenges are a barrier to more significant transformation.

Next Steps:

- Assess processes in other states for collecting and reporting on adoption of Alternative Payment Models, to fulfill statutory duty
- Study existing quality and access metrics in use around the state and develop draft key measures for regular reporting by the office
- Discuss with stakeholders a model for regularly convening government, payers, providers, and other stakeholders for collaborative goal-setting and to address barriers to delivery system reform.

For Consideration: Workforce Domain

Significant work underway across government on health care workforce:

- DHHS Health Care Workforce Development Strategy
 - Recruiting campaigns and funding for recruiting and retention bonuses in direct care
 - Credentialing alignment and standardization of certifications for Behavioral Health Professionals and CNAs
 - Rural preceptorship and GME expansion
- Healthcare Training for ME partnership across DOE/DOL/DHHS/MCCCS/UMS
- Multiple loan repayment programs via FAME

Do Advisory Council members have thoughts on other areas of work or coordination to propose?