Primary Care Payment Reform Collaborative Meeting

July 11, 2024

Agenda

- Housekeeping & announcements
- Federal & state updates
- Update on HB22-1302
- AI in Primary Care
- Public comment

Meeting Goals & Requested Feedback

GOALS

- Learn about proposed payment model for sustainable integrated care, pursuant to HB22-1302
- Learn about/discuss the impact of AI on primary care
- Identify next steps, follow-up tasks, and/or needed resources

FEEDBACK

- What are important considerations for sustainable integrated care delivery? What are mechanisms to support/ensure payer alignment?
- What are the most pressing issues/topics related to AI and primary care?
- What are priorities for future discussion and/or recommendations related to AI?

* * Incorporate equity into discussion and recommendations * *

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Housekeeping & Announcements

Housekeeping & Announcements

- Meeting minutes – minutes for April and May meetings posted on PCPRC website
- Scheduling
  - Hybrid meeting in September?
  - Breaks? (Spring, Summer, Fall, Winter)
- Membership update
  - Recruitment flyer

New PCPRC Member – Welcome!

Britta Fuglevand

Payment Reform Implementation Unit Supervisor, Finance Office

Department of Health Care Policy & Financing

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Federal & State Updates

Federal Updates

- Making Care Primary – model launch
  - 133 total participants = 772 practices across CO, MA, MN, NJ, NM, NY, NC, and WA
    - 94 (71%) small primary care organizations (5 or fewer practices)
    - 55 (41%) FQHCs
    - Track 1 = 88 (66%); Track 2 = 40 (30%); Track 3 = 5 (4%)
  - Colorado – 9 participating organizations
    - Denver Metro (4); Pueblo (2); Fort Collins (1); Longmont (1); Lamar (1)
  - Meetings with partner payers
    - Denver Health, Cigna, Anthem BCBS (Elevance)

Federal Updates

- CMS – CY 2025 Physician Fee Schedule (PFS) Proposed Rule
  - Includes requests for information (RFIs) from CMMI
  - Advanced Primary Care Management Services
    - Bundle elements of existing care management and communication technology-based services into three levels based on certain patient characteristics
    - Builds on Comprehensive Primary Care Plus (CPC+) and Primary Care First (PCF)
  - Alternative Payment Model Performance Pathway (AAP) Quality Measures
    - APP Plus measure set for clinicians in MIPS APM; optional for MIPS, required for Shared Savings Program ACOs
  - Improving Ambulatory Specialty Care
    - Participants would receive payment adjustment based on their performance compared to similar specialists on set of clinically relevant MVP measures; purposely overlap with other CMS accountable care models and programs
  - Cardiovascular Risk Assessment and Management Coding and Payment
    - Based on interventions tested in Million Hearts Model; coding and payment for risk assessment and management of patient at risk for cardiovascular disease

Federal Updates

- CMS – CY 2025 Physician Fee Schedule (PFS) Proposed Rule
  - Proposals to strengthen Medicare Shared Saving Program (MSSP)
  - Prepaid shared savings
    - Eligible ACOs with history of success could receive advance on earned shared savings
    - Encourage investment in staffing, infrastructure, additional services such as nutrition support, transportation, dental, vision, hearing, and Part-B cost-sharing
  - Health equity benchmark adjustment
    - Allow adjustment to ACO benchmark based on beneficiary characteristics; help identify underserved beneficiaries in high-cost areas and combat disparities that can be caused by region of residence and access to healthcare
  - Move toward Universal Measures
    - Improve quality measure alignment, drive care transformation
  - Improper payment adjustments
    - Adjustments would improve accuracy, fairness, and integrity of fiscal calculations

Federal Updates

- CMS – CY 2025 Physician Fee Schedule Proposed Rule
  - Proposals to Improve Quality Payment Program (QPP)
  - Alternative Payment Model Performance Pathway (APP) Plus
    - Additional quality measure set under APP
    - Include 6 measures currently in APP quality measure set and incrementally incorporate remaining 5 Adult Universal Foundation quality measures
    - Total of 11 measures by 2028 performance period/2030 payment year
  - Performance threshold policies
    - Maintain current performance threshold policies, leaving performance threshold set at 75 points for the 2025 performance period
  - Requests for information (RFIs) related to:
    - Merit-Based Incentives Pathway (MIPS) Value Pathway (MVP) adoption, participation
    - Public health and clinical data exchange objective
    - Guiding principles for the development of patient-reported outcome quality measures
    - Changes to administration of CAHPS for MIPS survey

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HB22-1302 Update

HB 22 -1325 – Section 1 (10-16-155(3), C.R.S)

- Develop aligned APM parameters for primary care services
  - In partnership with HCPF, DPA, CDPHE, PCPRC, carriers and providers participating in APMs
  - Rules by 12/1/23 for APMs used in health benefit plans on or after 1/1/25

- At a minimum, APM parameters must include/address:
  - Risk adjustment parameters
  - Patient attribution methodologies
  - Set of core competencies
  - Aligned quality measure set

- APMs must also:
  - Ensure risk/shared savings arrangements minimize financial risk
  - Incentivize behavioral health integration
  - Include prospective payments
  - Preserve options for carriers and providers to negotiate models

HB 22 -1302

- Creates Primary Care and Behavioral Health Statewide Integration Grant Program
  - Administered by HCPF; $14,750,082 appropriation for grants in FY 22-23 and 23-34
  - Grant recipients obligate or spend by 12/30/24; obligated funds spent by 12/30/26

- Grants may be used to:
  - Develop infrastructure
  - Increase access
  - Invest in early intervention
  - Address expanded workforce needs
  - Develop and implement APMs
  - Training PCPs in trauma-informed care, ACEs, and trauma recovery

- Applicants must demonstrate commitment to:
  - Measurably increase access
  - Implement or expand evidence-based models for integration
  - Leverage multi-disciplinary teams
  - Serve publicly funded clients
  - Maintain plans for addressing emergency needs, how technology will be leveraged for whole-person care

HB 22 -1302 – Prioritization of grant applicants

- First prioritize applicants that serve priority populations that experience disparities in health-care access and outcomes
- Then prioritize applicants that meet as many of following as possible:
  - Serve individuals with co-occurring and complex care needs, SMI, or disabilities
  - Serve children and youth
  - Include opportunities to build out CHW, behavioral health aide, or similar programs
  - Serve pregnant and postpartum people
  - Small and independent practices
  - Demonstrate ability and intent to serve culturally diverse populations (LEP)
  - Include workforce capacity building components
  - Include high-intensity outpatient services
  - Improve data exchange and data integration that supports whole-person care
  - Utilize telehealth
  - Align with or participate in commercial APMs
  - Demonstrate community partnerships
  - Participate in the Regional Health Connector Workforce Program

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AI in Primary Care

Presentation from Dr. James Barry, MD, MBA

Professor of Pediatrics, Section of Neonatology
Medical Director, University of Colorado Hospital Neonatal ICU

Colorado Division of Insurance

SB21-169 and Life Insurance

Jason Lapham
Deputy Commissioner, Property & Casualty
Big Data and AI Policy Director
Colorado Division of Insurance
July 11, 2024

Agenda

- Overview of SB21-169
- Life Insurance Stakeholder Process and Insurer Survey
- Governance Regulation
- Draft Quantitative Testing Regulation

Goal of SB21-169

Protect Colorado consumers from insurance practices that result in unfair discrimination on the *basis of race, color, national or ethnic origin, religion, sex, sexual orientation, disability, gender identity, or gender expression*

Scope of SB21-169

- Applies broadly to insurers that use external consumer data and information sources ("ECDIS") as well as algorithms and predictive models that use ECDIS including life, auto, homeowners, and health insurance

- Insurance practices subject to SB21-169: Marketing, Underwriting, Pricing, Utilization Management, Reimbursement Methodologies, and Claims Management

- Requires carriers to test whether any ECDIS, and/or algorithms and predictive models utilizing ECDIS result in unfairly discriminatory outcomes and to establish a risk management framework

External Consumer Data and Information Source

- “External consumer data and information source” means a data or an information source that is used by an insurer to supplement traditional underwriting or other insurance practices or to establish lifestyle indicators that are used in insurance practices. “External consumer data and information source” includes credit scores, social media habits, locations, purchasing habits, home ownership, educational attainment, occupation, licensures, civil judgments, and court records.

- The Commissioner may promulgate rules to further define “external consumer data and information source” for particular lines of insurance and insurance practices.

What SB21-169 Does Not Do

- Does not require an insurer to collect race, color, national or ethnic origin, religion, sex, sexual orientation, disability, gender identity, or gender expression of an individual

- Does not prohibit the use of, or require life, annuity, long-term care, or disability insurers to test, medical, family history, occupational, disability, or behavioral information related to a specific individual, if the information has a direct relationship to mortality, morbidity, or longevity risk unless such information is otherwise included in the testing of an algorithm or predictive model that also uses external consumer data and information sources

Stakeholder Engagement

- Prior to the adoption of rules for any type of insurance and insurance practice, the Division must engage in a stakeholder process with carriers, producers, consumer representatives, and other interested parties
- Hold public stakeholder meetings for each type of insurance and insurance practice to ensure sufficient opportunity to consider factors and processes relevant to each type of insurance and insurance practice

Stakeholder Process

- Initiated the stakeholder process in February 2022
- Focused on life insurance underwriting and held seven meetings
- Presentations by American Council of Life Insurers, American Academy of Actuaries, and the Consumer Federation of America
- Many individiual discussions with interested parties including insurers, consumer advocates, and third-party vendors

Life Insurance Survey

- Conducted a survey of life insurers regarding current risk management and governance practices related to the use ECDIS, algorithms, and predictive models
- A wide range of insurer preparedness with insurers in various stages of developing their governance and risk management processes
- Some considering the type of quantitative testing contemplated by SB21-169

Life Insurance Survey

- Multi-disciplinary, cross-functional team
- Clearly defined roles and responsibilities for evaluating data and models and developing risk mitigation measures
- Comprehensive and detailed documentation of policies and procedures as well as thorough record keeping

Life Insurance Survey

- Division bifurcated our approach to address the required risk management framework and testing components contemplated by SB21-169 through two regulations

Colorado Insurance Regulation 10-1-1 Governance and Risk Management

- Effective November 14, 2023
- Further defines “ECDIS” to include occupation data that does not have a direct relationship to mortality, morbidity, or longevity risk, IoT data, biometric data, and insurance risk scores

Colorado Insurance Regulation 10-1-1 Governance and Risk Management

- Documented governing principles providing guidance for governance and risk management
- Board oversight and senior management accountability
- Cross-functional governance group with clearly defined roles and responsibilities
- Inventory including version control of all algorithms and predictive models, their purpose, and outputs

Colorado Insurance Regulation 10-1-1 Governance and Risk Management

- Documented ongoing monitoring of predictive model performance including accounting for model drift
- Documented roles and responsibilities for the design, development, testing, deployment, use, and monitoring
- Documented process for selecting third-party predictive models and third-party vendors that supply ECDIS, algorithms, and/or predictive models

Colorado Insurance Regulation 10-1-1 Governance and Risk Management

- Insurers that use third-party vendors remain responsible for ensuring requirements are met including the production of any documents or information the Division deems necessary to ensure compliance

Colorado Insurance Regulation 10-1-1 Governance and Risk Management

- Insurers that use ECDIS, and algorithms and/or predicitve models that use ECDIS, must submit a report by December 1, 2024 demonstrating compliance or corrective action plan

- Insurers that do not use ECDIS, or algorithms and/or predicitve models that use ECDIS, must submit an attestation by December 14, 2023

Confidentiality

- Documents, materials, and other information obtained or disclosed to Commissioner or any other person are recognized as proprietary and containing trade secrets and are confidential and privileged
- Commissioner may use the documents, materials, or other information in furtherance of any regulatory or legal action brought as part of the Commissioner's official duties
- Commissioner may make data publicly available in an aggregated or de-identified format

Draft Quantitative Testing Regulation

- Testing underwriting outcomes
- Underwriting defined as process of evaluting risk factors determining insurability and the premium if coverage is offered
- Required for insurers that use ECDIS as well as algorithms and predicitve models that use ECDIS

Draft Quantitative Testing Regulation

- Limited to testing for unfairly discriminatory outcomes based on race and ethnicity
- Insurers must estimate race or ethnicity of proposed insureds using application data and Bayesian Improved First Name Surname Geocoding (BIFSG)
- Racial and ethnic categories: Hispanic, Black, Asian Pacific Islander, and White

Draft Quantitative Testing Regulation Application Approval Decisions

- Traditional underwriting factors are defined to include medical and family history, disability, occupational information, Rx drug history, financial information on the application, MIB, and certain motor vehicle and criminal history records

Draft Quantitative Testing Regulation Application Approval Decisions

- Use a prescribed logistic regression methodology
- Insurers required to calculate whether Hispanic, Black, and API proposed insureds are disapproved at a statistically significant different rate relative to White applicants
- Policy type, face amount, age, gender, and tobacco use may be used as control variables while including Hispanic, Black, and API as separate dummy variables in the regression

Draft Quantitative Testing Regulation Application Approval Decisions

- If there is a statistically significant difference in approval rates, the insurer must conduct a second test of each variable in the underwriting model to determine what variable(s) are contributing to the observed difference

- If an ECDIS variable contributes to the observed difference, the variable and model that uses the variable are deemed to be unfairly discriminatory

Draft Quantitative Testing Regulation Premium Rates

- Use a prescribed linear regression methodology
- Insurers are required to calculate if there is a statistically signficant difference in the premium rate per $1,000 of face amount for policies issued to Hispanic, Black, and API insureds relative to White insureds
- Same control variables while including Hispanic, Black, and API as separate dummy variables in the regression

Draft Quantitative Testing Regulation Premium Rates

- If there is a statistically significant difference in premium rate, the insurer must conduct a second test of each variable in the underwriting model to determine what variable(s) are contributing to the observed difference

- If an ECDIS variable contributes to the observed difference, the variable and model that uses the variable are deemed to be unfairly discriminatory

Draft Quantitative Testing Regulation Remediation and Reporting

- Insurers must remediate any unfairly discriminatory ECDIS, algorithms, or predictive models and conduct additional testing to demonstrate the effectiveness of the remediation

- Insurers are required to report the results of the testing beginning in 2024 and annually thereafter

Next Steps

- Stakeholder meetings on Health Insurance in progess – next meeting later this month
- Additional information available on DOI website

SB21-169 - Protecting Consumers from Unfair Discrimination in Insurance Practice

Contact information

- Jason Lapham, Big Data and AI Policy Director

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  303-869-3412

How to engage

- Website: https://doi.colorado.gov/for-consumers/sb21-169-protecting-consumers-from-unfair-discrimination-in-insurance-practices
- Email: DORA_Ins_RulesandRecords@state.co.us
- Meetings

Draft Schedule

APRIL

Equity in APMs

MAY

Impact of venture capital, private equity, consolidation, integration on PC

Market Dynamics

JUNE

Flow of primary care dollars within/outside of "systems" (e.g., ACOs, FQHCs, IDS); rural, independent providers

JULY

Current state of PC investment (CO, other states, national)

PC Investment

AUG

Investment strategies- payment (APMS), infrastructure, team-based care, care coordination (HRSN)

SEPT

* * Review APM Parameters * *

Measurement, scorecard, communications

OCT

Identify recommendations

NOV

CIVHC Report/ Recommendations

DEC

Draft Recommendations

* * * DRAFT Proposal * * *

Public Comment

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Thank you!!