

Steve Sisolak
Governor



Richard Whitley
Director

State of Nevada
**Department of Health and
Human Services**

**Patient Protection Commission Introduction &
Health Care Cost Growth Benchmark**

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PPC Executive Director

7/15/2022

Helping people. It's who we are and what we do.





Legislative History

- PPC initially created by Senate Bill 544 in **2019**
 - Sponsored by the Governor and approved by Nevada State Legislature
 - Codified to NRS 439.902-918
- Assembly Bill 348 in **2021**
 - Changed Commission's members
 - Added responsibilities and topics for review assigned to PPC
 - Moved PPC from Governor's Office to the Department of Health and Human Services (DHHS)
 - Required PPC to adopt Bylaws
 - PPC is sole state agency responsible for managing Nevada's participation in the Peterson-Milbank Program for Sustainable Health Care Costs



Commission Members

1. **Ms. Leann McAllister**, MBA Executive Director American Academy of Pediatrics
2. **Dr. Ikram Khan (Chair)**, President & Partner, Quality Care Consultants, LLC
3. **Mrs. Yarlyny Roa-Dugan**, RN
4. **Ms. Lilnetra Grady**, APRN, FNP-C, Chief Medical Officer, FirstMed Health & Wellness Center
5. **Mr. William Mason Van Houweling**, CEO, University Medical Center
6. **Ms. Bobbette Bond**, Senior Director of Health Policy, Culinary Healthfund
7. **Dr. Tiffany Tyler-Garner**, PhD, Executive Director, Children's Advocacy Alliance
8. **Mrs. Sandra Ruybalid (Vice Chair)**, Deputy Administrator, Chief IT Manager, DHHS DHCFP
9. **Mrs. Sara Cholhagian Ralston**, Patient Advocate
10. **VACANT**
11. **VACANT**
12. **VACANT**



Ex-Officio Members

1. Director of the Department of Health and Human Services
2. Commissioner of Insurance
3. Executive Director of the Silver State Health Exchange
4. Executive Officer of the Public Employees' Benefits Program



Patient Protection Commission (PPC)

PPC is charged with *systematically reviewing issues related to the health care needs of residents of Nevada and the quality, accessibility, and affordability of health care, including prescription drugs.*

-NRS 439.916(1)

- Most notably the review includes examining the **cost** of health care and the **primary factors impacting those costs.**





Peterson-Milbank Program for Sustainable Health Care Costs

- In **March 2021**, Nevada was selected to participate in this program.
- Selected states receive technical assistance from Milbank Memorial Fund and Bailit Health as they set and implement health care cost growth benchmarks.
 - **First step toward making health care more affordable and transparent.**
- To support this statewide effort, Governor Sisolak requested assistance from PPC to provide recommendations to:
 - **Develop a statewide health care cost growth benchmark;**
 - **Calculate and analyze statewide health care cost growth; and**
 - **Analyze drivers of health care cost growth.**



Health Care Cost Growth Benchmark

A health care cost growth benchmark is a **per annum rate-of-growth benchmark for health care costs for a given state.**

National statistics:

Average Per Capita Health
Care Cost Growth, 2015-2019:¹
4.1%

Average Per Capita GDP
Growth, 2015-2019:²
3.5%

Average Hourly Wage Growth,
2015-2019:³
2.6%

SOURCES:

- 1) Centers for Medicare & Medicaid Services, [National Health Expenditure Accounts](#), accessed February 17, 2021.
- 2) U.S. Bureau of Economic Analysis, Gross Domestic Product [GDP], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/GDP>, February 16, 2021.
- 3) U.S. Bureau of Labor Statistics, Average Hourly Earnings of All Employees, Total Private [CES0500000003], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/CES0500000003>, February 16, 2021.

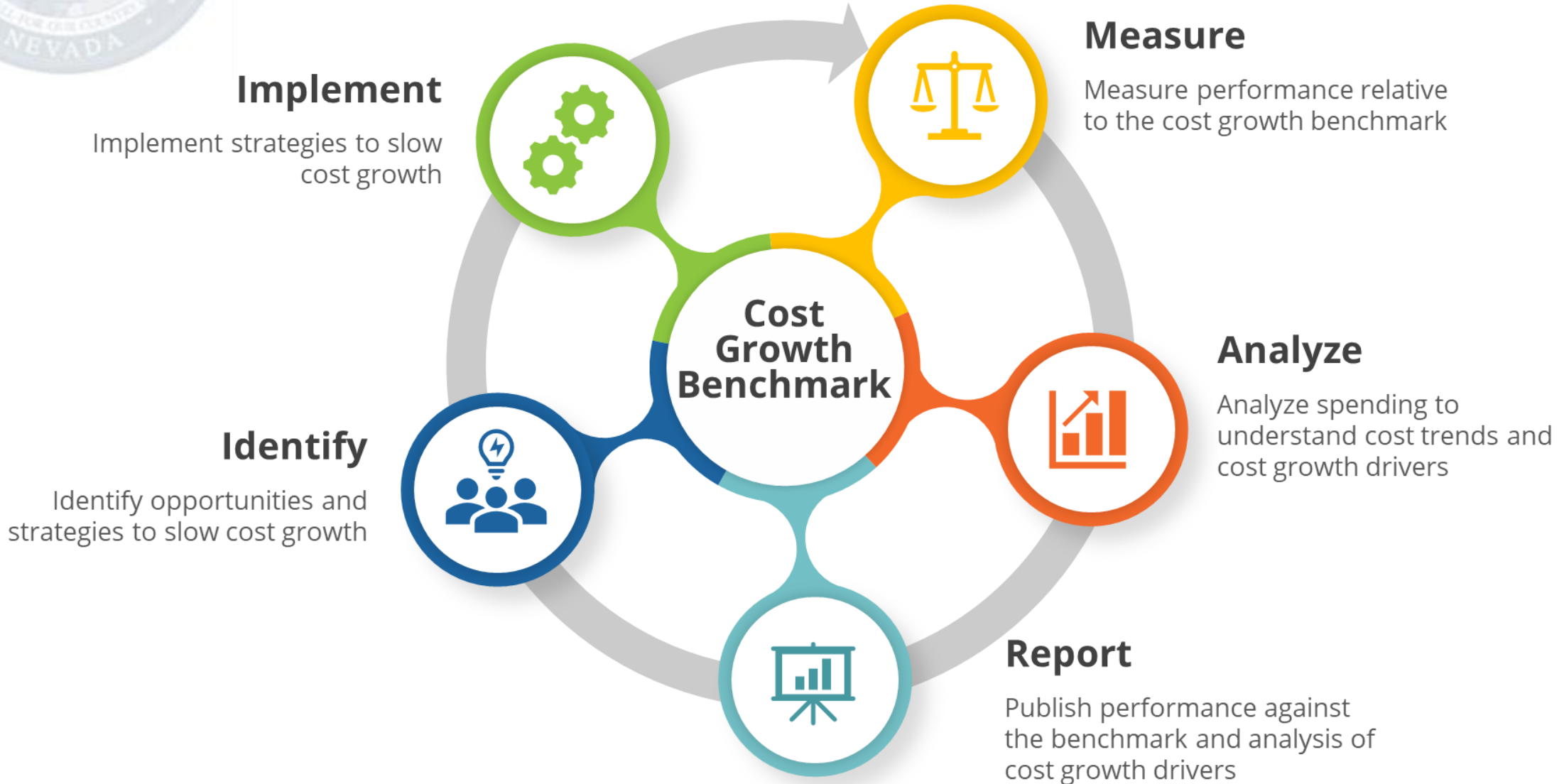




Health Care Cost Growth Benchmark

- Setting a public benchmark for health care spending growth alone will not slow rate of growth.
- A cost growth benchmark serves as an **anchor**, establishing an expectation that can serve as the basis for **transparency** at the state, insurer and provider levels.
- To be effective, it must be **complimented by supporting strategies**.

Health Care Cost Growth Benchmark





Health Care Cost Growth Benchmark (cont'd)

- December 2021, Governor Sisolak issued **Executive Order 2021-29: *The Nevada Health Care Cost Growth Benchmark.***
 - Established the health care cost growth benchmark for 2022 through 2026.
 - Set a benchmark of 3.19% cost growth for year 2022 when compared to prior year's spend.
- Intent: **curb the climbing** health care costs for all residents of Nevada, regardless of payor and provider.



Health Care Cost Growth Benchmark

- PPC requested analysis of **State Medicaid** and Public Employees' Benefit Program (**PEBP**) claims data as a proxy for the commercial market for years 2016 through 2020.
 - Presented at monthly [PPC meeting](#) on 4/20/22.
- The cost growth benchmark program will assess health care cost growth for all Nevada residents with:
 - Commercial (insured and self-insured),
 - Medicaid and Medicare coverage, or
 - who receive care through the Veterans Health Administration and the state correctional system.
- Health care cost growth at the State level is measured using Total Health Care Expenditures (THCE), which includes claims spending; non-claims-based spending; consumer cost sharing; and Insurer administrative costs.



Timeline for Benchmark Analysis



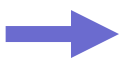
Measure

Measure performance relative to the cost growth benchmark



Report

Publish performance against the benchmark and analysis of cost growth drivers



Deadline	Key Deliverable
5/16/2022	Issue formal baseline data request to insurers
5/16/2022	Distribute benchmark implementation manual and hold trainings with payers
8/31/2022	Receive aggregate baseline benchmark data from payers
Winter 2023	Validate, analyze, and review baseline benchmark findings with PPC and stakeholders



Timeline for Policy Initiatives



Identify

Identify opportunities and strategies to slow cost growth



Implement

Implement strategies to slow cost growth



Deadline	Key Deliverable
7/31/2022	PPC to make a decision on what three bills to draft for the 2023 legislative session
8/31/2022	PPC to vote on and submit three bill drafts for 2023 legislative session



Patient Protection Commission (PPC)

Future Outlook:

- Organize the varying issues relating to health care the PPC is charged with reviewing and providing recommendations.
- Work with the PPC to prioritize 2-3 items each year for a systematic review and resulting recommendation.

PPC mission, vision, values:

- The PPC is designed to provide a forum for all stakeholders to come to the table and work together on the critical task of improving health care access and affordability in Nevada.



Questions?





Contact Information

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