

Strategic Discussion
Colorado's Health Insurance Marketplace
Status and Implications for Physicians and Patients

We are taking a step back to have a discussion on the health insurance marketplace in Colorado and implications for physicians and patients. Market dynamics already in play will be presented and the board is asked to consider current and potential future options to best serve Colorado physicians and patients. The board should consider the following questions at a minimum:

- Given where the market place and technology are going, what are we missing in terms of service for our members?
- What are we currently doing that is of value and should be continued and given an increased focus?
- What should go away to free up time and resources for that work?

This discussion will be lead by a trusted friend and expert, Bill Lindsay, President, Lockton Employee Benefits Group. Mr. Lindsay is a student of health care finance and has extensive knowledge and experience in the areas of health care and insurance. Having served as a consultant to numerous health systems, hospitals and national employers, his opinions on health care reform are often sought at both the state and national level. He has written and co-authored numerous white papers and is a sought after speaker and panelist on health care reform and health insurance. Mr. Lindsay was honored by the CMS board of directors in 2009 for his leadership and dedication for chairing the State's 208 Blue Ribbon Commission on Health Care Reform and recently was named Chair of the Colorado Commission on Affordable Health Care.

Background

Here is one example of how marketplace dynamics spill over into the public policy space, and there will be more. During the current legislative session, on-going discussions with health plans related to out-of-network charges have expanded to include additional issues specific to providers and patients in situations both in and out-of-network. Health plans take the point of view that some physicians and facilities are routinely using the current out of network law to excessively bill and thereby drive up health care costs. CMS, specialty and component societies want to identify and validate the extent of the problem with excessive, outlier charges, including what the term "outlier" means. Consumer groups, CMS and other physician organizations also want the conversation expanded to include network adequacy issues. As more conversations are held with physicians, it is becoming increasingly complex to try to legislate to the out-of-network outlier.

It is almost a given that the General Assembly and regulators will address some or all of these issues in the near future because rising health care costs and ensuring access to

high quality care are quickly becoming some of the most important policy issues being debated in the legislature and in board rooms across the state and nation. This is where the figurative hockey puck is, and we need to understand where the puck is going.

The CMS board of directors anticipated that the cost discussion would be the next, logical step for Colorado since the health insurance exchange went live and the state opted into the Medicaid expansion. No excesses or unfairness in the marketplace will escape scrutiny given:

- Demand for greater transparency;
- Ramped up news and editorial interest in price variances,
- Our highly competitive health insurance marketplace, and
- The stated goal within the Executive Branch for the system to “deliver the best care for the best value that helps Coloradans achieve the best health possible.”

Since January 2013 CMS started a series of discussions on health care costs in order to proactively position the profession including:

- Cover stories in every 2014 issue of *Colorado Medicine* on health care costs.
- A vote by the Council on Legislation to support legislation last year to create the Commission on Affordable Health Care. You correctly saw the legislation as an opportunity to try to move the cost debate out of the finger pointing dynamics of the legislative process and into a commission of experts.
- The board passed a motion to study network development and support through the Committee on Physician Practice Evolution;
- The board adopted a plan in September 2014 with the goal of “Influencing how health care systems reduce cost and improve quality in the future by proactively engaging CMS with the Commission on Affordable Health Care.”
- The House of Delegates enacted new policy putting CMS in support of enhanced beneficiary/provider protections related to transparency and quantitative standards for network adequacy of health insurance plans;
- The board appointed a blue ribbon, multi-specialty Task Force on Health Care Costs and Quality charged with policy development and engagement with the Commission on Affordable Health Care; and
- The board adopted a new plan for engagement with the medical directors of the major health plans doing business in Colorado.

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