Steve Sisolak

Governor



Richard Whitley

Director

### State of Nevada

# Department of Health and Human Services

Patient Protection Commission (PPC):

Introduction, Interim Activities and

Overview of 2023 Bill Draft Requests

Malinda Southard, DC, CPM

**PPC Executive Director** 

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





# Patient Protection Commission (PPC) Introduction



### **Background:**

- PPC initially created by SB 544 in 2019.
  - Sponsored by the Governor and approved by Nevada State Legislature
  - Codified to NRS 439.902-918
- AB 348 in 2021
  - Changed Commission's members
  - Added responsibilities and topics for review assigned to PPC
  - Moved PPC from Governor's Office to 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

(continued)

### **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. Yarleny Roa-Dugan, RN
- 4. Ms. Lilnetra Grady, APRN, FNP-C, Chief Medical Officer, FirstMed Health & Wellness Center
- 5. Ms. Sara Cholhagian Ralston, Patient Advocate
- 6. Mr. William Mason Van Houweling, CEO, University Medical Center
- 7. Ms. Bobbette Bond, Senior Director of Health Policy, Culinary Healthfund
- 8. Dr. Tiffany Tyler-Garner, PhD, Executive Director, Children's Advocacy Alliance
- 9. Mr. Tyler Winkler, Esq., Legal Aid Center of Southern Nevada
- 10. Mrs. Sandra Ruybalid (Vice Chair), Deputy Administrator, Chief IT Manager, DHHS DHCFP
- **11. Dr. Mark Decerbo,** Professor of Pharmacy Practice Roseman University of Health Sciences, College of Pharmacy, Clinical Associate Professor of Medicine University of Nevada, School of Medicine

12. VACANT

(continued 2)

### **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



(continued 3)

### 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.

- Governor Steve Sisolak



(continued 4)

The 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.





# 2021-2022 Interim: PPC Activities



### 2021-2022 PPC Interim Activities

- Adoption of PPC Bylaws and Conflict of Interest Form
- Overview and Review of Executive Order 2021-29
- Peterson-Milbank Program for Sustainable Health Care Costs
- Formation of a PPC Stakeholder Advisory Subcommittee



### 2021-2022 PPC Interim Activities

(continued 2)

### **Peterson-Milbank Program for Sustainable Health Care Costs**

- A health care cost growth benchmark is a per annum rate-of-growth benchmark for health care costs for a given state.
- First step toward making health care more <u>affordable</u> and <u>transparent</u>.
- To support this statewide effort, Governor Sisolak requested assistance of the 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-ofgrowth benchmark for health care costs for a given state.

#### **National statistics:**

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

Average Per Capita GDP Growth, 2015-2019:<sup>2</sup>

Average Hourly Wage Growth, 2015-2019:<sup>3</sup>
2.6%

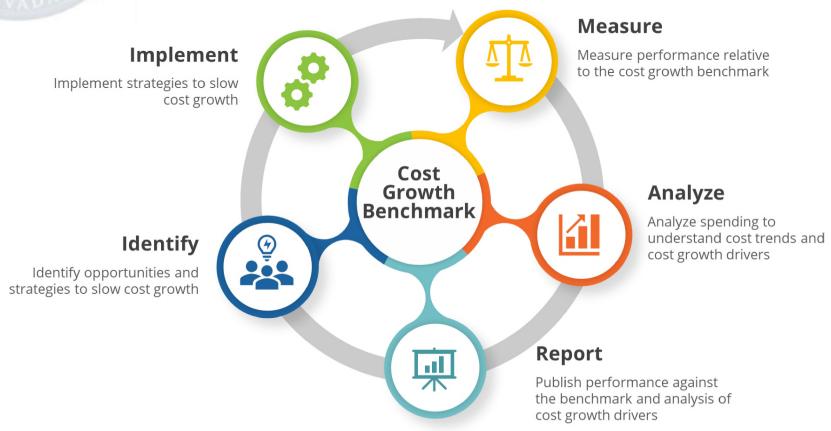
#### SOURCES:

- 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.



### 2021-2022 PPC Interim Activities

(continued 3)





### Health Care Cost Growth Benchmark

- 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.

### 2021-2022 PPC Interim Activities

- PPC recently requested analysis of State Medicaid and PEBP claims data for years 2016 through 2020.
  - Recently 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.



# PPC 2023 BDRs Overview



# PPC 2023 BDRs

### **Background**

- NRS 218D.213 authorizes the PPC to request up to 3 BDRs which relate to the matters within the scope of the Commission.
- PPC discussing potential 2023 BDRs since March.
- Total of 16 topics initially submitted for discussion.
- 1 topic withdrawn.
- PPC narrowed down 15 proposed to a final 3.



# PPC 2023 BDR 1

Codify the Nevada Health Care Cost Growth Benchmark Program as set forth in Executive Order 2021-29, and include a requirement to measure and report on primary care spending.



# PPC 2023 BDR 2

Mandating that all providers of health care and custodians of healthcare records implement an interoperable electronic health care records system; Expand immunity for provider compliance with providing and receiving electronic medical records; Revision of NRS 439.584 with relation to Health Information Exchange (HIE) and other areas identified.



# PPC 2023 BDR 3

Address the rising costs created by health care market consolidation by prohibiting hospitals and possibly some other facilities, such as freestanding Emergency Rooms, from hiring physicians. Revise the exemptions now in law to ensure only public hospitals and academic institutions are exempted.



# Recommendations from the PPC

### Two topics of full support from the PPC for consideration:

- Requesting a study to be done by an experienced vendor to determine different strategies and design decisions for a health insurance program for infants, children, and young adults up to age 26 who are ineligible for full Medicaid coverage under federal law due to their current residency or immigration status, to outline coverage options that are primarily state-funded, and to conduct a return-on investment study of at least two options selected by the PPC to inform future proposals and budget requests as they relate to addressing the growth of health care costs related to the health status of this population. The PPC must procure a vendor to complete the analysis at no greater than \$200,000.
- Create a Prescription Drug Affordability Board. Expand on NRS 439B.630 and set "allowable rates" for certain high-cost drugs identified by the Board.



### **Contact Information**

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# Questions?



# Acronyms

- BDR Bill Draft Request
- PEBP Public Employees Benefits Programs
- PPC Patient Protection Commission
- THCE Total Health Care Expenditures

