

MINUTES
SENATE HEALTH & WELFARE COMMITTEE

DATE: Tuesday, March 04, 2014

TIME: 3:00 P.M.

PLACE: Room WW54

MEMBERS PRESENT: Chairman Heider, Vice Chairman Nuxoll, Senators Lodge, Hagedorn, Guthrie, Martin, Lakey, Bock and Schmidt

**ABSENT/
EXCUSED:** None

NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

CONVENED: **Chairman Heider** called the meeting to order at 3:18 p.m. He informed all in attendance that the Senators must be back on the floor by 4:00 p.m., and that twenty minutes could be devoted to each of the two presentations today.

PRESENTATION: Alzheimer's State Plan Update: Dr. Troy Rohn, Professor and Researcher at Boise State University, stated that the Idaho Alzheimer's Planning Group (IAPG) is providing an update per the 2013 Health and Welfare Committee's request. The IAPG consists of clinicians, educators, researchers, local and national organizations, concerned caregivers and citizens. Alzheimer's Disease (AD) is an irreversible, progressive brain disease that slowly destroys memory and thinking skills. Another word for these symptoms is dementia.

He informed the Committee that not enough dollars are going to research. The current mortality rate from AD is on the rise, and it is an age-related disease. People at the age of 85 years and older have a 50 percent chance of getting AD, and it is the fastest growing malady in Idaho. Currently, there are 26,000 people in Idaho with AD. Idaho is projected to have the fifth highest increase with people with AD among all the states. Forty-one percent of Idahoans living in skilled nursing facilities have moderate to severe dementia.

IAPG created a plan after a year-long study that encompassed all of Idaho. Funding will be obtained through existing resources and public/private partnerships to minimize the fiscal impact to state government.

Dr. Rohn stated that IAPG has developed a relationship with the Idaho 2-1-1 CareLine. Governor Otter has been an important ally for IAPG.

He then introduced a health studies student who wished to include information for the presentation.

Catherine Dickson, a senior at Boise State University, stated that she had worked on an independent study project regarding the 2-1-1 CareLine calls during 2013. She stated that the highest call volume for information on AD occurred in the third quarter, generated by individuals responding to a flyer or brochure.

Joel Loiacono, Executive Director of the Inland Northwest Chapter of the Alzheimer's Association, serving northern Idaho, stated that efforts are made at the federal level to change the trajectory of AD. Alzheimer's costs the United States \$203 billion a year, economically comparable each year to a Katrina catastrophe, not including the human toll that it takes. It is the most expensive disease in this country. Idaho will see a 100 percent increase in the number of cases of AD between the year 2000 and 2020. For every \$100 spent on research, \$27,000 is spent on care.

In 2010, Congress unanimously passed the National Alzheimer's Planning Act, in which the administration, National Institute of Health and a committee made up of professionals and caregivers were charged with developing a national Alzheimer's plan. The 2014 plan originally asked for \$100 million, where \$89 million of that is to be spent on research and \$20 million for caregivers' support. The omnibus bill was passed in January, which contained \$122 million for Alzheimer's research, education and support services. AD needs to have research dollars in order to retain researchers. Otherwise, those researchers will focus on other diseases. The Alzheimer's Breakthrough Act would amplify the federal government's commitment to combatting AD by making Alzheimer's research a priority at the National Institutes of Health. The HOPE (Health Outcomes, Planning, and Education) for Alzheimer's Act would provide Medicare reimbursement for services to increase the diagnosis of AD and other forms of dementia. It would provide access to information and support for newly diagnosed patients and their families. Physicians can now diagnose AD with 90-95 percent accuracy. **Mr. Loiacono** stated that when physicians do not do the proper diagnostic process, it costs taxpayers and the families of those with AD.

DISCUSSION: **Senator Bock** asked if there was a way to prevent AD.

Dr. Rohn said there is a general rule that states that what is good for your heart is good for your mind. Exercise and a healthy diet help. The more the mind is used, the stronger it becomes. All of those things will benefit people and stave off the disease.

Supporting documents related to this testimony have been archived and can be accessed in the office of the Committee Secretary (see attachment 1).

PRESENTATION: **Idaho's Statewide Healthcare Innovation Plan (SHIP): Dr. Ted Epperly**, program director and CEO of Family Medicine Residency of Idaho, Inc., stated that SHIP is a statewide plan to redesign the healthcare delivery system, evolving from a volume-driven, fee for service system to an outcome-based system that achieves the triple aim of improved health, improved healthcare and lower costs for all Idahoans. Healthcare in the United States is \$2.8 trillion; it is the largest economic sector of our country, and it is also the largest economic sector in Idaho. In March 2013, the Center for Medicare & Medicaid Innovation (CMMI) was awarded a six month planning grant to Idaho to develop SHIP.

The project goal is to promote multi-payer healthcare delivery and payment models with broad stakeholder engagement to achieve delivery system transformation. The SHIP planning grant is managed by the Department of Health and Welfare.

Dr. Epperly stated that if, through a relationship with providers in communities, people kept their hypertension, heart disease, behaviors, exercise and diet under control, the data is clear that those things influence health care outcomes. Governor Otter recently signed the executive order for the creation of the Idaho Health Care Coalition (IHCC). The grant, which lasts for 42 months, will help transform 60 practices a year for 3 years, or 180 practices statewide with a patient-centered medical home model to integrate and coordinate care in those communities. The IHCC will oversee this process, which will work out of the Department of Health and Welfare initially, but eventually will become a 501(c)(3) organization.

Supporting documents related to this testimony have been archived and can be accessed in the office of the Committee Secretary (see attachment 2).

DISCUSSION: **Chairman Heider** asked Dr. Epperly to comment on his red, yellow and green patients.

Dr. Epperly stated that in his practice there are nearly 20,000 patients. He arrays those patients by the diseases that they have and by their status. Green would mean that those patients are doing well. Yellow is for patients who are running into problems. The patient is electronically inputting data on his or her own record for the purpose of monitoring. A nurse practitioner, practitioner's assistant medical assistant or nurse will call that patient if something does not look right and provide instruction on how to improve the situation. That patient does not need a doctor's office visit or hospital visit because of the proactive approach to their wellbeing. Red is for the patient that is having problems that require a doctor's office visit where the issue will be managed, and hopefully it will stop a visit to the emergency room or hospital. That is the vision for all Idahoans. They will have a usual source of care where data and electronic medical records are proactively used to help.

Chairman Heider asked about the basketball analogy.

Dr. Epperly replied that in this analogy, the United States has the five greatest basketball players (physicians) on the planet. As a healthcare system, we give each physician a basketball and tell them to dribble and shoot at will. The way the health care system works (fee for service) is that the players are paid for every shot they take. Imagine the five players hoisting balls as fast as they can, but only two percent of those shots make the basket. Regardless, every physician is paid for every shot they take. Then we play another team, such as France, and we are beaten. The reason we are beaten is because, despite our five best players, we do not pass the ball. We do not integrate or coordinate. Everything about health care in the United States is a free-for-all. There is minimal coordination. What this plan does is integrate and coordinate players, maximizes the passing of the ball and making the baskets. Part of the payment strategy is to pay for passes and to pay for baskets made. We are trying to establish how the delivery of health care differs and then sustain it by how the payment follows, so that the desired outcome is achieved. The SHIP grant will do that.

Senator Bock asked how can good habits that sustain better health be encouraged.

Dr. Epperly replied that there are two ways to achieve that. One is incentive. Patients should be given incentive for good behavior. If patients work, for example, on a weight loss program or smoking cessation program, then their health insurance premium could go down, they could have a lower deductible, or they could get money back at the end of a health care year. The missing link in good health care is to have the patients be accountable and to give patients incentive for good behaviors. The second way is a relationship with a usual source of care (a trusted physician). The relationship between doctor and patient is critical, not only with health care issues, but the prevention and behavioral health issues that go with that. So much of medicine is reactive instead of proactive. The SHIP schema is to work on behaviors. Emergency room visits and hospital volumes have to come down. Prevention, wellness and primary care should be the key approach.

Senator Hagedorn asked if there are enough family practice professionals to accommodate the patient centered medical home model throughout the State.

Dr. Epperly responded that the answer is no. Currently, Idaho ranks last in the nation for the number of primary care physicians. He stated that he helps to train family doctors (the program has doubled in the last six years) to try to meet the need, but there is a void. Nurse practitioners and physician assistants must be part of the solution. A team of care providers is preferable over an individual provider. Care can be amplified by a good health care team and the number of patients in the community can now be helped by the team. In the short term, there is a major problem. But with the model, it amplifies how teams can be used in ways that are salutary to better health.

Senator Hagedorn said that end of life medical costs are still going to exist, and inquired how those costs can be managed.

Dr. Epperly stated that 40 percent of a person's entire lifetime health care comes in the last two years of their life. That is an amazing statistic when \$2.8 trillion dollars are being spent in the U.S. annually. There must be very effective end of life care. He furthered that as a family doctor, his relationship with his patient can really help at that patient's end of life. The desires and wishes of that patient and the family are collected. Most people do not want to be in an intensive care unit (ICU), on a ventilator, with intravenous tubes and alarm bells, while laying on a bed with strangers around them. To have a patient die at home in a warm and dry environment, surrounded by people who love them and to be as free from as much pain and anxiety as possible is what most people want. The way to start to effect that is by everyone having a usual source of care so they can have a relationship with the type of physician that can help them achieve that as an outcome. There will always be people who will have an auto accident, and those are the people that need to be in an ICU. There are better ways for terminal AD or cancer patients that don't involve the ICU, and that is the challenge in health care.

Chairman Heider thanked everyone for their presentations. He wanted to mention that Denise Chuckovich is from the Department of Health and Welfare and in charge of the SHIP program that Dr. Epperly spoke about.

Dr. Epperly wanted to say that Ms. Chuckovich and Paul Leary have been wonderful to work with on the SHIP program, and asked all the members of the Idaho State Healthcare Renovation Planning Grant to stand. There are over 20 people, including Senator Heider and Representative Wood, that have been behind moving this project forward for the good of the people of Idaho.

Chairman Heider commented that it has developed into a wonderful plan.

**MINUTE
APPROVAL:**

Senator Schmidt moved, seconded by **Senator Bock**, that the Minutes of February 19, 2014, be approved. The motion carried by **voice vote**.

**MINUTE
APPROVAL:**

Senator Guthrie moved, seconded by **Senator Lodge**, that the Minutes of February 17, 2014, be approved. The motion carried by **voice vote**.

ADJOURNED:

Chairman Heider adjourned the meeting at 3:39 p.m.

Senator Heider
Chair

Linda Hamlet
Secretary