MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: Monday, February 16, 2015

TIME: 8:00 A.M.

PLACE: Room EW20

MEMBERS: Chairman Wood, Vice Chairman Packer, Representatives Hixon, Perry, Romrell, Vander Woude, Beyeler, Redman, Troy, Rusche, Chew

ABSENT/ EXCUSED: None

GUESTS: Linda Leeuwrik, Dena Duncan, Donna Looze, Bonnie M. Pfaff, and Gayle Wilde, AAUW; Jeremiah Dubre, CPP U Idaho; Samantha Ramsey, PhDRD, SeAnne Safaii, PhDRD, Sue Linja, Mauree Sykes, Laura McKnight, Lisa Mays, Natalie Grant, Amber Hill, Erin Green, and Sandy Kipp, Id. Academy of Nutrition & Dietetics; Dagmar Salmon, Blaine County.

Chairman Wood called the meeting to order at 8:05 a.m.

MOTION: **Rep. Rusche** made a motion to approve the minutes of the February 2, and February 9, 2015, meetings. **Motion carried by voice vote.**

MOTION: **Vice Chairman Packer** made a motion to approve the minutes of the February 4, 2015, meeting. **Motion carried by voice vote.**

Dr. Samantha Ramsey, President, Idaho Academy of Nutrition and Dietetics, presented to the committee. She said there are over 500 licensed Registered Dietician Nutritionists (RDN) and dietician students in Idaho, with representation in all districts.

Dr. SeAnne Safaii, Registered Dietician, said proper chronic disease management reduces the cost of healthcare. The majority of cases have nutritional implications in either prevention or treatment.

Idaho's 30% obesity rate parallels the national rate. Until there is understanding and focus on obesity, it will continue impacting rising health care costs and attributed health problems. A 5% reduction in the body mass index (BMI) for this population would result in a ten-year health care savings of $1B, or $3B in twenty years.

Based on statewide interviews, physicians want to offer RDN services and expertise to make individual recommendations for their patients. The challenge is getting insurance reimbursement for RDN services.

During 2014 they participated in the Outreach Idaho Hunger Summit, Cooking Matters, education in schools, and provided information through a variety of statewide media. They also participated in two Grow Healthy Idaho meetings, and have ongoing community conversations.

Dr. Ramsey said a new ruling from the Centers for Medicare and Medicaid Services (CMS) allows RDNs to independently order diets, lab tests, and supplemental snacks, providing a more efficient nutrition services system. An RDN committee is working with providers to find the best implementation approach to the ruling and assure regulations are correctly followed.

The RDN diet manual, a resource for urban and rural long-term statewide facilities, is being updated. They also continue work on patient-centered medical homes (PCMH) evidence of nutrition expertise on patients and state cost savings.

Answering questions, **Dr. Ramsey** stated insurance companies have agreed to explore the CMS allowances and the RDN service model. The Health District is helping them develop a service model and a sustainable services toolkit for primary care settings. RDNs have been included in the State Healthcare Innovation Plan (SHIP) discussions.

Answering a question, **Dr. Safii** said when patients are given an obesity diagnosis code, their care must be returned to the physician and the RDN must discontinue service.

Dr. Ramsey, responding to questions, explained physicians are using nutritional services with diabetes, renal, or kidney disease, which are all clearly defined as reimbursable services. Dieticians need to be included in patient health discussions for a wholistic support and development of a patient relationship.

Dr. Ted Epperley, Family Physician, President, Chief Executive Officer, Family Residency of Idaho, Chairman, Idaho Healthcare Coalition, presented the SHIP update. The new SHIP four-year grant will transform health care from fee-for-service to better integrated care for better health outcomes. The triple aim of the plan is better health for citizens, better healthcare experiences for people in the system, and lower costs for all Idahoans.

The healthcare transformation affects 1.6M people as the process of care is changing. Included in this change is the Medicaid system redesign and expansion to include the 78,000 gap uninsured population.

There are seven SHIP goals. Goal one: transform primary care practices to PCMH. Goal two: develop virtual PCMH's for rural and frontier areas, including emergency medical services (EMS) and paramedics community care. Goal three: build out the PCMH neighborhood through integration and coordination with sub-specialists. Goal four: develop seven regional collaboratives to oversee delivery and quality integration. The collaboratives will mirror health department locations. Goal five: build a statewide data gathering and analytics system within the Health Insurance Portability and Accountability Act (HIPAA) parameters. Goal six: change how payments work to align mechanisms to first take care of Idahoans' health. Goal seven: reduce healthcare costs.

Over 40% of deaths are directly attributed to nutrition and exercise behaviors. Telehealth will provide access to specialists and nutritionists in rural and small communities. RDNs need to be a part of the regional collaboratives and the coalition.

Using a $3M CMS grant, the coalition worked for a year and a half on the SHIP. After federal review, the State was awarded a $40M implementation grant.

The Idaho medical home pilot has, for the last two years, performed extremely well. Preliminary six month data shows reductions of 33% in hospitalization, 27% emergency room (ER) utilization, 19% in medication over use, and 26% per member per month medical system costs. The return on investment ratio is ten to one.

Answering questions, **Dr. Epperley** said the primary care physician, knowledgeable in the patient's needs, would assure only the appropriate exams or tests are conducted. This would eliminate the gatekeeper concept so the patient could stay with the right caregiver, once that determination is made. Shared data becomes important to keep the primary care physician aware of what is happening.

Although the pilot program patients had chronic conditions, the same model will reduce costs and improve outcomes in healthier populations.

End of life care costs are approximately 40% of an individual's lifetime healthcare expenditure. When a primary care physician, who knows the patient and patient's family, engages in an end-of-life discussion unwanted procedures can be prevented and the event improved.

Dr. Epperley explained the Medicaid redesign will be and the 78,000 people who fall into the coverage gap will be integrated into the system. Our citizens are not looking for handouts, just the assurance of coverage for themselves and their families.

The old fee-for-service model did not include RDNs. The SHIP model's payment realignment allows RDN integration in partnership with primary care physicians. The right diet and exercise program will improve other patient health aspects.

Statistics show most insurance is carried for two years, thus removing insurance company incentives to prevent health issues beyond that time frame. Realignment acknowledges the value of up-front costs to promote health and wellness, leaving the two-years-at-a-time mentality.

Software or telecommunications can engage patients in their home and be used to maintain health or alert the physician to a problem. Employer plans can use incentives to decrease their costs and address basic health issues to promote better employee health.

Dr. Epperley stated that the CMS is now involved, thanks to Noridian, and is part of the multi-payor committee. Recently, **Secretary Burwell**, at the Health & Human Services (HHS) Department, said Medicare, in 2016, will have transitioned to 30% bundled payments, increasing to 50% by 2018. This major payment shift will stimulate insurance companies to consider the global payment mechanism.

Insurance companies, said **Dr. Epperley**, have dictated managed care and created usage barriers. In the patient centered care approach, decisions are shared and practices expedite referrals, as part of the payment system.

Chairman Wood commented managed care and the old health maintenance organization (HMO) model managed finances without managing health care. The new model manages health care and changes the financing to be the provider community's responsibility.

Answering questions, **Dr. Epperley** said better health behavior incentives, the next challenge, are essential, along with PCMH, expanded clinic access hours, and telehealth.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 9:44 a.m.

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Representative Wood
Chair

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Irene Moore
Secretary