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The adoption to the revision of the rules of the database, if you were listening to the audio stream, please click again on the link to join the meeting. The Q&A feature is enabled for the webinar, and when you do so, since we cannot see each other, please recognize that we can't see you, so you identify yourself before talking. And remember also, this is private record. Testimony is welcome and we appreciate everybody joining on the call today. There is a testimony sign up for the role on the webinar, if you need any assistance, just ask the staff for help through the Q&A feature and just as a little reminder, five minutes for testimony, please. Based on the extraordinary times we have here, I'm just going to give about a 7 to 10 minute update on the department, especially who to contact, as we are doing the best we can to respond to the COVID-19 circumstances in the state of the emergency. First, thank you for engaging today, thank you for your passion and thank you for your leadership and engagement through this very uncharted waters that we are in and on behalf of the department, thank you for your partnership. We are focused right now first on the safety of our members and the safety of the providers that care for our members, so you will see us working with public health and environment to make sure we are issuing guidance and rules in line with the CDC, so we have issued 30 operational memos and rules that are intended to either protect our members or open up care access to remove administrative barrier so our providers can open up care as best as we can. We have held 30 webinars providing that guidance and clarity to those operational memos, answering questions and facilitating collaboration on how to accomplish those goals. We are also engaged and have eight employees that are engaged right now in the emergency operation center, just hoping the source PPE, personal protective equipment from all around the world because we are the largest health plan in the states, if you will, or larger than anybody else, our numbers are at risk and our obligation to the agency to help. We've got eight people just in that organization, for about 25 hours per week, we manage durable medical equipment as well. Also, we are going to donate about five employees to help stand up these alternate care sites that are overflow sites, one will be at the convention center, one will be at the ranch up in Greeley or Northern Colorado area, likely one in the Grand Junction area, or Gunnison area as well, and potentially one in the Southeast Colorado area. So, our folks are helping to figure out the financials so FEMA is doing wonderful things and homeland security is operating inside from our state, operating inside that Yosi Mercer -- EOC center. We are stepping in to say, how do we make sure we pay for them through those alternatives. Because Medicaid is increasing and because we are the largest cover of Coloradans, we want to make sure we have set it up so we can pay our share, all of us could serve as everybody rises and lastly, all of our employees are really stepping up and passionately rising to the call. We are also examining all new members who just lost their employer sponsor coverage, we are examining all of that literature to make sure we are very clear in our communications. We are ramping up service capacity so we can take calls that are increasing and making sure we continue to play pay accurately. New member enrollment lines are all being answered on target right now but the search has really hit us in the way you might think, folks are filling out applications now and when they are approved by the counties based on Medicaid and rules, they are going to approve back to the original data

summary filled out the application. So when the membership surge hits us, it'll go retrospective to March and April and eventually May and June. We are doing our best to recruit providers, and we want to make sure they can get access. We are open to telemedicine, the rule that Tracy Johnson led through the medical services board. That helped reduce face-to-face engagement which stops the spread, it protects the members and providers through that means, it also provides access, we have opened up everything including using the telephone, we will pay for now, and the Fed asked us to not terminate anybody from March 18 going forward. That was in exchange for some of the stimulus package that went through and that stimulus packages giving us about 119 million per quarter, so we are already seeing that for January, we will get that for the second quarter. So, it has some rules and strengths tied to them, but it's hard to administer, so they will get commercial coverage and they will get hired by somebody else, we will figure out how to administer that so the state isn't paying for somebody that shouldn't be paying for it. At the same time, we are trying to figure out how to set up these systems, the care sites in alignment with the federal rules. And that is a challenge in of itself, I want to say thank you to Chris Underwood who is on the phone, who has been very instrumental as the conduit, and helping to figure out all the rules around that. We are in uncharted waters, we have built a bunch of really unique models to try to figure out, what are leading indicators to help us predict how many more people are going to need Medicaid. The first indicators, the virtual line around the door, and how many applications are coming in. So, our folks have built those inputs, and next week, we should see those indicators and we should see what that will look like retrospectively for Medicaid Johnson enrollment, that has impacts to the budget, utilization, provider and care access needs, and how much stimulus money we need to ask for. The state has a $3.2 billion revenue shortfall so we are trying to figure out how to make up for that revenue shortfall. We are looking at opportunities to help with that and what that requires on I.T. systems and what does the budget save and what does CMS approved for us to do. One of the other things that CMS said we needed to do in order to collect about 119 per quarter is not to lower benefits for individuals, if they are in one class, do not lower those benefits. So, top choices, temporary choices, and operationalizing and implement in them as quick as possible. So, we have a lot going on, at the end of the day, if you have some influence, we need more money in the state, we are not terribly picky, the other states who have not run as well from the economic perspective are getting much more money, they get the same 6 cents additional on the dollar, but it started at about 76 on every dollar to cover Medicaid costs, we started at 50, then we can go up to 56 cents, so this pandemic is dying the Mac agnostic as how hard it is hitting you. If you didn't need a lot of money in Alabama and you need a broad spread, that is very different from everybody else around the world, so we are getting hit a lot harder with spread. But the money isn't coming at the same rate, so we have a double whammy, so if you have some influence, just raise your hand and ask for more money for Colorado. Last thing I will say is trying to reduce them in shade of burden, we have put on hold inpatient hospital review, any oxygen or respiratory needs, just get it and take care of our members. Members, if you need early refills or providers who want to make sure they have their stock in case things are harder to get, we want to make sure members can fulfill their drugs early. We suspended inpatient and residential substance space this month, it is going to start in January. And the federal government is put on

hold or suspending some of the audits they are doing which is a welcome change and during this pandemic and state of emergency, we are repurposing a lot of meetings, we will see things get canceled and pushed into conversation about COVID-19 and how we respond. From a structural perspective, now that I have asked each office of our agency, I have asked the leaders to make a choice. And how the deputies run the day today. And you will see Tracy Johnson helping us respond to COVID-19, and you have some people doing double duty. I'm doing double duty, or CFO is doing double duty, and the deputies are in both places because there's so much going on. If you need to reach somebody, go ahead and send it wherever you would and if somebody else responds to you, it's because of that, because we are organized a little bit differently right now. Because we have so much going on right now, trying to get the money to take care of the people, and everything we need to do to step up when the state needs us the most. I will take two minutes of questions, and then we will move into the agenda. Any questions, folks? Okay, let's get through this, welcome to the agenda, we will move on through. Kristi, are you okay with that? Did I lose you?

Thank you, are you asking Chris Sykes?

Yes, fantastic, all right, we have a rule that we want to review and I would ask, Tina, can you step up and go through the commentary.

Yes, I will, good morning, thank you very much for the opportunity. And yes, I would like to introduce the proposed rule change. So, by way of introduction, I am vice president of data and analytics at civic, the Center for improving value and healthcare. It is determined by the executive director of the healthcare policy and financing department, the state's most comprehensive source of healthcare insurance claims information, and one of the most robust in the nation, representing the majority of lives across commercial health, insurance plans, Medicare and Medicaid. As administrators, civic is required to maintain and enhance the database while providing public reports and custom data analysis intended to identify ways to improve population and health and the quality of care while lowering cost. On an annual basis, civic and collaboration with the health insurance plan submitters proposed new data submission requirements through visions to the date of submission guide, to enhance the usability and comprehensiveness in order to provide more benefits to Colorado. Please note that these proposed changes applied to the annual alternative payment model and drug rebate files. These changes were not included in the proposed, in the proposal rather, presented in November 2019, which focused on DSG changes to the monthly submissions of claims, eligibility and provider files through the APCD, this is because the first files submitted were the drug rebate files and APM, was in December, and that was too late for us to recognize improvements. DSG updates enabled civic to continue to increase value of information that is used too much of the impact of alternative payment on cost and quality and of drug rebates on total prescription drug expenditures. This year's rule changes will help civic further legislate its intent to the drug rebate files by making changes to, first of all, improve the quality of the data by adding key information like insurance product type, which will commit analysis to the adoption of alternative payment models and expenditures for primary care like tape of care, that is

commercial Medicaid and Medicare. Two, support statewide initiatives to have affordability, by changing the definition of primary care to the Colorado payment reform collaborative. And three, move toward adoption of national standards by redefining alternative payment categories to be consistent with the national standard called the healthcare payment learning and action network. In preparation for this hearing, civic held three pair connect calls on December 11, 2019, January 22 2020 and February 19, 2022 describe the changes and answer any questions. In addition, we had an in-person public review meeting this year. We received questions and comments from several payers regarding the proposed changes. In general, most common questions were regarding changes to the DST for alternative payment models. Many were about submission details that would make the mechanics of submitting data easier and less confusing, which civic adopted in the proposed DSG changes. The other feedback we received fell into three categories. First involved APM file submission criteria, one payer recommended alternative payments be reported using paid dates instead of service dates. Alternative model payments can be made month after the date of service to which they apply. And because of the need to capture information that is comparable from year-to-year, we will require users to submit payments based off service dates. Another said it would be beneficial to require the eligibility to be more consistent with the APCD eligibility inputs. Civic agrees with this feedback and recommends payers to submit from Colorado, rather than those groups sold or issued in Colorado. Which would be more consistent with the eligibility criteria for the APCD. The second category of feedback that we received was about administrative burden. Payers noted that they submitted 2016, 17, and 18 APM datafiles in 2018, and they were required to submit files for 17, 18, and 19 in 2020. We expressed the desire not to submit 2017 and 18 submissions again in 2020, saying that this represents a duplicate effort. But because of the changes in the need to produce information about APM and drug rebate trends over time, we recommend that the files for three consecutive years continue to be required. The Colorado Association health plans in conjunction with America's health insurance plans, we are concerned about the fact that two rule hearings were conducted this year and the prospect that this could occur in the future and add to the burden of care. Civic understands the effort required to comply with the new DST is not significant, administrative burden on civic staff and data management needs to prepare for rulemaking and the new DSG is also substantial. So we have no intention of replicating the process in the future and we will do everything we can to ensure that we turn to an annual process. Finally, the third category of feedback was regarding the supplement from the data rebate file, requesting information about the pairs contractual relationship with the pharmacy benefit manager. They expressed concerns about how contractual information will be protected. This concern will be addressed in my detailed review of the proposal for the drug rebate files. So at this point, I would like to review the proposal. I will summarize the changes we are requesting, executive director, Kim Bimestefer focusing on the value of these new elements. And what they will bring to the analysis of alternative payment models and drug rebates. The following recommendation for changes to the APM file submission requirements are based on experience talking with the creators and evaluating the falls submitted. To provide useful information about primary care investment and adoption of APM's in Colorado. And discussions with the Oregon health Authority and the Massachusetts Center for

health information and analysis, two organizations that have been collecting APM and drug repaid information for several years. The recommendation is supported by the primary care payment reform collaborative and the division of insurance, these recommendations are first, add a requirement that payers submit ATM data for members who reside in Colorado, currently payers are instructed to submit APM data from members covered by group policy sold or issued in Colorado, and members residing in Colorado for policy sold at the individual market. These criteria were established to help carriers collect APM data from the accounting systems. Unlike the Oregon experience, which was the basis for this decision to use this, civic discovered that several of the large national carriers using this definition captures only about 50% of their Colorado resident members. This is a problem and the reason that we are changing our requirement and criteria for the members that are included in the submission. Second, we proposed to add a requirement that payers report APM members and payments to providers by insurance product type code. I mentioned this earlier. Currently APM data cannot be segmented by line business, in other words, by commercial Medicaid or Medicare advantage because of the lack of insurance product type code. Third, we propose the change for definition of primary care for the one adopted by the Colorado primary care payment reform collaborative. The current APM data submission requirements includes a definition of primary care that is based on the Oregon health Authority definition. The new definition includes a broader scope of primary care providers and services, and also includes integrative behavioral health services. Civic, in conjunction with the collaborative conducted significant testing to ensure the definition could be of limited successfully. Fourth, we proposed to change the APM categories from a testing categorization that was developed by the Oregon health Authority several years ago, to the healthcare payment earning and action network. The land APM framework was developed by national federally funded multi-stakeholder group to classify APM's Amtrak port -- and track progress. First of all, it is becoming a national standard, secondly, many state organizations including the Oregon health Authority are adopting it, and third, there are educational resources available to help players understand the definitions of each APM category so they can classify payments and participating members to the proper category. Now, I will move to the drug rebate file proposed changes. First, we propose to change datafiles that are labeled drug rebate to drug rebate/other compensation. This is to remind players that the field is intended to capture drug manufacturer rebates, and other compensation. Second, we proposed to require payers to submit the supplement to the drug rebate file, that describes the contractual arrangement they have with their pharmacy benefit manager. The supplement will be used to collect information about the PBM role in negotiating rebates with drug manufacturers, and the percentage of drug manufacturer rebates and other compensation, that PBM confirmed to the payer. In response, the Colorado Association of health plans and America's health insurance plans, concerns that I referenced earlier, this supplementary PBM contract information is minimal and will be reported with no detail about therapeutic or individual drug costs. The information cannot be used to determine any contractually protected or proprietary information, this data will be used describe the role of the PBM managing the pharmacy benefit and drug manufacturer rebates and other compensation. In order to inform analyses of the total impact of rebate and other compensation in offsetting expenditures for prescription

drugs. And as always, civic adheres to strict antitrust and HIPAA guidelines and this information will be treated with the same high level of diligence. So, including as the administrator of the Colorado APCD, civic is committed to continue to deliver data and information to support positive changes in the Colorado healthcare system. These proposed changes to the alternative payment model will improve our understanding of the healthcare system and help stakeholders make informed decisions that will lower cost and improve care. Thank you and at this point, I would be happy to answer questions, the executive director or the public might have.

Thank you, I appreciate that, that was very thorough, and thank you for being precise and explaining on what you have on why this is necessary. Just a couple of questions, as we have been working through last year and this year, to make sure that civic is stepping up in a way that improves quality and affordability to the states, I just have a couple questions for you. One, and the focus of quality we have had in the last year, do these changes help underscoreviews achievements? When you are doing your payments on prescription drugs and otherwise, do the changes help us and help you better produce the data that we need to understand what is going on with affordability?

They definitely do.

Relative to the DSG, this is unusual to have this sort of twice, the second go around, and I just want to say for the record, I'm asking the question for you to confirm, we did something pretty neat, we asked for APM data to get full picture of claims, and those are really good things, and this follow-up is to recognize where we have to make some adjustments and to make sure we can nail those few things, which are so critical going forward, both of them, alternate payments, methodologies, and I just wanted to confirm, the question is, this is a one off, right? We are not going to set an example of future carrier burden because we have a do over again and again.

Yes, that is correct. We are proceeding on the assumption that this is a one-off, the timing unfortunately for the receipt of the files on alternative payment models and drug rebates was late last year, so we had no alternative to gain experience, but to delay the proposals that we have on the table today. But we don't anticipate that will occur in the future.

One last question, so, just for this pandemic going on, the importance of accurate data, and the reliance on data, I don't think it has ever been more important, so are the changes you're making going to help us going forward to have more reliable data upon which to make decisions in the future?

Definitely so.

Okay, with that, I appreciate all the hard work that Anna, you, and your whole team have done to get us to the point where we are and I appreciate you bringing this to light and I appreciate all that you are doing to help us get the right data, to get us aligned with what we need to have in order to do the good work that we have to do going

forward. With that, I will invite any public testimony and ask Chris Sykes, could you help us facilitate virtually, the two people who signed up and walk us through that testimony, please?

Certainly, this is Chris Sykes and the first individual we have signed up for testimony is Sarah, and I believe her phone is unmuted now.

Great, can everyone hear me?

Yes, thank you, welcome.

Thank you Chris, and good morning everyone, so I think everyone knows me on the call but for the purposes of the hearing, I am the regional director of state affairs for America's health insurance plans, we are a national trade association representing the health and insurance industry. I would first like to touch base on the comments that the director made, in response to the update on the COVID-19 epidemic and the HIPAA response, thank you for taking note, even though there are calls pretty frequently, I have learned quite a bit in your update so thank you for that and that you for inviting carriers to be a part of the med search planning conversations, carriers are committed to making sure Coloradans have access to treatment, so being a part of those conversations has been critical. I would like to start off by thanking civic for the continued conversations we have but, in their March letter and discussing the issues with us as well. Because of this ongoing dialogue I have very brief comments today and I would like to start with what we have already talked about today, in terms of having two rulemaking's in one year. As you have noted, civic, it is challenging for us and for you as well, to have two rule hearings and updating data files twice in one year. And this is especially challenging for all stakeholders and they are taking an all hands on approach to this pandemic. We are grateful for their approach in trying to make it a once a year rulemaking moving forward, and they will do everything in their power to ensure we return to that process, we are thankful for those comments, understanding the needs for the updates now, but I look forward to moving forward to one rulemaking in the following years. The other comment I would like to make is with respect to the collection of the PBM contract information that has been added to the drug rebates supplement. Civic has stated that this contract information is intended to be used internally to inform analysts and their work and allow for a higher quality of data control. We really appreciate the clarity that was given in the letter and I think on one of the payer connect calls as well. The only request that we have at this time is to make that clear in the DSG so all parties are aware of the intended use . We are asking for this because if the information is eventually used externally, we would have the opportunity to go through this real process, additional conversations with civic to weigh in and discuss how that contract information would be used internally. So we appreciate the clarity of the intention, we just ask that it be expressly stated somewhere in the drug rebate file. Again, we appreciate everybody's time today, especially given everything that is going on and for this opportunity to comment as we get feedback on this rule change. I appreciate your consideration of our comments today, thank you, I'm happy to take any questions.

Any questions for Sarah? Thank you very much for your testimony. Chris? Who was second?

This is Chris, and the second person signed up for testimony is currently Carly.

Good morning, thank you, can everyone hear me?

Yes.

Great, thank you, good morning everyone. My name is Carly and I am the director of the Colorado Association of health plans, our members provide health insurance coverage to more than 3 million Coloradans, I would also like to echo Sarah's comments regarding the efforts during COVID-19 and for including us in these conversations. As Sarah mentioned, I would also like to say thank you to civic for all their work and the continued open dialogue we have had with them, we really appreciate the opportunity to provide feedback this morning on the recently recommended changes to the alternative payment model and drug rebate status submission guides. I will just echo Sarah's comments, we do appreciate the commitment during this recent rule review hearings that the two separate rule hearings will not be standard practice going forward. So my additional comment is, we do request formal guidance around the protection of potentially predatory information for the proposed addition of PBM contract information. The more information submitted, the greater for proprietary information. Which could negatively impact competition in the marketplace and I would just echo Sarah's comments that we really appreciate your consideration that it be expressly stated that this information will be protected and will not, and will be used solely for internal department use and thank you again for the opportunity this morning to provide my testimony.

Thank you very much, are there any questions? Okay, hearing none, Vanita, can you respond to that testimony, please?

Yes, yes, I think I responded to the concern about having two rule changes during the year, and I think there was also an appreciation that civic has no intention of doing this again in the future, and unfortunately, it was just this year. So, I believe we are in a good place in terms of our communications and understanding about that. With regard to the PBM, the additional pharmacy benefit manager information we are requesting , I say that these data like all the other data we collect will be protected under high-tech security, antitrust and Colorado statute. So, we do appreciate the concerns of the individuals giving testimony and all the people and organizations they represent. I know that the specific concerns that were articulated today were also communicated to civic in a letter and civic responded formally in a return letter and at this point, I would like to know if the Executive Director would agree to invite Kristin Paulson, the VP for research and innovation to kind of go over the response that civic formally wrote regarding the protection of the PBM data and other concerns that they have expressed.

Yes, that is fine, we can invite Chris, go ahead, a third Chris.

Thank you, this is Kristin Paulson, the vice president of research and innovation at the center for improving value in healthcare, I want to say thank you for the question of communication we had over the last couple months of this process, we understand that they have got concerns around the PBM contract information that is being asked for this will change. As we discussed before, the contract information is at very high level and at very minimal additional set of information, specifically I think it is seven questions that are very limited at the contract level. This cannot be used for proprietary information, that would be potential construction that the majority asks. It's very sensitive information that could impact business practices of our partners, and how we treat this information has to be taken very seriously. At this point, we are hoping to use this contract information to really inform our analysts and their work and allow for the high level of quality control. If this data is considered for external data at any point, it'll be considered the same level of seriousness that we treat all of our data. We use the STC and DOJ antitrust policy in healthcare from 1996, and HIPAA, high-tech, and the internal statutes with review by the data release review committee for any date of release that includes sensitive information. So I sympathize with the concerns our partners have got and we will do everything in our power to reassure them with use of the data moving forward. Thank you.

Thank you, we appreciate that, I have a note, Chris Underwood, are there any comments you need to make as we proceed? Before we go through a ruling?

This is Chris Underwood, I do not have any formal comments but I wanted to say thank you for putting this together and taking the time to get all the stakeholder feedback and to respond to all that feedback in a very responsible way and I think moving forward, this will help us in our transparency that we are looking for through the APCD.

Okay, Chris Sykes, I have on the agenda, just the second to last item, which is a ruling, is that where you are on the agenda as well?

This is Chris Sykes, yes.

Okay, so, I have heard the testimony and I appreciate both testimonies, I appreciate Vanita, you stepping forward and bringing such clarity , I appreciate you stepping up and further addressing the concerns of the payers because they are incredibly valuable partners and we want to be very responsive to the payers. So, hearing all of the testimony and hearing Civics commitments and knowing that this rule supports everything that we have talked about in the past, and I will summarize some of these things, we said how important affordability is and analytics, quality, that we stay aligned with standards to help our carriers and the DSG is structured in a way that allows our carriers to submit the data and civic can step forward and perform only incredibly valuable analytics that we have. I would like to plan on adopting the rule, Anna and Vanita, if you could bring some clarity to the effective date, just so we have that on the public record. So just some closing comments as we get that on the record I want to stress that the DSG updates through this, making the process, by entering the data is

useful and accurate and of a high quality, and the data is in a format that I predict the analytics that we need to drive the policy and understanding in the state. The revisions today addressed the annual APM and the drug rebate files that we have discussed and have been working on in the last year. They are consistent with the states priorities of the Colorado APCD . Submitters have had the opportunity to review the rule and review the DSG or the date of submission guide changes through various means, they have taken that opportunity and we have taken that feedback and order to finalize the role. So, Chris Sykes, I would like to go forward and partnership with Pacific with adopting the rule and putting that in partnership with civic through the formal processes. And Vanita, just for the record, what is the effective date that this takes place?

I believe that the effective date, hang on, we had a delay in this hearing. May 15. Yes. Thank you. It is May 15, as we documented for both the Executive Director and for the payers in past communications. So, May 15.

Thank you very much. And just to continue on, the test files will be due July 15, and allowing for the meeting of the updated production files at the end of September. And all of this has been communicated to the payers as well.

Okay, Chris, before adjournment, is there anything we have not covered on the agenda that you provided?

This is Chris Sykes, and there is no additional testimony lined up or anything like that, nobody requested to speak, I believe we are on track and we are just coming towards the end.

Okay, this is Kim Bimestefer, I just wanted to say thank you for your engagement and participation today thank you for doing things virtually and all of you, stay safe and continue to follow all of the governor's recommendations as we move forward to slowly open up the economy, in a way that keeps us all safe, thank you for everything you are doing and helping us through this state of emergency and for your participation on the call today. Thank you, you are adjourned.