



STATE OF CONNECTICUT  
LIEUTENANT GOVERNOR NANCY WYMAN

Health Care Cabinet:  
Business Plan Development Work Group

Monday, May 7, 2012  
Meeting Minutes

**Business Plan Work Group Attendees (7):** *Frances Padilla, Co-Chair; Nancy Yedlin, Co-Chair; Ellen Andrews; Phil Boyle; Bonita Grubbs; David Guttchen; Alex Hutchinson; Linda St. Peter*

**Delivery System Innovation Attendees (1):** *Pat Baker*

**Absent (2):** *Vicki Veltri; Tom Woodruff*

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### **Welcome and Introductions**

Frances Padilla opened the meeting by welcoming everyone. Members introduced themselves.

The minutes from the April 16 and April 30 meetings were not finalized, and a vote on those minutes was tabled until the next meeting.

### **Presentation and Discussion: Laurel Pickering, Northeast Business Group on Health**

Nancy Yedlin introduced Laurel Pickering, President and CEO of the Northeast Business Group on Health (NEBGH), to make a presentation to the group.

Laurel Pickering began her presentation by providing background information on NEBGH, which is a network of employers, providers, insurers, and other organizations working together to improve quality and reduce the cost of health care in New York, New Jersey, Connecticut, and Massachusetts. NEBGH has 175 members which are mostly large, self-insured employers.

Ms. Pickering's presentation focused mostly on the role of employers in the health care system. Employers sponsor health benefits for their employees, manage the supply side of health insurance, manage the demand side by helping to keep employees healthy, and influence health care systems and policies. Employers use a system of value-based purchasing to manage health care supply, and this system includes five pillars:

- Standardized performance measurement of quality, outcomes, and efficiency of medical services;
- Transparency and public reporting of performance measurement;
- Payment reforms for medical services, including performance-based reimbursement;
- Informed consumer choice in health insurance plans, services, and providers; and
- Purchaser leadership and action to further these goals.

Ms. Pickering then provided several examples of employers driving changes in health care policies, including:

- Leapfrog, a voluntary patient safety survey of hospitals
- Bridges to Excellence, created by General Electric, to reward physician innovation
- eValue8, a request for information (RFI) of health plans used by employers
- Patient-Centered Primary Care Collaborative, created by IBM, to develop PCMH systems
- Catalyst for Payment Reform, which helps employers make decisions on health plan payments
- Hannaford Brothers, which gives employees a financial credit for healthy behavior
- Pitney Bowes, which decreases employees' cost sharing for more beneficial treatments
- Dow, which compensates its medical director based on the health of its employee population

Ms. Pickering concluded by saying that employers must constantly work towards keeping employees healthy, which in turn controls costs.

Alex Hutchinson asked about specific employers that do a good job of controlling health care costs. Ms. Pickering responded that Pitney Bowes uses many of the cost control measures mentioned in her presentation, and has lowered costs significantly. Ms. Yedlin added that Pitney Bowes helps to connect employees with community clinics. Ms. Pickering mentioned that other companies have on-site clinics for employees.

Ms. Yedlin asked about how NEBGH member employers felt regarding the Affordable Care Act (ACA). Ms. Pickering responded that most members were supportive, but would like to see more reforms in the delivery system. She added that employers generally saw the ACA as a foundation for other reforms.

Ms. Padilla asked what lessons were learned from the planning of the NEBGH exchange. Ms. Pickering responded that they learned that it was important for the plan design to incentivize health, incorporate quality metrics, and have a better interface for consumers.

Mr. Hutchinson asked if employers could direct plans to change their systems and practices. Ms. Pickering responded that these types of changes are very complicated, but that having an All-Payer Claims Database (which Connecticut is implementing) would be helpful in this effort.

Ms. Padilla observed that Ms. Pickering had mentioned several pilot programs in her presentation, and was wondering if they could be used for a larger population. Ms. Pickering responded that most of these programs have remained pilots, and that there are efforts to expand them.

## **Public Comment**

There was no public comment.

## **Adjournment**

The meeting was adjourned at 4:40pm.