Friday, October 6, 2017

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IHA Members Engage on HAP Redesign, Strategic Plan

More than 140 hospital leaders from across the state attended member CEO/C-Suite meetings this week in Mount Vernon, Springfield, Naperville, and Chicago, focusing on the Hospital Assessment Program (HAP) redesign and IHA’s 2018 strategic priorities.

Members received a detailed update on the preliminary 2018 model for the assessment redesign and provided extensive feedback, comments and questions as part of a robust exchange and dialogue on this critical issue.

IHA President and CEO A.J. Wilhelmi emphasized that the redesign is a work in progress. He said IHA will continue to take members’ feedback into consideration and work with members to achieve consensus on a fair and equitable plan that will be considered by the IHA Board of Trustees at its Oct. 19-20 retreat and then submitted to the General Assembly. State lawmakers will return to Springfield for their annual Veto Session in late October and early November. As part of the redesign process, Wilhelmi noted that IHA is actively engaged with the Dept. of Healthcare and Family Services and a legislative workgroup of a dozen key lawmakers from all four caucuses.

The Illinois Medicaid statute that authorizes the assessment program, Affordable Care Act (ACA) access payments and rate reform transition payments sunsets next June 30. The assessment redesign will require approval by the federal Centers for Medicare & Medicaid Services as the final step.

Information about the assessment redesign is available on IHA’s website (password required).

Members also received an update on IHA’s draft strategic plan for 2018. The draft plan is based on an extensive process to gather input from members, including feedback through a member survey last fall and numerous member meetings this summer, as well as an environmental scan of the challenges and issues that members are facing. Members were asked to
rank the key priorities that IHA should focus on. Tier 1 priorities include: mitigating Medicaid program cuts and pushing for additional state revenues; evaluating options to replace the Hospital Assessment Program; and addressing Medicaid managed care issues. Two issues have risen as Tier 1 emerging priorities: maintaining the ACA or enacting a suitable replacement, and addressing the backlog of state Medicaid and group health insurance bills.

The IHA Board will review the draft strategic plan at its October retreat and finalize the plan at its November meeting.

To help IHA better understand members' needs, expectations and concerns, IHA will be sending a brief online survey to member CEOs in the near future. Members’ responses will help shape IHA’s programs, resources and advocacy activities so that our efforts are strategically targeted to meet members’ needs and interests.

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**State Holds Opioid Action Plan Listening Tours Next Week**

The Governor’s Opioid Prevention and Intervention Task Force will be holding listening tours next week to discuss the *State of Illinois Opioid Action Plan*. Three locations have been scheduled: Chicago on Oct. 11, from 10:30 a.m. – 12:30 p.m. at the Dirksen Courthouse; Urbana on Oct. 12, from 11 a.m. – 1 p.m. at the Illinois Law Enforcement Alarm Systems Offices; and Mt. Vernon on Oct. 13, from 10 a.m. to 12 p.m. at the Jefferson County Health Department. Members planning to attend should RSVP to Emma Ciavarella by Oct. 6 and indicate which session they will participate in.

**Kaiser Analyzes Out-of-Pocket Health Spending**

A new Kaiser Family Foundation analysis released on Wednesday finds about one in four people (24 percent) covered by large employer plans spent more than $1,000 out-of-pocket on healthcare in 2015, an increase of seven percentage points from 17 percent in 2005. About one in 10 people in such plans (12 percent) paid more than $2,000 out-of-pocket in 2015, a distribution that mirrors the distribution of overall health spending, according to the new analysis of claims data. Dollar amounts in the analysis are inflation-adjusted to 2015 dollars.

In addition to overall trends, the analysis also examines gender and age of high spenders, as well as differences in out-of-pocket health expenditures across diseases. It finds:

- Among large-group enrollees spending more than $1,000 out-of-pocket in 2015, 59 percent were women, and 41 percent were men;

- Older enrollees were more likely than younger enrollees to spend more than $1,000 out-of-pocket; and

- In 2015, average annual out-of-pocket spending for large-group enrollees diagnosed with common cancers ($1,510) and all circulatory diseases ($1,508) was nearly twice that for all enrollees ($778).
Additionally, an updated version of another Kaiser analysis tracks a continuing trend of rising out-of-pocket costs outpacing costs paid by insurers for workers covered by their employer's health plans.

The update finds that between 2005 and 2015, covered workers’ average out-of-pocket costs grew 66 percent, compared to health plans’ average payment per enrollee, which rose by 56 percent. Wages, meanwhile, rose by 31 percent during that period. Overall, workers’ out-of-pocket costs rose from an average of $469 in 2005 to $778 in 2015, while average payment by health plans rose from $2,932 to $4,563.

**Briefly Noted**

The National Institute on Alcohol Abuse and Alcoholism (NIAAA), part of the National Institutes of Health, has developed an easy-to-use online resource to help individuals navigate the often-complicated process of choosing treatment for alcohol problems. The Alcohol Treatment Navigator provides users with: an overview of alcohol use disorder; a description of professionally-led treatment options; step-by-step instructions for searching several existing online directories of treatment providers; questions to ask a provider; and a downloadable toolkit to help organize and simplify the search process. Read an NIAAA press release here.

On Wednesday, the Centers for Medicare & Medicaid Services unveiled an interactive tool that allows 2017 Advanced Alternative Payment Model participants to look up their status. Calculations are from claims with dates of service between Jan. 1 – March 31, 2017 for the first qualifying participant snapshot. The tool will be updated shortly to include calculations from claims up to June 30, 2017.

The latest issue of Vital Signs from the Centers for Disease Control and Prevention (CDC) reports on the increase in obesity-related cancers. Specifically, the CDC finds that being overweight or obese is associated with at least 13 types of cancer, which make up 40 percent of all cancers diagnosed. Two in three U.S. adults weigh more than recommended. See the CDC’s press release for more details.

Today, the U.S. Bureau of Labor Statistics released its September jobs report, noting that the unemployment rate fell to 4.2 percent—a 16-year low. However, payrolls fell by 33,000 for the month, with Hurricanes Harvey and Irma noted as contributing factors to the decline. Hospitals added 4,500 for the month. Collectively, healthcare added 23,000 jobs in September.