

## New Jersey Health Care Affordability Advisory Group

December 15, 2021 Meeting Summary

*This summary presents highlights from the December 15, 2021 virtual meeting of New Jersey’s Health Care Affordability Advisory Group, which was created pursuant to Executive Order #217 to provide expertise, input and guidance around development and implementation of a health care cost growth benchmark. At the ninth and final meeting, Shabnam Salih, Director of the New Jersey Governor’s Office of Health Care Affordability and Transparency, reiterated how appreciative she was for the time and expertise shared by the Advisors, who had met regularly since March, noting that the program had been greatly shaped by their “input and feedback,” resulting in a “stronger program” for New Jersey. The bulk of the meeting then centered on discussing issues related to moving forward with benchmark program implementation, including: a public-facing blueprint summarizing the basics of New Jersey’s program; the future advisory structure helping to guide implementation of the program; and a sample issue that will need to be addressed by a technical subgroup of advisors. Below are highlights from the meeting’s discussions.*

### Appreciation for Engagement that Has Shaped and Improved New Jersey’s Cost Growth Benchmark Program

Shabnam Salih (Director of the New Jersey Governor’s Office of Health Care Affordability and Transparency) welcomed all, opening the last official meeting of the group by briefly revisiting March 2021, when the group first met, and New Jersey’s program was still very much in its “formative stages.” Now about to launch in January 2022, Shabnam noted how the program has been shaped and improved through the input and advice of the Advisory Group members.

After a brief review of developments since the last meeting, including progress on finalizing a stakeholder compact, which Shabnam noted would be forthcoming, the group turned to issues related to moving forward with program implementation. These implementation issues included: releasing a blueprint describing the program; reviewing an updated proposed implementation advisory structure; and discussing a technical issue, one of several that will need to be addressed as the program prepares to initiate data collection and issue its first round of reports in 2022.

### Progress on a Program Blueprint

Margaret Koller (Executive Director, Rutgers Center for State Health Policy) briefly reviewed plans for the program blueprint--a public-facing document that will describe the “who, what, when, where and why” of New Jersey’s benchmark program. Margaret noted that the blueprint, which was called for in Executive Order 217, is distinct from the program’s forthcoming technical implementation guide, which will include many more details on data collection and reporting.

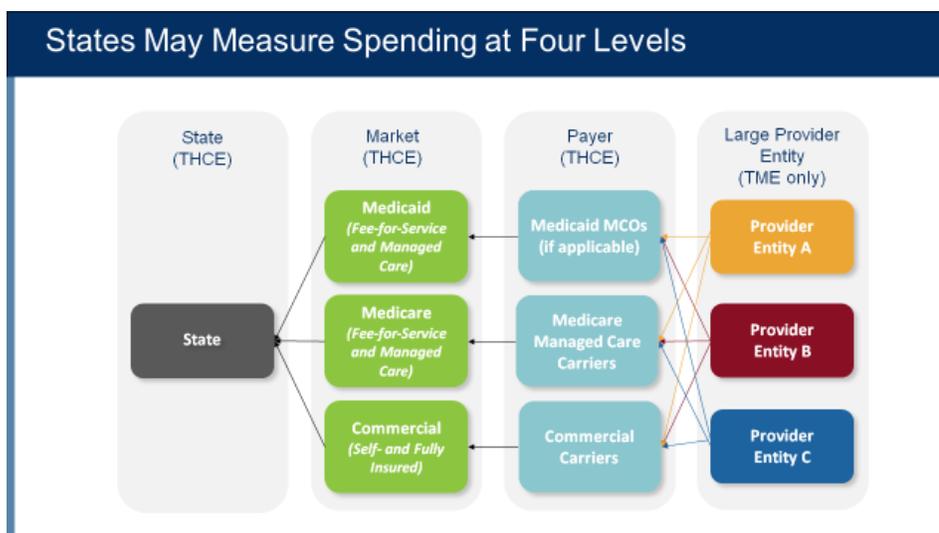
## Revised Proposal for Stakeholder Engagement during Program Implementation

Next, the discussion shifted toward continued stakeholder engagement throughout program implementation, revisiting a proposal first discussed at the November Advisory Group meeting. At that meeting, the team proposed two technical subgroups: one to help guide the benchmark analysis and one to help guide cost driver analysis and related recommendations to the State's Interagency Working Group. However, the Advisory Group expressed concerns about separating these two workstreams, noting that the benchmark analyses and cost driver work needed to be more linked and "synergistic." Based on that feedback, the proposal was modified to focus on a *single* technical subgroup (of the larger Implementation Advisory Group or their designees). The implementation advisory structure will also include a panel of Independent Experts who will advise the state on economic and other factors related to achieving the benchmark targets.

## Turning to a Technical Issue—Considering Attribution

Next, Ann Hwang and her colleague, January Angeles (both from Bailit Health) began discussion of a technical consideration that will need to be tackled by the aforementioned technical subgroup, namely—*attribution*—specifically, attributing or assigning patients (and their costs) to provider entities.

While plans routinely assign patients to physicians, assigning physicians to larger provider entities (responsible for total-cost-of-care-type contracts) is more nuanced. Some Advisors were curious about the extent of total cost of care



contracts in New Jersey. Others mentioned that some patients see their cardiologists more than their primary care physicians and wondered how that related to attribution. Others raised the issue of costs falling outside total-cost-of-care contracts. While there was not final resolution on these issues, attribution, along with other technical issues (like risk-adjustment) will be on the agenda for the future Implementation Advisory Committee's Technical Subgroup.

As the meeting time came to a close, Shabnam again expressed appreciation for the time of the group members, noting that "a stronger program" was created through their help. She promised to share further details about the forthcoming program announcement, including release of a compact signaling broad-based stakeholder support for mitigating cost growth in the state.

Governor Murphy [announced the compact and accompanying Executive Order 277](#) the following week, on December 21, 2021.