



CHASE

Colorado Healthcare Affordability and
Sustainability Enterprise

Hospital Transformation Program (HTP) Community Advisory Committee (CAC) Meeting Notes

Jan. 25, 2021 from 3 p.m. -4:30 p.m.

Via [Google Meet](#)

Neswood started off the meeting at 3:03 p.m. with introductions.

In attendance were the following HTP CAC members: Allison Neswood, Isabel Cruz, Dede De Percin and Mark Levine.

HCPF staff who attended: Nancy Dolson, Courtney Ronner, Cynthia Miley, Matt Haynes, Joe Sekiya, Maileen Hamto and Karola Cochran.

1. **Neswood** - Meeting called to order after introductions at 3:05 p.m.
2. **Neswood** - Approve meeting minutes from Nov. 16, 2020. Minutes approved.
3. **Equity, Diversity and Inclusion (EDI) Officer for HCPF - Hamto** - She joined HCPF in November 2020 and reports to both Human Resources and the Cost Control and Quality Improvement Offices. Her background is in both public and private sector organizations, notably, health care in Oregon and OHSU. She is currently working on her Ph.D. Her focus at HCPF is on Health Equity and the EDI plan.

The emerging framework of health equity has an overarching goal and seeks to maximize health care investments by working with partners. Working to achieve health equity and to identify gaps. Working to incorporate noted disparities into key dashboards and or to develop an equity dashboard.

HCPF has an EDI Committee with five subcommittees including Education, Health Inequities, Hiring Practices, Special Events and Understanding Cultural Differences.

Neswood - Will the subcommittees involve any outside stakeholders?

Hamto - Not at this time. These are internal subcommittees. The guiding principles are health equity for our members and an inclusive environment for employees. The focus in 2021 will be to begin EDI training for employees, finalize the EDI Plan and launch and EDI assessment.

Neswood - How will HTP be affected?

Haynes - I am on the Health Inequities subcommittee. Hamto mentioned what the agency is doing and some of the programs HTP is doing. We are working to ensure health equity. A lot of the early work is infrastructure within our ranks. One of the

things we are focusing on is how do we get better data? We can bring these needs forward and can recognize disparities.

Dolson - Overall, HCPF's work is focusing on equity, including in our new mission statement, where equity is front and center.

Neswood - Thanks to Hamto for presenting. A lot of work has been done.

4. HCPF overview of hospital reports - **Dolson**

- a. [2021 CHASE Annual Report](#) - This report talks about the Hospital Provider Fee. It discusses cost shifts and cost effectiveness. The report shows expansion money and how it benefits people and children and people with disabilities. The program provides health coverage to 502,000 Coloradans. The report shows administrative costs of the program. It also shows the payment to cost ratios for hospitals. Hospitals in Colorado are one of the most expensive and one of the most profitable, where their profits are seven (7) cents on every dollar.

Levine - What is the basis of the cost denominator?

Dolson - Patient cost, operating cost includes nursing staff, etc. We look at cost from the Medicare cost report and directly from hospitals.

Levine - It's hard to make this objective.

Dolson - This information comes from their accounting programs.

De Percin - It's confusing when going between cost and charges.

Dolson - The way we calculate cost of care is using generally accepted accounting principles (GAAP) - Total charges are what is used plus costs. Cost of care is known and then calculated by charges to see the cost to charge ratio.

De Percin - Not convinced but continue.

Dolson - Hospitals are still overpricing to commercial insurance. 30% of health care expenditures go to hospitals.

Neswood - The hospitals report shows tax exempt hospitals are paying themselves back.

Dolson - For-profit hospitals pay about the same amount as an investment in the community as the nonprofits. Colorado hospitals are very profitable, high cost and high priced. Bad debt and charity care are huge expenses. Still, the payment versus margin per patient is going up every year.

- b. [2021 Hospital Expenditure Report](#) - Comes from House Bill (HB)19-1001. We are getting information directly from hospitals. **Dolson** reviewed key findings.

Neswood - Does this report include details?

Dolson - It gives very detailed data.

- c. [2021 Hospital Community Benefit Accountability Report](#) - Comes from HB-19-1320. **Dolson** reviewed the report. Investments in free care and reduced costs is about 60% of investments. Medicaid write off is different.

Levine - Do we get details of what the programs do?

Dolson - We do have evidence-based data.

Levine - Is there any report that summarizes the programs?

Dolson - We could improve our reporting.

De Percin - Clarifying question - What charges are they writing off? Cost vs. charges?

Dolson - I believe they are writing off cost of care.

Neswood - Is some of it Medicaid underpayment?

Dolson - We do note that to the General Assembly. Other states set what their oversight is. We made a similar request to the General Assembly.

Levine - Is there a way to pool investments instead of from each hospital silo? That might be more efficient.

Cruz - Some nonprofit hospitals have aggressive collection activities.

Dolson - Each component is reported. Bad debt has been increasing.

Neswood - \$100's of millions. What is the windfall compared to investments?

Dolson - The state foregoes tax dollars with nonprofit hospitals. What is the benefit of having a nonprofit hospital?

De Percin - What are the special circumstances of CU and Denver Health?

Dolson - They are subdivisions of the state of Colorado and don't file tax returns with the IRS.

Neswood - It would be good to understand what the disparity is.

5. HCPF timeline updates - **Dolson** -

- a. Review of the revised timeline for HTP implementation slide.

Neswood - This council's purpose is to work with the HTP program.

Dolson reviewed the HTP Timeline adding that the HTP application and oversight board will include one person from the CHASE Board. The HTP application goes to the CHASE Board, with a cover page.

Haynes - The cover page has the programs the hospitals have chosen. The application review oversight committee is charged making sure the applications are complete, scored equitably, and are referring back to the community needs.

Dolson - July 2022 is the first time activities will be reported for the prior quarter.

Neswood - Is the data captured include ethnic information that is more specific?

Dolson - That is a good question.

Hamto - HCPF is looking at how we can collect the data.

Dolson - Yes, we are looking at ways that we can collect more specific data.

Haynes - This also involves the continuous learning phases of the interventions.

De Percin - What is the requirement for hospitals to engage with the community?

Haynes - Every quarter there needs to be stakeholder engagement. Twice a year, they need to hold broader community advisory meetings, and once a year, they need to get public input and feedback.

b. Update regarding CAC recommendations on HTP and HQIP metrics - **Dolson** - HQIP program includes health equity in maternal care, and equity components have been added to the zero-suicide measure

6. Discussion - **Neswood** - How will CAC be engaged and involved in the upcoming HTP application and hospital engagement work.

Levine - Is there a plan to evaluate the effectiveness of the HTP program?

Haynes - Certainly. We are taking a utilization approach to evaluation. We will be reporting to CMS. We also plan to hold yearly learning symposiums. We will be opening it up to the CAC advisory group for input on evaluation of the program.

7. Adjournment - **Neswood** - Thank you to Dolson, Haynes and Hamto for presenting today.

8. Next meeting scheduled for Feb. 22, 2021 at 3 p.m.