



Weekly Bulletin – March 31, 2023



WHAT'S NEW THIS WEEK?

The 39th Annual Meeting of the Board of Directors was held on Wednesday, March 29. The meeting was held virtually and was well attended by our members and the general public.

Summary of the Keynote Presentation: Redesigning Health Care



Dr. Marty Makary delivered the keynote address and spoke about his new initiative, **Redesigning Health Care**. Dr. Makary is a Johns Hopkins Surgeon, Professor of Public Health Policy at the Johns Hopkins School of Public Health, and New York Times best-selling author of “Unaccountable” and “The Price We Pay: What Broke American Health Care – and How to Fix it.” Dr. Makary was a presenter at the Florida Alliance’s 2017 and 2021 Annual Conferences, and we were pleased to welcome him back. This discussion was moderated by Chris Cigarran, Chief Commercial Officer of Imagine360, a Florida Alliance Affiliate Member.

Chris mentioned during Dr. Makary’s introduction that fear is an obstacle for change. We have to be willing to become uncomfortable enough with the status quo to initiate change. According to Dr. Makary, getting out of our comfort zone is difficult, and employers have continued to do things that maintain the status quo. We have to think about what is preventing us from trying new things and making necessary changes. Both speakers agreed that “change is hard.”

Dr. Makary shared that the top two drivers of the healthcare affordability crisis are low-value care and administrative waste. The Florida Alliance has been actively involved through its “Smart Care Florida” initiative in reducing low-value care so there is enough money available to pay for high value care.

For the everyday American worker, this waste has contributed to the concept of being “functionally uninsured” which means that an individual may be insured but unable to use their coverage because of out-of-pocket costs. Employers and organizations like the Florida Alliance advocate for the average worker which is very important as there are very few stakeholders in health care that do so. In addition, Dr. Makary pointed out that most businesses in the U.S. are being extremely overcharged for health care which the Florida Alliance is well aware of through its work in increasing transparency of cost and quality data and the review of the data that has recently come available.

Dr. Makary asked, “what percentage of medical care is unnecessary?” In a survey conducted of randomly selected participants, answers from the general public and medical students ranged, on average, from 5-10%. Physicians estimated 21%. Dr. Makary stated that the truth is closer to one in five medical interventions being unnecessary. Dr. Makary shared some examples:

- For “run of the mill” cases of back pain, the fusion rate should be less than 50%. One in five spinal surgeons exceed that rate, and some are even performing 100% of their surgeries as fusions. Dr. Makary pointed out that most patients are never told that the pressure that caused their back pain shifts to the unfused vertebrae following surgery.
- A similar situation can be seen with primary C-section rates. 1/3 of obstetricians are over the acceptable range of 25-30% of primary pregnancy deliveries requiring C-sections.

Another important strategy for employers to consider is offering condition-specific plans for managing chronic conditions. Helping patients implement behavior change is much more important and effective than simply telling them what they need to do. These programs can also take into account the concept of food as medicine and managing chronic conditions through evidence-based lifestyle changes. Examples shared include co-managing diabetes through cooking classes, utilizing ice and physical therapy in back pain cases as opposed to automatically opting for surgery, and managing hypertension through sleep improvement techniques. There are also condition-specific plans in obstetrics that improve outcomes for both mother and baby. Some of these approaches have been shared in Florida Alliance employer learning collaboratives such as the one held a few years ago on Better Pain Management and in the current initiative on Enhanced Recovery After Surgery and Delivery.

A key strategy for navigating the healthcare system is seeking a second opinion. Patients should be able to get a second opinion in non-emergency situations without fear of repercussion or concerns about offending the provider who made the initial diagnosis. Our Oncology Collaborative addressed the importance of second opinions and how to communicate their necessity.

The price of drugs is a top priority for employers. Drug companies routinely pay pharmacy benefit managers (PBM) to include their drugs on the formulary and pay even more for the PBM to solely carry the drug in the formulary. This practice, along with rebates, is factored into the price of the drug. Rebates are basically a game of kickbacks with no transparency. Employers need to comparison shop with multiple PBMs to get a real price, and PBMs need to be more transparent as employers cannot be tasked to understand the spread on price for so many drugs. The Florida Alliance is monitoring and weighing in on this issue in Washington, DC and Tallahassee.

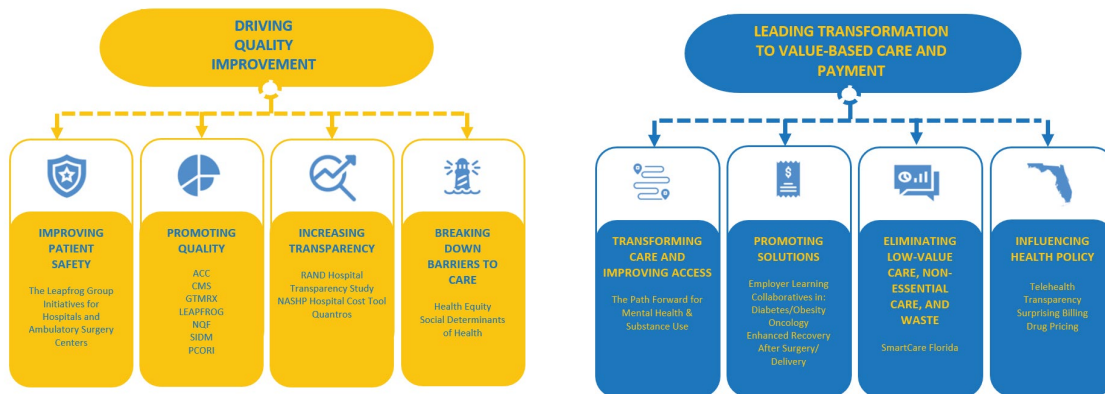
Dr. Makary likened the premiums paid to brokers to contract with and/or retain an insurance carrier and PBM to paying commission to a real estate agent every year, year after year, after buying a house.

Dr. Makary explained that paying cash for medical care is often significantly less than the price paid through insurance. The insurance carriers are responsible for negotiating the rates. It is estimated that 65% of medical services cost less when cash pay than when paid through insurance. During the Annual Meeting, it was shared that an analysis is underway with several Florida Alliance employer members to compare the price paid to the cash price to ascertain cost savings that are possible and shine a light on the lack of transparency.

Price gouging and predatory billing by hospitals are contributing to low-wage workers being functionally uninsured as patients do not get to agree on a price before a procedure. This lack of transparency can lead to lawsuits against patients and wage garnishment. Financial duress should not be a part of accessing needed medical care. There should be itemized bills, transparent prices, customer service to assist with adjustment of bills, no suing of patients, no bills for medical mistakes, and no surprise billing.

Dr. Makary’s advice to patients is to never sign anything financial or a consent to pay in an emergency room. Hospitals have to treat patients in the emergency room even without a way to pay. For employers, his advice is to establish relationships with hospital executives, to work with a third-party administrator that audits claims before paying, to not be afraid to make changes with advisers and health plans, to unbundle the health plan and PBM, to utilize condition-specific approaches, and to consider new payment strategies such as reference-based pricing. He stated that we “celebrated too soon” when we expanded coverage for Americans and thought that meant expanded access to care.

Following the keynote presentation, Karen van Caulil, President and CEO, and Ashley Tait-Dinger, Vice President, shared highlights of the 2022 Annual Report. The key strategies of 2022 were “Driving Quality Improvement” and “Leading Transformation to Value-Based Care and Payment.”



Karen shared key statistics from 2022:

- There were 122 active member of the Florida Alliance: 83 Employer/Healthcare Purchaser Members, 30 Affiliate Members, and 9 Healthcare Advisory Council Members.
- 134 attendees were at the Florida Alliance’s Annual Conference in June, “Accelerating Value Through Transparency, Transformation, and Innovation” and included national experts like Chris Whaley from the RAND Corporation and Marilyn Bartlett from the National Academy of State Health Policy (NASHP). If you missed this excellent conference, we still have the slides and materials as well as the recorded “fireside chat” that Karen had with Marilyn and Chris available [here](#).

- 183 attendees were at the Health Benefits Nation event where we held “Best of the Best”
- 15 action and policy briefs were shared with our employer members on topics such as COVID-19, health equity and social determinants of health, and biosimilars, as well as legislative information regarding mental health, preventative services, surprise billing, and the Inflation Reduction Act and the Consolidated Appropriations Act.
- There were 14 “Top Hospitals” identified by The Leapfrog Group in Florida. Only two other states had more top hospitals than Florida.
- Florida Alliance staff and Board members served proudly in 46 industry leadership and representation roles across the US within 28 different healthcare organizations.

Karen touched on all of the activities under the key strategies, but she and Ashley provided more in-depth information about a few of the key areas:

- Ashley explained The Leapfrog Group’s Hospital Safety Grade and the Hospital Survey for the benefit of attendees unfamiliar with our role as Florida’s Regional Leader for Leapfrog. She explained that Florida was the 10th best state for the number of “A” grade hospitals in the US, an improvement noted over time. She and Rosa Novo, Florida Alliance’s Board Chair, serve on a National Panel of Employer Benefit Innovators for The Leapfrog Group, and they were joined by Dr. Bill Scharff of AdventHealth, Florida Alliance Healthcare Advisory Council Member, on a panel at the Leapfrog Annual Meeting. The panel highlighted Florida’s activities “10 Years of the Leapfrog Hospital Safety Grade: How One State Harnessed the Power of Transparency.”
- Karen talked about how 2022 was a significant year for price and cost transparency, citing the release of the RAND 4.0 Hospital Price Transparency Study, the Hospital Cost Tool developed by NASHP, and the Hospital Value Dashboard called Sage Transparency. Florida is the third highest price state for hospital services as per the RAND 4.0 Hospital Price Transparency Study. The average price paid by Florida employers was reported in the study at 345% of Medicare. The NASHP Hospital Cost Tool shows a median commercial breakeven for hospitals in Florida of 114% of Medicare, a 3X markup! The Hospital Cost Tool has also shown us that the hospitals in Florida, on average, had net profit margins of 13.9% for 2021, with great variation across the state.
- Karen also explained the Florida Alliance role as a Regional Employer-Stakeholder Engagement Team (RESET) for The Path Forward for Mental Health and Substance Use. This national initiative seeks to use the power and influence of employers to improve network adequacy, to foster and expand the use of the collaborative care model in primary care, to ensure that tele-behavioral health services are of high value, to push for standardization of measurement-based care, and to ensure compliance with Mental Health Parity law. We started an Employer Learning Collaborative in 2022 for our work as a RESET and developed an action plan.
- Additional ELC’s took place in 2022. Karen shared the Oncology ELC that was held in three modules spanning the cancer patient journey. Ashley explained the Enhanced Recovery After Surgery and Enhanced Recover After Delivery ELC and what the concept of “enhanced recovery” means to improving quality of care and outcomes. Ashley also discussed the ELC that was held on Diabetes and Obesity which included promotion of the National Diabetes Prevention Program, sharing of an employer toolkit on reducing obesity, and a Florida report on the prevalence and treatment of Type 2 Diabetes.

Karen and Ashley moved into a presentation of the 2023 Plan of Work:

- Employer Learning Collaboratives will continue to be a key aspect of our work. The Enhanced Recovery After Surgery/Enhanced Recovery After Delivery ELC has continued in 2023. There will be a new ELC on Oncology Management that will be presented as an Action Series. The Mental Health/Substance Use ELC has continued and will start addressing health equity. There will also be a new ELC on COVID Disease Management.
- Leapfrog Regional Leader Activities are continuing in 2023 and the Employer Action Reports will be updated and expanded to include new metrics.
- Hospital and Drug Fair Price: We are undertaking a Cost Savings Analysis project with 8 employer members that we expect will shine a light on the lack of transparency for hospital and drug prices. We will develop a white paper after analysis of the data. We will continue to identify and deploy market-based and policy-based strategies to drive costs down. We continue to support employers wanting to participate in RAND 5.0 – which is to be released in 2024 and will schedule meetings with the hospitals in Florida to discuss getting to fair price.
- Policy and Advocacy: We are establishing a separate 501c4 Organization, The Florida Employer Health Policy Institute, and will plan to support state and federal legislation in the areas of surprise billing, reducing the price of prescription drugs, improving patient safety and quality, improving and enforcing transparency regulations, mental health access and adequacy, and improving the exchange of healthcare information between providers. We are developing and deploying a plan to create brand awareness of the Florida Alliance and educate elected officials and our employer members' lobbyists on the now "unhidden tax" that high hospital and drug prices have on FL healthcare purchasing businesses and public sector employers.
- We will continue our National and State Involvement with national and state technical expert panels, advisory councils, and boards including the National Quality Forum, The Leapfrog Group, the Agency for Health Care Administration, the National Association of Chronic Disease Directors, and the Center for Workplace Mental Health, among many others.

Following the presentation of the 2023 Plan of Work, we held the installation of the 2023-2024 Board of Directors and Executive Committee/Officers, but first wanted to thank and recognize Ashley Bacot - Rosen Hotels & Resorts, Beth Curran - Orange County Public Schools, and Ann-Marie Sharpe - City of Miami, who were rotating off the Board and have served many years on the Board and Executive Committee.

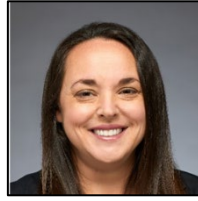
The 2023-2024 Board of Directors was announced at the meeting:



Yvette Best
Orange County
Government



Ray Bowman
MarineMax



Hillary Gesele
Comcast
NBCUniversal



Stephanie Koch
Gulf Marine Repair



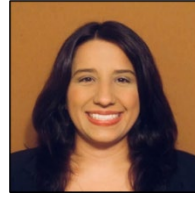
Jessica Mason
City of Orlando



Rosa Novo
Miami-Dade
County Public
Schools



Doug Peddie
Siemens Energy



Kim Ramos
The Mosaic
Company



Carolee
Richendollar
Florida Bankers
Health Consortium



Mark Weinstein
ICUBA

The 2023-2024 Executive Committee and Officers of the Corporation were also announced:



Board Chair
Rosa Novo
Miami-Dade
County Public
Schools



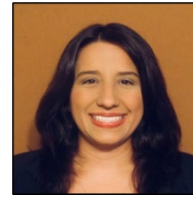
Vice Chair
Doug Peddie
Siemens Energy



**Secretary/
Treasurer**
Jessica Mason
City of Orlando



At-Large Director
Ray Bowman
MarineMax



At-Large Director
Kim Ramos
The Mosaic
Company

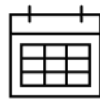
The Officers of the Corporation include Chief Executive Officer, the Board Chair, the Vice Chair, and the Secretary/Treasurer. No one was opposed to the election of these Officers when public comment was requested at the meeting.

Board Chair Rosa Novo closed the meeting with encouraging words about the impact that employers can make to improve health care and urged those organizations not yet members of the Florida Alliance to join us in our journey to improve health care in Florida.

For the slides and recording of the “business” portion of the Annual Meeting, [please click here](#).

Because we are unable to share the recording or slides from the keynote presentation, we are developing a more detailed summary of the presentation above with the resources Dr. Makary shared. We will make sure you receive a copy as soon as we have it approved from Dr. Makary and Chris Cigarran.

Thank you to Affiliate Member, Imagine360, for generously sponsoring our 39th Annual Meeting!



UPCOMING EVENTS

REGISTER NOW! 30th Annual Conference - *Blueprint for Change – Best Care at a Transparent and Fair Price*

Wednesday, April 19, 7:45AM – 4:30PM at the Rosen Centre Hotel, Orlando

We are pleased to announce the addition of two speakers to what is a very full agenda for this year’s conference! Sally Ann Polson, President and CEO at MedWatch, and Amy Tennis RN, MBA, CCM, Senior Vice President of Medical Management, MedWatch, will present, ***The Four Rights, Ensuring Patients Get the Right Care at the Right Place at the Right Time for the Right Price.***



Sally Ann Polson



Amy Tennis

Other conference sessions include:

- Which Door? A Parable for Corporations to Solve the Costs of Health Care in the U.S.
- Illustrating the Power of “Small Data” to Improve Health Outcomes
- Transparency, Accountability, and Action All Star Panel
- Addressing High-Cost Claims Panel Session: Part One
- Addressing High-Cost Claims Panel Session: Part Two – Oncology Challenges and Solutions
- Using the Blueprint to Effect Change

The other wonderful speakers we have confirmed are shown below:



Marilyn Bartlett



Lea Ann Biafora



Jennifer Cloutier



Scott Conard, MD



Christin Deacon



James Dolan



Cynthia Fisher



Daryl Gottlieb



Christine Hale, MD



Alex Jung



Pete Scruggs



Chris Syverson



Jordan Taradash

Click [HERE](#) to access the agenda and other pertinent information.

Codes for complimentary registration for our employer members have been sent out to our main contacts for each organization. Please contact Tish Middleton, tish@flhealthvalue.org, if you have any questions.