JOINT COMMISSION ON HEALTH CARE

2020 ANNUAL REPORT

TO THE GOVERNOR AND THE GENERAL ASSEMBLY OF VIRGINIA



REPORT DOCUMENT # 233

COMMONWEALTH OF VIRGINIA RICHMOND 2021

Code of Virginia § 30-168.

The Joint Commission on Health Care (the Commission) is established in the legislative branch of state government. The purpose of the Commission is to study, report and make recommendations on all areas of health care provision, regulation, insurance, liability, licensing, and delivery of services. In so doing, the Commission shall endeavor to ensure that the Commonwealth as provider, financier, and regulator adopts the most cost-effective and efficacious means of delivery of health care services so that the greatest number of Virginians receive quality health care. Further, the Commission shall encourage the development of uniform policies and services to ensure the availability of quality, affordable and accessible health services and provide a forum for continuing the review and study of programs and services.

The Commission may make recommendations and coordinate the proposals and recommendations of all commissions and agencies as to legislation affecting the provision and delivery of health care. For the purposes of this chapter, "health care" shall include behavioral health care.

Joint Commission on Health Care

Members

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The Honorable Delegate Patrick A. Hope

Vice Chair

The Honorable Senator George L. Barker

Senate of Virginia

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Senator John S. Edwards

Senator Barbara A. Favola

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Delegate C.E. (Cliff) Hayes, Jr.

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Delegate Sam Rasoul

Delegate Ibraheem S. Samirah

Delegate Mark D. Sickles

Staff

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JOINT COMMISSION ON HEALTH CARE

Delegate Patrick A. Hope, Chair

Senator George L. Barker, Vice Chair

June 8, 2021

The Honorable Ralph Northam Governor of Virginia Patrick Henry Building, 3rd Floor 1111 East Broad Street Richmond, Virginia 23219

Members of the Virginia General Assembly Pocahontas Building Richmond, Virginia 23219

Dear Governor Northam and Members of the General Assembly:

Please find enclosed the annual report of the Joint Commission on Health Care. This report, which summarizes the activities of the Commission in 2020 and legislative action taken by the Commission during the 2021 session, fulfills the requirements of § 30-168.5 of the Code of Virginia.

This and all other reports and briefings of the Joint Commission on Health Care can be downloaded from jchc.virginia.gov.

Respectfully submitted,

Patrick A. Hope, Chair

Joint Commission on Health Care 2020 Annual Report

The Joint Commission on Health Care (JCHC), a standing commission of the General Assembly, was established in 1992 to continue the work of the Commission on Health Care for All Virginians. According to the JCHC authorizing legislation, "The purpose of the Commission is to study, report and make recommendations on all areas of health care provision, regulation, insurance, liability, licensing, and delivery of services" (§ 30-168 of the Code of Virginia).

JCHC Strategic Objectives

In the fall of 2020, JCHC Members identified four strategic objectives to guide the work of the Commission: Accessibility, Affordability, Quality, and Equity. These strategic objectives reflect the JCHC authorizing statute, which charges JCHC to work to ensure "the greatest number of Virginians receive quality health care," and to ensure "the availability of quality, affordable and accessible health services." Equity is a cross-cutting objective, with the JCHC working to ensure equitable accessibility, affordability, and quality of health care.

JCHC Strategic Objectives for Health Care in Virginia



JCHC is working to achieve a health care system in Virginia that meets the four strategic objectives. The JCHC launched a <u>Virginia Health Care Dashboard</u>, which measures the current state of the strategic objectives using selected metrics. Each of the staff studies for 2021 directly addresses at least two of the four strategic objectives (see TABLE 1, page 6).

Summary of Activities

JCHC works to further the four strategic objectives through staff research and analysis, guest presentations from key stakeholders, and developing recommendations for legislative action. Below is a summary of the major work of JCHC in 2020.

Commission Meetings

In 2020, JCHC met virtually via teleconference because of the COVID-19 pandemic. The full Commission met five times, and the Executive Subcommittee met once.

September 14, 2020

JCHC Members voted to appoint Jeff Lunardi as the Executive Director of the Joint Commission on Health Care.

September 30, 2020

JCHC Members elected a new Chair, Delegate Hope, and Vice Chair, Senator Barker. Chairman Hope then appointed the Executive Subcommittee Members: Delegate Hayes, Delegate Orrock, Delegate Sickles, Senator Barker, Senator Dunnavant, and Senator Edwards. JCHC staff provided the Members with an orientation to JCHC and plans for studies for the rest of the year.

October 20, 2020

JCHC staff presented a review of total health care spending in Virginia between 2014-2018. Members received updates from three stakeholders: the Deputy Secretary of Health and Human Resources, the Virginia Association of Health Plans, and the Virginia Association of Community Services Boards.

November 4, 2020 (Executive Subcommittee)

JCHC staff briefed Members of the Executive Subcommittee on the four strategic objectives and how they will be incorporated in future studies. Staff presented a list of potential studies to be prioritized for 2021, and Members narrowed the topics down to six. Members directed staff to draft study resolutions for each of the six topics and to provide the drafts to the full Commission for prioritization using rank choice voting.

November 16, 2020

JCHC staff presented an overview of strategies that JCHC could consider studying to improve the affordability of health insurance in the individual market in Virginia. Several stakeholders provided updates: the Virginia Hospital and Healthcare Association, the Virginia Health Care Association/Virginia Center for Assisted Living, and the Medical Society of Virginia.

December 15, 2020

JCHC Members voted to recommend authorizing four new statewide protocols for pharmacists in Virginia and repealing the JCHC sunset clause. Members approved the top three topics for 2021 staff studies: nursing facility workforce, supporting elderly Virginians in the community, and health insurance affordability in the individual market.

Staff products

JCHC staff completed three products during 2020. This included two briefings to the Commission Members, and one memo.

Briefing: Total Health Care Spending in Virginia

JCHC staff presented a briefing that estimated total health care spending in Virginia at \$76.5 billion in 2018. This was a 20.9 percent increase since 2014, and a 5.2 percent annual growth rate. This increase slightly outpaced the national average for the same time period (20.3 percent). There are four major drivers of health care cost growth in Virginia:

- increasing prices for services, drugs, and technology;
- increasing number of people with insurance;
- increasing number of older Virginians; and
- increasing number of individuals with chronic diseases.

The rising cost of health care is felt by consumers in the form of higher premiums and out-of-pocket costs. This work was directed by HJR 36 (2020) and conducted by Stephen Weiss, JCHC Senior Health Policy Analyst.

Briefing: Health Insurance Affordability Options

JCHC staff presented a briefing on policy options to improve the affordability of health insurance in the individual market. The briefing identified multiple affordability challenges for Virginians purchasing health insurance on the individual market, including high premium costs for higher income individuals not eligible for federal subsidies, and high out of pocket costs for both low and high income individuals. The briefing summarized two pieces of legislation referred to the JCHC that were related to affordability:

- SB 364 (2020) would have used Association Health Plans to replace Virginia's individual market
- HB 5083 (2020 Special Session I) would have directed a study of a public option in Virginia

The briefing identified other strategies for further evaluation and provided an overview of federal mechanisms that may be necessary for Virginia to implement affordability policies. Stephen Weiss, JCHC Senior Health Policy Analyst, conducted the research for this briefing.

Memo: Expanding the Qualifications of the State Health Commissioner and Local Health Department Directors

JCHC staff submitted a memo related to whether Virginia could expand the qualifications for the State Health Commissioner and local health department directors in the Code of Virginia, as proposed in SB 993 (2020). The memo indicated that physicians play an important role in local health departments, but the Code of Virginia could be amended to expand the qualifications of both the State Health Commissioner and local health department Directors while still ensuring that physicians are a part of the necessary staff. Under Senate Bill 993, appointing non-physicians would be an option, but not a requirement, and JCHC staff recommended that any legislation introduced to expand the qualifications should require that when a physician is not appointed director, that another position within the state or local health departments be a physician appointed or designated as a deputy director, health officer, or medical director. Stephen Weiss, JCHC Senior Health Policy Analyst, conducted the research for this memo.

Other Staff Activities

JCHC staff also participated in several workgroups and boards focused on health policy both in Virginia and nationally. Jeff Lunardi, Executive Director of JCHC, serves on the Board of Virginia Health Information, the Medicaid Hospital Payment Policy Advisory Council, and the Children's Health Insurance Program Advisory Committee. He also serves as a staff Vice-Chair of the National Conference on State Legislatures standing committee on health and human services.

Stephen Weiss, JCHC Senior Health Policy Analyst, served on the Supported Decision Making in Virginia workgroup (directed by Chapter 855 of the 2020 Acts of Assembly) and the Virginia Sexual Assault and Forensic Exam (SAFE) Program Work Group (directed by Chapter 1072 of the 2020 Acts of Assembly).

JCHC Recommendations for Legislative Action

JCHC Members voted to carry two recommendations forward into the 2021 session. Both recommendations passed the General Assembly with broad support.

Pharmacy Statewide Protocols

JCHC Members voted to expand pharmacists' authority to dispense and administer certain drugs and devices without a prescription from another prescriber. Delegate Rasoul carried this recommendation into the 2021 session, and patroned <u>HB 2079</u> to authorize pharmacists to dispense and administer four new drugs and devices:

 devices and other over-the-counter supplies that would be cheaper to the patient if they have a prescription (e.g., insulin syringes);

- vaccines on the CDC Immunization Schedule, or that have current emergency use authorization by the FDA;
- tuberculosis tests;
- HIV pre-exposure and post-exposure prophylaxis (PREP and PEP).

The legislation authorizes the statewide protocols and directs the Board Pharmacy, in collaboration with the Board of Medicine, to develop the protocols under which pharmacists may prescribe and dispense these drugs and devices. The legislation was enacted and is effective July 1, 2021.

JCHC Sunset Clause

JCHC Members also recommended repealing the sunset clause for the JCHC. Since its inception in 1992, the JCHC sunset date has been extended every four years. JCHC Members voted to make the JCHC a permanent part of the General Assembly because health care will continue to be an important policy area for Virginia. Senator Barker carried this recommendation into the 2021 Session by patroning <u>SB 1408</u>. The legislation was enacted with unanimous support.

JCHC Direction for 2021 Staff Studies

JCHC Members identified three priority topics for staff to study during 2021. These three topics align with the JCHC strategic objectives and address pressing issues facing Virginia (Table 1). Study resolutions for each of the studies can be found in Appendix A.

TABLE 1: 2021 studies address JCHC strategic objectives

Strategic Objectives Addressed

Study Topic	Accessibility	Affordability	Quality	Equity
Impact of long-term care workforce needs on nursing facility care			\checkmark	\checkmark
Strategies to support aging Virginians in their communities	✓	✓		✓
Health insurance affordability in the individual market	✓	✓		

Attachment: Study resolutions

Resolution: Impact of long-term care workforce needs on nursing facility care

Resolution: Strategies to support aging Virginians in their communities

Resolution: Health insurance affordability in the individual market

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Study Resolution

Impact of long-term care workforce needs on nursing facility care

Authorized by the Joint Commission on Healthcare on December 15, 2020

WHEREAS, more than 280 nursing facilities in Virginia serve more than 25,000 Virginians, who live and receive care for their daily needs at those facilities; and

WHEREAS, Virginia's nursing facilities employ direct care staff and licensed clinicians, such as Certified Nurse Aides, Licensed Practical Nurses, and Registered Nurses who assist residents with all aspects of daily living, including eating, dressing, and providing healthcare including proper infection control protocols; and

WHEREAS, nursing facilities in Virginia are licensed by the Virginia Department of Health under state and federal laws and regulations; and

WHEREAS, the Centers for Medicaid and Medicare services in 2018 downgraded 19 Virginia nursing facilities on its quality rating system because they did not have enough registered nurses or did not provide necessary staffing data; and

WHEREAS, the COVID-19 pandemic has highlighted the need for adequate staffing in Virginia's nursing facilities, to ensure proper resident care and minimize the risk of infection, now, therefore be it

RESOLVED, by the Joint Commission on Health Care that staff be directed to study the workforces in Virginia's nursing facilities.

In conducting its study, staff shall (i) assess the extent to which there are staffing shortages for nursing facilities in Virginia and understand the underlying causes of those staffing shortages; (ii) evaluate the impact of staffing shortages on the quality of care provided in nursing facilities; (iii) analyze whether these impacts are disproportionately impacting certain populations in Virginia based on race, socioeconomic status, or other factors; (iv) assess whether Virginia's current licensing requirements and oversight are appropriately identifying and addressing quality of care issues in nursing facilities; and (v) identify strategies to improve recruitment and retention of the workforce necessary for Virginia's nursing facilities.

The Joint Commission on Health Care shall make recommendations as necessary and review other related issues as warranted.

In accordance with § 30-169.1 of the Code of Virginia, all agencies of the Commonwealth, including the Virginia Department of Health, the Virginia Department for Aging and Rehabilitative Services, the Virginia Department of Medical Assistance Services, local Area Agencies on Aging, and local Departments of Social Services shall provide assistance, information, and data to the JCHC for this study upon request. Assistance is also requested from the Virginia Health Care Association.



Study Resolution

Strategies to support aging Virginians in their communities

Authorized by the Joint Commission on Healthcare on December 15, 2020

WHEREAS, the number of Virginians over the age of 65 continues to increase and is projected to account for nearly 20 percent of Virginia's population by the year 2030; and

WHEREAS, the population of older individuals is projected to become increasingly diverse, requiring services and supports to meet the needs of individuals from different cultures and backgrounds; and

WHEREAS, an increasing number of older individuals are concerned that they will outlive their financial resources; and

WHEREAS, the Department of Aging and Rehabilitative Services (DARS) is the state agency responsible for overseeing the provision of aging services in Virginia but several other state agencies and local government entities play a key role in developing and providing services; and

WHEREAS, research consistently shows that the elderly achieve better outcomes and quality of life when they are able to safely live in community settings, including their own home; and

WHEREAS, the percentage of older Virginians able to live in the community varies across different regions of the state; and

WHEREAS, aging in place safely and with a high quality of life requires an appropriate continuum of supports that include housing, assistance with activities of daily living, transportation, and other supportive services, now, therefore be it

RESOLVED, by the Joint Commission on Health Care that staff be directed to study strategies to support aging Virginians in their communities.

In conducting its study, staff shall (i) identify the necessary continuum of services and supports necessary to keep people in their homes and communities, (ii) evaluate whether state and local programs and services to support Virginians in the community are effectively coordinated; (iii) assess the root causes of variation in community-based supports across different regions of the state; (iv) identify effective programs in Virginia and other states that are shown to be effective at keeping older individuals safely in the community; and (v) identify strategies that Virginia could pursue to increase the number of older individuals who are able to age in place in their communities.

The Joint Commission on Health Care shall make recommendations as necessary and review other related issues as warranted.

In accordance with § 30-169.1 of the Code of Virginia, all agencies of the Commonwealth, including the Virginia Department of Aging and Rehabilitative Services, the Virginia Department of Health, the Virginia Department of Medical Assistance Services, local Area Agencies on Aging, and local Departments of Social Services shall provide assistance, information, and data to the JCHC for this study upon request.

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Study Resolution

Health insurance affordability in the individual market

Authorized by the Joint Commission on Healthcare on December 15, 2020

WHEREAS, there are approximately 270,000 Virginians who purchase health insurance on the individual market through the ACA marketplace; and

WHEREAS, affordability concerns exist for low income individuals who qualify for federal premium subsidies but are unable to afford to seek medical care because of high out of pocket costs, and for higher income individuals who struggle to afford premiums because they are not eligible for federal subsidies; and

WHEREAS, the ACA marketplace is intended to be a one-stop shop for individuals and small businesses to purchase affordable health insurance coverage; and

WHEREAS, uncertainties and instability in the market have led to a lack of affordable health insurance coverage offered by insurers on the marketplace; and

WHEREAS, the number of Virginians who are uninsured because of affordability remains a concern; and

WHEREAS, multiple state initiatives in Virginia, including adoption of Medicaid expansion, authorization to create a state-based marketplace exchange and authorization to study a state reinsurance program to cover high-cost claims for insurers are now underway; and

WHEREAS, policy proposals to address affordability in the individual market were referred to the Joint Commission on Health Care during 2020, including the use of Association Health Plans, the Basic Health Program, and a public option, now, therefore be it

RESOLVED, by the Joint Commission on Health Care that staff be directed to study additional strategies Virginia can adopt that will help the state create a more stable individual health insurance marketplace that can offer more affordable coverage, regardless of income.

In conducting its study, staff shall (i) review policy options being implemented in other states directed at stabilizing the individual marketplace; (ii) identify options that may make health coverage more affordable and available to individuals regardless of income; (iii) assess the methods of achieving stability and affordability to maximize any federal funds that may be available to offset any increased costs; and (iv) determine, where possible, the impact of each option on the state, insurers, providers and consumers, including any unintended consequences.

The Joint Commission on Health Care shall make recommendations as necessary and review other related issues as warranted.

In accordance with § 30-169.1 of the Code of Virginia, all agencies of the Commonwealth, including the Virginia State Corporation Commission and the Virginia Department of Medical Assistance Services shall provide assistance, information, and data to the JCHC for this study upon request.