

# JOINT COMMISSION ON HEALTH CARE

**2022 ANNUAL REPORT**  
TO THE GOVERNOR AND THE  
GENERAL ASSEMBLY OF VIRGINIA



REPORT DOCUMENT #307

COMMONWEALTH OF VIRGINIA  
RICHMOND  
2023



### **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**

#### **Chair**

The Honorable Senator George L. Barker

#### **Vice Chair**

The Honorable Delegate Robert D. Orrock, Sr.

#### **Senate of Virginia**

Senator Siobhan S. Dunnavant

Senator John S. Edwards

Senator Barbara A. Favola

Senator Ghazala F. Hashmi

Senator L. Louise Lucas\*

Senator Todd E. Pillion\*

Senator David R. Suetterlein

#### **Virginia House of Delegates**

Delegate Dawn M. Adams

Delegate Emily M. Brewer

Delegate C. Matthew Fariss

Delegate Karen S. Greenhalgh

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

Delegate M. Keith Hodges

Delegate Patrick A. Hope

Delegate Sam Rasoul

Delegate Roxann L. Robinson

\*New members as of April 2023

### **Staff**

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## JOINT COMMISSION ON HEALTH CARE

*Senator George L. Barker, Chair      Delegate Robert D. Orrock, Sr., Vice Chair*

June 30, 2023

The Honorable Glenn Youngkin  
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 Youngkin 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 2022 and legislative action taken by the Commission during the 2023 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 found at [jchc.virginia.gov](http://jchc.virginia.gov).

Respectfully submitted,

George L. Barker, Chair



# Joint Commission on Health Care 2022 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. The Code of Virginia, Title 30, Chapter 18, states in part: “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.”

The Joint Commission on Health Care is comprised of 18 legislative members. Eight members are Senators appointed by the Senate Committee on Rules, and ten members are Delegates appointed by the Speaker of the House. Senator George Barker served as Chair and Delegate Robert Orrock served as the Vice Chair in 2022.

## JCHC Strategic Priorities

JCHC Members identified four strategic priorities to guide the work of the Commission: Accessibility, Affordability, Quality, and Equity. These strategic priorities come from the JCHC authorizing language in the Code of Virginia, which charges the Commission to work towards implementing “the most cost-effective and efficacious means of delivery of health care services so that the greatest number of Virginians receive quality health care.” The Code of Virginia also charges the Commission with ensuring “the availability of quality, affordable and accessible health services.”

The JCHC is working to make progress toward achieving a health care system in Virginia that meets these goals. The JCHC maintains a [Virginia Health Care Dashboard](#), which measures the current state of these goals using selected metrics. Additionally, each of the studies that Members directed staff to conduct in the coming year (2023), is directly related to improving at least one of the four strategic objectives (see Table 1 on page 8).

## Staff Reports and Legislative Activities

The JCHC works to further the strategic objectives through staff research and analysis, guest presentations from key stakeholders, and developing recommendations for legislative action. Four staff studies were presented to the Members during 2022.

- [Affordability of Assisted Living Facilities](#);
- [Local Health Department Structure and Financing](#);
- [Provider Data Sharing to Improve Quality of Care](#); and
- [Reducing Unnecessary Emergency Department Utilization](#).

## **Affordability of Assisted Living Facilities**

### **Report Summary**

There is a growing need for affordable community-based living arrangements for adults in need of physical or behavioral health supports. Assisted living provides an opportunity for individuals to receive coordinated support and personal care services in a non-medical, residential setting. Assisted living is often less expensive than a nursing facility, however many adults have difficulty accessing assisted living due to the cost. The Joint Commission on Health Care directed staff to study strategies to increase the affordability and accessibility of assisted living facilities.

*The Auxiliary Grant rate is insufficient to cover the cost of assisted living in Virginia, resulting in limited access*

The Auxiliary Grant (AG) rate has remained relatively flat for the last 13 years with the exception of small cost of living adjustments to comply with federal requirements. During that time period, the AG rate increased just 28% while the typical cost of assisted living increased by 64%, after adjusting for inflation. As a result, there has been a 41% decrease in facilities that participate in the AG program and the number of AG recipients since 2010. ALFs that do accept AG often have to rely on outside services or financial support, and they are more likely to have licensing violations.

*Leveraging Medicaid payments to cover services in assisted living would require significant changes*

Medicaid can pay for services to eligible individuals who live in an assisted living facility, but it cannot pay for the cost of room and board. ALFs would have to meet federal criteria as a home and community-based setting for residents to be eligible for Medicaid-funded LTSS. A limited number of ALF residents would be eligible for Medicaid-funded services, unless eligibility criteria are expanded.

*Other community settings could be more cost-effective for individuals seeking AG payment in ALFs*

Funding community-based services could meet the needs of the AG population with lower functional needs such as adult foster care. Adult foster care and AG supportive housing are already allowable community settings for AG recipients, but their availability is extremely limited. Other states allow residents to reside in more community settings, and modify their rates based on the setting.



*Increased personal funds can improve quality of services for current AG recipients*

The personal needs allowance for AG residents has not increased since 2014, reducing individual's ability to pay for necessary personal items and services not provided by ALFs. These are the only personal funds AG residents have after paying the ALF.

**Legislative Impact**

JCHC Members introduced budget amendments to increase the AG base rate and the personal needs allowance. These budget amendments were pending as of the date of this report.

(See Appendix A, Table 2 for a full listing of all policy options and legislative action from this study.)

**Local Health Department Structure and Financing**

**Report Summary**

Virginia's state Department of Health (VDH) and its local health departments (LHDs) serve a wide range of functions, including providing immunizations, public health surveillance, communicable disease investigations, sexually transmitted infection management, and environmental health inspections to improve public health across Virginia. The COVID-19 pandemic highlighted challenges in Virginia's public health infrastructure, and in December of 2021, the Joint Commission on Health Care (JCHC) directed staff to assess whether the current structure and financing of Virginia's LHDs is effectively supporting them to carry out their responsibilities.

*State Code does not require all core, public health program areas and some are lacking at local health departments*

Two of the five foundational public health Program Areas identified as national best practice are not required of local health departments in Virginia. These are the ability to ensure access to necessary services and link individuals to those services, and a focus on chronic disease and injury prevention. Neither of these areas are explicitly required in state Code, and only a few local health departments currently focus on them.

*There are no systems for accountability or performance management across local health departments*

Monitoring performance for local health departments is challenging, but improvements are needed to ensure VDH can assess effectiveness across the state. Current data focuses on process metrics, such as the number of health inspections or clinical encounters, with no

data on quality of services or outcomes. Other states have implemented performance management models that could serve as a framework for Virginia.

*Local health departments need additional support for information technology and workforce*

The IT systems that local health departments use for their core functions are siloed and outdated. Additionally, recruiting and retaining qualified staff are persistent challenges, due primarily to low salaries. Improving both of these administrative capabilities will improve local health department performance.

*Funding allocations do not account for true service costs or need*

Local health department budgets are primarily based on historical funding levels. This results in drastic variation across localities and means that budgets are not accounting for changes in need over time. Without a better understanding of the cost of core services and local performance, it is not possible to determine whether major funding changes are necessary. However, targeted investments to address identified shortcomings are necessary.

**Legislative Impact**

No bills or budget amendments were passed in the 2023 Legislative Session that addressed policy options from this report.

(See Appendix A, Table 3 for a full listing of all policy options and legislative action from this study.)

**Provider Data Sharing to Improve Quality of Care**

**Report Summary**

Improving the portability of patient medical data so that providers can improve care has been a longstanding focus within the health care community. Effectively sharing patient data can reduce the burden on patients, but must be done with strong safeguards to protect patient privacy. The Joint Commission on Health Care directed staff to study ways that Virginia can improve health care data sharing in Virginia.

*Providers can improve patient care and reduce unnecessary services with access to patient medical records*

When providers are able to access a patient's medical history quickly and efficiently, they are able to make better clinical decisions and reduce unnecessary or duplicative tests. To

accomplish this goal, the most important pieces of information are a complete prescription history for the patient, and the results of any recent lab or diagnostic tests.

*Public programs that share data are meeting some data sharing needs, but require expansion or improvement to be effective*

Two primary data sharing programs overseen by state agencies are the Prescription Monitoring Program (PMP) and the Emergency Department Care Coordination (EDCC) program. The PMP is an effective tool to collect and share with providers some prescription data, but is limited to a narrow subset of drugs that present a risk for addiction or over-prescribing. Creating a similar program that includes all prescriptions would address the number one piece of a patient's medical history that providers need. The EDCC program is a useful case management tool to assist individuals who frequently use hospital emergency rooms, but more non-hospital providers need to be added to maximize its benefits.

*Multiple, fragmented programs and systems make it difficult for many providers to efficiently share data*

There are a litany of private data sharing programs both within Virginia and nationally. Large health systems are often able to integrate these programs into their electronic medical records, but many smaller providers have to use multiple systems to access disparate pieces of a patient's medical history. This makes the data harder to access, and often discourages providers from using them at all. Bringing more of this data into one platform would enable easier access for providers.

### **Legislative Impact**

The General Assembly passed legislation creating a statewide health information exchange called the Smartchart Network. The exchange will eventually enable any doctor or other provider to see their patient's medical history and use that information to improve care and reduce costs.

(See Appendix A, Table 4 for a full listing of all policy options and legislative action from this study.)

## **Reducing Unnecessary Emergency Department Utilization**

### **Report Summary**

Emergency room care is more expensive than many other settings, and Virginia has focused for many years on ensuring patients can receive care in the most appropriate, cost-effective setting possible for their condition. The Joint Commission on Health Care directed staff to review emergency department (ED) utilization in Virginia and to provide options the Commonwealth may take to address unnecessary ED utilization.

*Number of ED visits remained steady prior to the COVID-19 pandemic, but severity of visits and costs increased from 2016-2020*

The number of ED visits in Virginia remained steady from 2016-2019 before declining in 2020, reflecting the impact of the COVID-19 pandemic. The intensity of services for patients increased during this time, and the average cost of an ED visit increased by 41.5%. An increasing number of visits for mental health and substance abuse issues were a contributing factor to these trends.

*Alternatives to an ED visit need to be available and accessible*

People go to the ED for many reasons, some include the inability to get an appointment with a physician or limited hours and locations for urgent care centers. A bad experience in an alternative care setting often leads to ED use. Medicaid enrollees often have the most difficult time finding alternative settings. Additionally, primary care provider acceptance of Medicaid enrollees and scheduling practices are often barriers to access.

*Some ED visits for patients with chronic conditions and frequent ED users can be prevented*

Patients with chronic conditions that go unmanaged in the community, present in the ED with an emergency, but those emergencies could have been prevented. Conditions such as diabetes, hypertension, and asthma can be treated and managed, but often result in ED visits if patients don't get the care they need. Additionally, the vast majority of high utilizers of the ED have mental health or substance abuse diagnoses. Hospital-based and ambulance-based care management programs can be effective at better managing these conditions in the community.

*Freestanding EDs should be easily identified to consumers*

Freestanding EDs generally serve a similar patient mix to hospital-based EDs, but consumers can confuse them for urgent care centers or hospitals. Improved awareness by consumers can ensure they seek care in the most appropriate setting and avoid surprise medical bills.

**Legislative Impact**

The General Assembly passed legislation that requires DMAS to collect and report additional data from Medicaid Managed Care Organizations to better understand administrative barriers that providers may face when treating Medicaid patients.

(See Appendix A, Table 5 for a full listing of all policy options and legislative action from this study.)

## Other Staff Activities

JCHC staff participated in several activities related to health policy both in Virginia and nationally. The Executive Director, Jeff Lunardi served on the VHI Board of Directors, Children's Health Insurance Program Advisory Committee (CHIPAC), and National Conference of State Legislators (NCSL) Health and Human Services (HHS) Standing Committee, where he served as a staff Vice-Chair. Staff provided presentations to the following groups or events: Virginia League of Social Services Adult Services Committee meeting, Williamsburg Health Foundation, House Health, Welfare, and Institutions Committee, the Virginia Quality Healthcare Network, and the Workgroup on Congregate Care Licensing (Chapter 559 of the 2022 Acts of Assembly). Additionally, staff attended the Pandemic Preparedness Conference, served as a panelist for a William and Mary Policy Course, and provided mentoring to a University of Virginia student intern and a Virginia Management Fellow (VMF).

## Commission Meetings

The full Commission met seven times in 2022:

- April 27<sup>th</sup>
- May 18<sup>th</sup>
- August 17<sup>th</sup>
- September 21<sup>st</sup>
- October 5<sup>th</sup>
- November 2<sup>nd</sup>
- December 7<sup>th</sup>

The Executive Subcommittee met twice:

- May 18<sup>th</sup>
- October 5<sup>th</sup>

## JCHC Direction for 2023 Staff Studies

JCHC Members identified three priority topics for staff to study during 2023. 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 B.

**TABLE 1: 2023 JCHC Study Priorities**

Study Topic	Strategic Objectives Addressed			
	Accessibility	Affordability	Quality	Equity
Eating Disorders and Obesity Prevention and Treatment	✓	✓	✓	
Team-based Care Approaches to Improve Health Outcomes	✓		✓	
Vertically Integrated Carriers and Providers	✓	✓	✓	

NOTE: All three study resolutions were approved unanimously at the December 7, 2022 JCHC meeting.

Members also directed staff to develop briefings on two additional topics in 2023. Staff are assessing the current state of health care workforce development in Virginia to provide Members with options for how the JCHC can more actively monitor and impact health care workforce policy in an ongoing way. Staff will also provide a briefing on specific prescription drug affordability topics directed by Members.

## Appendix A: JCHC Policy Options and Legislative Action

The following tables show all of the policy options presented in JCHC reports, the action taken by the JCHC Members on those policy options, and the legislative action by the full General Assembly.

**TABLE 2: Legislative action on policy options to improve access and affordability of assisted living facilities.**

<b>Policy option</b>	<b>JCHC action</b>	<b>General Assembly action</b>
1. Increase the Auxiliary Grant rate to \$2,500 per month.	JCHC recommended (10-0-1 vote)	Pending final budget
2. Provide a one-time, lump sum payment to ALFs that serve a new AG resident	No action taken	
3. Expand the Auxiliary Grant program to allow a limited number of AG recipients to remain in community living arrangements	JCHC recommended (12-0 vote)	<a href="#">HB1906/SB1269</a> Failed to pass
4. Direct DBHDS and DARS to create a separate, increased rate for AG Supportive Housing.	No action taken	
5. Increase the personal needs allowance for AG recipients.	JCHC recommended (12-0 vote)	Pending final budget
6. Direct VDSS to share access to assisted living facility licensing data with Auxiliary Grant program staff.	No action taken	
7. Direct DMAS to develop a rate to provide reimbursement for assisted living services under the current Commonwealth Coordinated Care plus program. (Member requested)	No action taken	

NOTE: General Assembly actions occurred during the 2023 legislative session.

**TABLE 3: Legislative action on policy options for local health departments.**

JCHC Members voted to send a letter to VDH indicating support for all policy options and requesting that VDH convene a workgroup to develop an implementation plan.

<b>Policy option</b>	<b>JCHC action</b>	<b>General Assembly action</b>
1. Require LHDs to ensure the availability of clinical services and address chronic disease and injury prevention.	JCHC recommended implementation plan	N/A
2. Direct VDH to design a state performance management process for each LHD.	JCHC recommended implementation plan	N/A
3. Direct VDH to develop a centralized data system that will enable access to data from all LHDs across departments.	JCHC recommended implementation plan	N/A
4. Provide additional funding for loan repayment programs for LHD staff.	JCHC recommended implementation plan	N/A
5. Fund targeted salary increases for LHD staff.	JCHC recommended (10-0-1 vote)	Pending final budget
6. Direct VDH to create regional operations and facilities management positions.	JCHC recommended implementation plan	N/A
7. Require all health districts to participate in the Community Health Assessment/Community Health Improvement Plan process.	JCHC recommended implementation plan	N/A
8. Direct VDH to determine the funding needed for sufficient communications capacity across all health districts.	JCHC recommended implementation plan	N/A
9. Direct VDH to track cooperative budget funding per capita, compare that funding to the identified needs of each LHD, and make appropriate adjustments.	JCHC recommended implementation plan	N/A
10. Update Increase environmental health inspection fees and adjust them based on the type of establishment being inspected.	JCHC recommended implementation plan	N/A

NOTE: General Assembly actions occurred during the 2023 legislative session.



**TABLE 4: Legislative action on policy options for provider data sharing to improve quality of care.**

<b>Policy option</b>	<b>JCHC action</b>	<b>General Assembly action</b>
1. Develop a system to collect data on all prescriptions dispensed in Virginia.	JCHC recommended (7-6-1 vote)	<a href="#">SB 1255/</a> <a href="#">HB 2345</a> Enacted
2. Require the EDCC program to share information with all facilities in Virginia.	No action taken	N/A
3. Ensure participation by state mental health hospitals in the EDCC program.	No action taken	N/A
4. Assess the cost and impact of improvements to the EDCC software platform.	No action taken	N/A
5. Endorse the implementation of the VHI Strategic Plan to expand the EDCC program into a health data utility.	JCHC recommended (14-0 vote)	<a href="#">SB 1255/</a> <a href="#">HB 2345</a> Enacted
6. Create a grant program to pay for connecting community-based health care providers to the data sharing platforms operated by large health systems.	JCHC recommended (14-0 vote)	Pending final budget

NOTE: General Assembly actions occurred during the 2023 legislative session.

**TABLE 5: Legislative action on policy options for emergency department utilization.**

<b>Policy option</b>	<b>JCHC action</b>	<b>General Assembly action</b>
1. Direct DMAS to collect and report on the number of claim denials, the reason for denials, and the number of claim resubmissions by provider type.	JCHC recommended (12-0 vote)	<a href="#">HB 1906/SB 1270</a> Enacted
2. Direct the Virginia Primary Care Task Force, DMAS, and the Virginia Department of Health, Office of Health Equity to study whether scheduling in primary care practices is limiting access by Medicaid patients.	No action taken	N/A
3. Develop a grant program to establish and enhance hospital-based care management programs.	JCHC recommended (10-1 vote)	<a href="#">HB 1904/SB 926</a> Failed to pass
4. Develop a grant program to establish and enhance ambulance-based care management programs.	No action taken	N/A
5. Require hospitals to submit ESI codes, reason codes, and social determinant of health codes on claims, for submission to the All Payer Claims Database.	No action taken	N/A
6. Request (by letter) a workgroup of stakeholders develop consensus on solutions to consumer confusion regarding free standing or off-campus emergency departments.	JCHC recommended (11-0 vote)	N/A

NOTE: General Assembly actions occurred during the 2023 legislative session.

## Appendix B: Study resolutions



### Study Resolution

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#### **Eating Disorders and Obesity Prevention and Treatment**

Authorized by the Joint Commission on Healthcare on December 7, 2022

WHEREAS, obesity affects more than 30 percent of Virginians and eating disorders affect Virginians in smaller numbers but are often underdiagnosed;

WHEREAS, eating disorders and obesity are chronic conditions that are each associated with significant physical and mental health consequences; and

WHEREAS, evidence suggests effective strategies for prevention, early identification, and treatment of these chronic conditions can reduce morbidity, mortality, and societal costs; and

WHEREAS, matching federal funds are available to Virginia's Medicaid program to improve prevention services, including obesity prevention, but coverage of prevention services in the private market is unknown; and

WHEREAS, a previous Joint Commission on Health Care study highlighted multiple barriers to care for eating disorders, including patient costs and provider availability, and;

WHEREAS, House Bill 1098 from the 2022 Regular Session of the General Assembly requires the Joint Commission on Health Care to study the payment of medical assistance for obesity prevention and other obesity-related services; and

WHEREAS, Senate Joint Resolution 11 from the 2022 Regular Session of the General Assembly, directing a study of eating disorders in Virginia, was referred to the Joint Commission on Health Care, now, therefore be it

RESOLVED, by the Joint Commission on Health Care, that staff be directed to study the prevention and treatment of eating disorders and obesity in Virginia.

The study shall (i) document the prevalence and incidence of eating disorders and obesity among Virginians; (ii) identify evidence-based strategies for the prevention, early identification, and treatment of eating disorders and obesity; (iii) document the extent to which Virginia's Medicaid program and state-regulated private health plans cover the costs of these strategies; (iv) assess barriers to care for eating disorder treatment in Virginia; and (v)

## Joint Commission on Health Care Annual Report 2022

identify policy options to improve the prevention, early identification, and treatment of obesity and eating disorders in Virginia.

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 Bureau of Insurance, the Virginia Department of Behavioral Health and Developmental Services, the Virginia Department of Education, the Virginia Department of Health, the Virginia Department of Health Professions, and the Virginia Department of Medical Assistance Services, shall provide assistance, information, and data to the Joint Commission on Health Care for this study upon request.



## Study Resolution

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### **Team-based Care Approaches to Improve Health Outcomes**

Authorized by the Joint Commission on Healthcare on December 7, 2022

WHEREAS, team-based care is a health care delivery model in which two or more providers work collaboratively with one another and with patients and their caregivers to coordinate care across several settings; and

WHEREAS, there are many different models of team-based care, some of which have been associated with improved health outcomes; and

WHEREAS, components of some team-based care models incorporate the patient into the decision-making process, which can empower and engage patients in managing their health, navigating the health care system, and decreasing health care expenditures; and

WHEREAS, there are populations that could benefit from team-based care models and improved patient engagement to assist with better management of health conditions; and

WHEREAS, providers may face challenges in implementing team-based care approaches, including reimbursement models, training limitations, and licensing restrictions, now, therefore be it

RESOLVED, by the Joint Commission on Health Care, that staff be directed to study team-based care approaches to improving health outcomes in Virginia.

In conducting its study, staff shall (i) review evidence-based models of team-based care and their effectiveness in improving patient engagement and health outcomes; (ii) identify which populations most benefit from team-based care; (iii) evaluate the extent to which team-based care models are being used in Virginia; (iv) understand any obstacles to the implementation of team-based care in Virginia; and (v) consider policy options through which the state may incentivize or promote effective models of team-based care.

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 Bureau of Insurance, the Virginia Department of Health Professions, and the Virginia Department of Medical Assistance Services shall provide assistance, information, and data to the Joint Commission on Health Care for this study upon request.



## Study Resolution

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### Vertically Integrated Carriers and Providers

Authorized by the Joint Commission on Healthcare on December 7, 2022

WHEREAS, consolidation of the health care industry is an increasing trend nationally and in Virginia; and

WHEREAS, there are several types of consolidation, including vertically integrated carriers, where there is a joint ownership interest between payers (insurance carriers) and providers (health systems, including hospitals); and

WHEREAS, several health systems in Virginia may be considered vertically integrated carriers because they own, are owned by, or are under common ownership or control with insurance providers; and

WHEREAS, vertical integration is intended to reduce health care expenditures by utilizing economies of scale, improving care coordination for patients, and streamlining the delivery of care; and

WHEREAS, vertical integration also creates the potential for exclusion of non-integrated carriers and providers from the integrated carrier's health plan or services, thereby restraining competition in the health care market; and

WHEREAS, the effects of vertically integrated carriers on the quality and affordability of health care are largely unknown; and

WHEREAS, legislation to increase state regulation and oversight of vertically integrated carriers has been introduced in the Virginia General Assembly for the last five years and was referred to the Joint Commission on Health Care during the 2022 session, now, therefore be it

RESOLVED, by the Joint Commission on Health Care, that staff be directed to study the extent of vertically integrated carriers in Virginia's health care market and the impact on patients.

In conducting its study, staff shall (i) evaluate the scope of vertically integrated carriers in Virginia and nationally over time; and (ii) determine, where possible, the impact of vertically integrated carriers on patients' access to services, costs (including any differences in

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reimbursement for services between affiliated and non-affiliated providers), and quality of care.

The Joint Commission on Health Care shall 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 Bureau of Insurance, the Virginia Department of Health, the Virginia Department of Medical Assistance Services, and Virginia Health Information and shall provide assistance, information, and data to the Joint Commission on Health Care for this study upon request.







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