Healthcare Cabinet

Draft Meeting Minutes

Date: September 23, 2025 | 2:00 – 3:30 p.m.

Zoom Meeting Recording

ATTENDANCE

BY ELECTRONIC DEVICE:

Robyn Anderson	Ellen Andrews	James Cardon
Mehul Dalal	Tiffany Donelson	Claudio Gualtieri
Collen Harrington	Kathleen Holt	Manisha Juthani
Lena Bahar	Laura Manzione	Cassandra Murphy
Nicole Taylor	Anthony Yoder	

ABSENT:

Kurt Barwis	Joanne Borduas	Alan Kaye
Danielle Morgan	James Michel	Jordan Scheff
Shelly Ann Stokes Sweatt		

OTHER PARTICIPANTS:

Susan Gordon, OHS	Elisa Neira, OPM	Nicholas Turcotte, OPM

WELCOME AND CALL TO ORDER

The regularly scheduled meeting of the Healthcare Cabinet was held virtually on Tuesday, September 23, 2025. The meeting was called to order by Amy Porter at 2:02 p.m. Attendance was taken by roll call and quorum was reached.

APPROVAL OF September 23, 2025, MINUTES

The motion was made to approve July 22, 2025, minutes. The minutes were approved. The motion was moved by Nicole Taylor and seconded by Tiffany Donelson. Manisha Juthani and Susan Hamilton abstained.

FACILITY FEE PRESENTATION

Susan Gordon, Health Care Analyst for the Office of Health Strategy provided a detailed 2020-2024 Facility Fee Trend presentation. Susan explained that a facility fee is a fee charged or billed by a hospital or health system for outpatient hospital services provided in a hospital-based facility that is intended to compensate the hospital or health system for their operational expenses. This is separate and distinct from a professional fee. CGS 19a-508 (c) requires all hospitals and health systems to report their data on their facility fee related revenue and patient visits for outpatient services provided on and off campus. Some of the key areas covered:

- facility fee net revenue for both on and off campus visits for 2024 was a total of $2.1 billion, an increase of 6% from 2022
- facility fee visits totaled 3.3 million, an increase of 4% from 2022
- Cardiovascular procedures were the highest facility fee revenue generators both on and off campus facilities.

- Assessment & Management facility fee related visits were in the top three procedure categories for both on and off campus.
- In 2024, approximately 63% of off campus assessment and management fees were for locations with freestanding emergency departments (Backus, Hungerford, Lawerence and Memorial, Middlesex and Yale New Haven Hospitals) and allowed by the statute. .
- Private insurance pays majority of and the highest average facility fees on and off campus, approximately three to four times the amount of Medicare and Medicaid.

Ellen Andrews asked if prohibitions are working to lower costs; Susan noted unclear results at this time, the data showed only six months of prohibition. The full impact will not be seen until next year. Olga Armah added that the results were unclear due to ongoing price increases and limited post legislation data. The hospital and health system data is public and available to download at this link: https://portal.ct.gov/OHS/Health-Systems-Planning/Notifications/Facility-Fees.

To view this presentation, start at the 6:50 mark in the recording.

AHEAD UPDATE

Elisa Neira, Senior Director for Health Equity & Social Determinants of Health for the Office of Health Strategy, presented an overview of the AHEAD Model. CMS has updated the AHEAD model to align with the new administration's priorities. They were looking to make some enhancement and changes to the model. Highlights included:

- model renamed: Achieving Healthcare Efficiency Through Accountable Design (AHEAD)
- Implementation delayed to January 2028 through 2035
- Updated AHEAD model components
    - Hospital global budgets payment model (voluntary): Medicare FFS Hospital global budget methodology version 3.0 remains the same
    - Primary Care AHEAD: primary care transformation with new optional payment tracks
    - Population Health Accountability Plan: Retains the selection of quality benchmarks to monitor and evaluate model impacts to chronic disease, population health, healthcare quality and utilization; Removes equity benchmarks and data stratification by race/ethnicity
    - GEO AHEAD for Medicare FFS: Support total cost of care; improve care coordination; Integrate TCOC accountability across care sites; Greater coordination with upstream/downstream providers and Shared savings
    - Choice & Competition: Policy expectations for participating states with the intent to increase transparency, reduce provider consolidation and empower consumers to make informed choices; Requirement to choose one policy from a menu of options under both choice and competition

Next Steps for CMS: Stakeholder webinar scheduled for October 15, 2025, and a tentative site visit sometime in 2026.

Tiffany Donelson raised questions about state readiness and whether Connecticut will receive value given the changes. Mehul Dalal emphasized that two core value propositions remain in AHEAD, which are valuable to Connecticut. CMS has continued to commit to primary care investment for their Medicare fee for service beneficiaries in the state at minimum to the tune of $17.00 per member per month and

continues to serve as a mechanism for an optional mechanism for hospitals that see value in global budgets to facilitate fiscal sustainability. Ellen Andrews expressed concerns about global budgets and possible cherry-picking in primary care. Elisa Neira confirmed that monitoring for adverse selection will be a part of the population health accountability planning.

To view this presentation, start at the 21:27 mark in the recording.

RURAL HEALTH TRANSFORMATION PROGRAM

Mehul Dalal, Chief Policy Advisor for the Department of Social Services, with input from Nicholas Turcotte, Research Analyst for the Office of Policy Management, provided a comprehensive overview of the Rural Health Transformation Program. Highlights included:

- Overview: the program is an opportunity put forth by the Center for Medicare and Medicaid Services, and coded into law in HR 1, also known as the One Big Beautiful Bill Act to transform care and improve outcomes.
- Baseline Funding: $50 billion funds to support rural health transformation over a five (5) year period. 50% distributed equally to states with approved applications, CT could receive 100 million per year for 5 years assuming all 50 states have an approved application
- Workload Funding: Formula based on rural population factors and application strength. CT may score lower on rural factors but could earn merit-based funding
- Strategic Goals include Preventive and chronic disease care; sustainable access to providers; workforce development; innovative care models; technology innovation and digital health tools by rural facilities, providers and patients
- Funding uses: care delivery transformation; quality and improved access to care, infrastructure, and workforce. Prohibited are new constructions, duplicate programs or paying for services already covered.
- Timeline: Application released mid-September of this year; State application due November 5, 2025. CMS Decision by Dec 31, 2025. Funding release is expected by first quarter in 2026.
- Public input: DSS launched online form for public comments due **October 3. 2025** at this link: Rural Health Transformation Program - Public Comment Form

Amy Porter commented on the importance of distributing the form widely. Nicolas Turcotte clarified baseline funding still requires approved application focused on rural communities. Mehul Dalal emphasized the high stakes as there are no second opportunities to apply for additional funds.

To view this presentation, start at the 47:32 mark in the recording.

PUBLIC COMMENT

There were no public comments.

NEXT STEPS & MEETING ADJOURNMENT

Next Steps:

- OHS to distribute registration link for the October 15 AHEAD stakeholder agreement webinar: Webinar Registration - Zoom
- OHS and DSS to continue assessment of AHEAD changes and prepare for CMS state agreement
- OHS to monitor and share updates on population health accountability plan
- DSS and OPM to collect stakeholder input (deadline October 3, 2025)

- Anthony Yoder suggested that the Healthcare Cabinet hold a broader discussion on Connecticut's insurance landscape.

Motion to adjourn was made by Claudio Gualtieri and seconded by Anthony Yoder. The motion passed unanimously by voice vote. The meeting was adjourned at 3:03 p.m. The next meeting is scheduled for November 18, 2025.

UPCOMING MEETINGS:

2026 Meeting dates TBD