

2021 Pre-Filed Testimony

PAYERS



**As part of the
*Annual Health Care
Cost Trends Hearing***

INSTRUCTIONS FOR TESTIMONY

If you are receiving this, you are hereby required under M.G.L. c. 6D, § 8 to submit written pre-filed testimony for the [2021 Annual Health Care Cost Trends Hearing](#).

On or before the close of business on **Friday, November 5, 2021**, please electronically submit testimony to: HPC-Testimony@mass.gov. Please complete relevant responses to the questions posed in the provided template. If necessary, you may include additional supporting testimony or documentation in an appendix. Please submit any data tables included in your response in Microsoft Excel or Access format.

We encourage you to refer to and build upon your organization's pre-filed testimony responses from 2013 to 2019, if applicable. If a question is not applicable to your organization, please indicate that in your response.

The testimony must contain a statement from a signatory that is legally authorized and empowered to represent the named organization for the purposes of this testimony. The statement must note that the testimony is signed under the pains and penalties of perjury. An electronic signature will be sufficient for this submission.

You are receiving questions from both the HPC and the Attorney General's Office (AGO). If you have any difficulty with the templates or have any other questions regarding the pre-filed testimony process or the questions, please contact either HPC or AGO staff at the information below.

HPC Contact Information

For any inquiries regarding HPC questions, please contact:
General Counsel Lois Johnson at
HPC-Testimony@mass.gov or
lois.johnson@mass.gov.

AGO Contact Information

For any inquiries regarding AGO questions, please contact:
Assistant Attorney General Sandra Wolitzky at sandra.wolitzky@mass.gov or
(617) 963-2021.

HPC QUESTIONS

1. UNDERSTANDING THE IMPACT OF COVID-19:

Please briefly describe how you believe COVID-19 has impacted each of the following:

- a. Your organization and its employees:

Cigna sees it as imperative to our business to build our employees' well-being into our environmental, social and governance framework. At the onset of the pandemic, Cigna employees quickly adapted their traditional roles and took on more responsibilities in an evolving landscape including support for customers, clients and providers facing challenges with the COVID-19 pandemic.

- b. Your members, including but not limited to the direct health effects of COVID-19 as well as indirect health effects, such as the effects of deferred or cancelled care, exacerbation of behavioral health and substance use conditions, and effects from economic disruption and social distancing (e.g., evictions, food security):

During the COVID-19 pandemic, Cigna has seen a significant increase in utilization of virtual care, especially to provide behavioral health services. Even so, in March through May 2020, Cigna saw a decrease in primary care and specialty care visits, preventative care, and outpatient surgeries, which started to normalize by the summer of 2020. This trend has continued into 2021. In addition, there have been further challenges with social determinants of health, especially for ethnic populations.

- c. The health care system as a whole, including but not limited to how you think the health care system will change going forward, and any policies or innovations undertaken during the pandemic that your organization believes should continue (e.g., telehealth, licensure and scope of practice changes):

Cigna's Dr. Steven Miller and Dr. William Shank (of Humana) noted in the New England Journal of Medicine Catalyst that the COVID-19 pandemic has highlighted challenges with our nation's public health system and has encouraged a new level of public-private collaboration that has been critical to many of the key pandemic success stories of the past year. In the United States, lab companies and pharmaceutical manufacturers have worked closely with health systems and retail pharmacies — in collaboration with the federal and state governments — to develop and distribute key supplies, rapidly and at scale. The integration of payers also has been important, but less noticeable. One reason is that this cooperation has gone well. Cigna has focused on the elimination of financial barriers for COVID-19 testing, treatment, and prevention, which has simplified access to medical care. Efforts to address the rise in health-related social needs of our customers have been widespread, and similarly, Cigna has reinforced care delivery virtually. This work around health disparities, social determinants of health and virtual care are expected to continue into the future. In addition, the cooperation

around vaccine distribution goes further, with a key goal to rapidly address an unprecedented health crisis while doing so equitably. The COVID-19 crisis has taken an alarming and unacceptably disparate toll on communities of color. Compared to white Americans, Black, Indigenous and Hispanic Americans are far more likely to contract and die from the disease. Without dedicated ongoing attention; however, the risk is that the same forces that have resulted in disparities in COVID-19 morbidity and mortality — systemic racism, unequal treatment, mistrust, and structural inequality — will continue to drive more general health inequalities. Cigna recognizes an opportunity and obligation to show that we can cooperate with each other and the federal and state governments to advance racial and social equity.

2. EFFORTS TO COLLECT DATA TO ADVANCE HEALTH EQUITY:

- a. Comprehensive data capturing race, ethnicity, language, disability status, and sexual orientation/gender identity is foundational to advancing health equity in the Commonwealth. Please describe your current efforts to collect these data on your members. Please also describe specific barriers your organization faces in collecting such data and what policy changes or support has your organization identified as necessary to overcome such barriers.

Cigna has had a longstanding focus on collecting data around race, ethnicity, language, disability status, sexual orientation/gender identity, health disparities and social determinants of health so that we can more fully address the needs of our customers. However, this data is not consistently being submitted by a subset of our customers. Even with this challenge, Cigna is using the cultural diversity and social determinants of health data that we receive to work with our provider partners to not only help identify our diverse customer population but also to provide cultural competency training and implement processes to address social determinants of health. Please also see attached document Social Determinants Index, White Paper.

3. INFORMATION TO UNDERSTAND MEDICAL EXPENDITURE TRENDS:

- a. Please submit a summary table showing actual observed allowed medical expenditure trends in Massachusetts for calendar years 2017 to 2020 according to the format and parameters provided and attached as **HPC Payer Exhibit 1** with all applicable fields completed. Please explain for each year 2017 to 2020, the portion of actual observed allowed claims trends that is due to (a) changing demographics of your population; (b) benefit buy down; (c) and/or change in health status/risk scores of your population. Please note where any such trends would be reflected (e.g., unit cost, utilization provider mix, service mix trend). To the extent that you have observed worsening health status or increased risk scores for your population, please describe the factors you understand to be driving those trends.

Please see attached Exhibit 1 spreadsheet, included in e-mail.

- b. Reflecting on current medical expenditure trends your organization is observing in 2021 to date, which trend or contributing factor is most concerning or challenging?

The impact of the COVID-19 pandemic presents the greatest level of uncertainty to prospective medical trend, including changes in COVID-19 infections, emergence of variants, direct COVID testing and treatment costs, vaccination costs, and the pandemic's impact on non-COVID utilization and care patterns.

AGO QUESTION

Chapter 224 of the Acts of 2012 requires payers to provide members with requested estimated or maximum allowed amount or charge price for proposed admissions, procedures, and services through a readily available “price transparency tool.” In the table below, please provide available data regarding the number of individuals that sought this information.

Health Care Service Price Inquiries Calendar Years (CY) 2019-2021			
Year		Aggregate Number of Inquiries via Website	Aggregate Number of Inquiries via Telephone or In- Person
CY2019	Q1	2,707,197	7412
	Q2	2,092,311	4271
	Q3	4,816,019	3415
	Q4	3,737,432	2572
CY2020	Q1	3,973,272	5206
	Q2	3,729,985	2888
	Q3	4,816,019	2816
	Q4	3,737,432	2453
CY2021	Q1	3,416,850	3401
	Q2	2,455,381	1580
TOTAL:		35,667,280	36,962

HPC Payer Exhibit 1

*****All cells should be completed by carrier*****

Actual Observed Total Allowed Medical Expenditure Trend by Year
Fully-insured and self-insured product lines

Trends	Unit Cost	Utilization	Mix of Services	Total TME	Change In Risk	Risk Adjusted TME Trend
2016-2017	5.1%	0.1%	-1.3%	3.8%	0.2%	3.6%
2017-2018	2.9%	2.3%	2.8%	8.4%	-1.6%	10.1%
2018-2019	3.1%	0.8%	0.8%	4.8%	0.5%	4.3%
2019-2020	2.8%	-10.5%	3.3%	-4.9%	n/a*	-4.9%

Notes:

>Trend values reflect actual observed medical expenditure trend for Cigna Open Access Plus (OAP) membership. Pharmacy is excluded.

>For 2017-2020, demographics have impacted Cigna's book of business observed medical trend by 0.4%, 0.1%, 0.4%, and 0.4% respectively. For 2017-2020, benefit buy-downs have impacted observed medical trend by -0.5%, -0.8%, 0.2%, and 0.8% respectively.

>*Cigna is evaluating the impact of the COVID-19 pandemic on risk scores and the resulting comparability of risk scores between calendar years in determining risk adjusted total medical expenditure trend.



SOCIAL DETERMINANTS

INDEX

Background

As a global health service company dedicated to whole-person services and solutions; Cigna is vested in identifying and mitigating barriers to optimal health. In this vein, Cigna developed a proprietary Social Determinants Index. Social determinants of health are conditions, in which people are born, grow, work, live, and age, and the wider set of forces and systems shaping the conditions of daily life¹. Studies have shown that people with unmet needs are more likely to have chronic conditions, higher rates of depression, more frequent emergency room visits, and more frequent 'no-shows' to clinics².

Cigna built the Social Determinants Index (SDI) to help understand the potential health disadvantages an individual may experience based on their geographic residence. A health disadvantage is defined as the inability to meet the basic human needs required for full social participation and optimal health and well-being. These basic needs include, but are not limited to economic security, food, shelter, transportation, and education. An individual's geographic residence often is an accurate predictor of whether these basic needs are currently being met. Once unmet basic needs are identified, opportunities can be created to better engage customers in programs and services that address those needs and support optimal health².

Overview of Cigna's Social Determinants Index (SDI)

The SDI is a composite score that characterizes a community for social determinants of health at the census tract level in the U.S. A composite score is derived by combining all relevant measures of hypothesized social determinants of health. There are seventeen measures which fall into six domains of social determinants of health: economy, education, culture, health, infrastructure, and food access. The data associated with the measures in each domain are sourced from public use data such as the U.S. Census and U.S. Department of Agriculture.



Economy



Education



Culture



Health



Infrastructure



Food access

Additionally, a weighted sum is assigned to each domain to develop a composite score. A literature review on other available community indices used for understanding the impact on health outcomes was conducted to determine the appropriate weights to apply to each domain. For example, economy is typically weighted more heavily due to the high impact on health outcomes (e.g. people who cannot afford to pay for medications tend to be less compliant to their medications).

The result is a composite score for each census tract that follows a scale from low to very high. A higher index score represents a census tract with a higher level of social determinants, where a community is facing more daily living obstacles, whereas a community with a lower index score faces fewer obstacles. In other words, a high SDI score typically indicates greater risk for unmet social needs. The SDI score is meant to provide a portrait of the census tract – to better describe the challenges faced by residents living in the census tract, relative to other areas across the U.S. It is not meant to accurately depict an individual's actual situation, as the data sourced is not at the individual level but the community level. Instead, the SDI provides a better understanding of the environment in which a customer lives and their risk for obstacles related to social determinants of health.

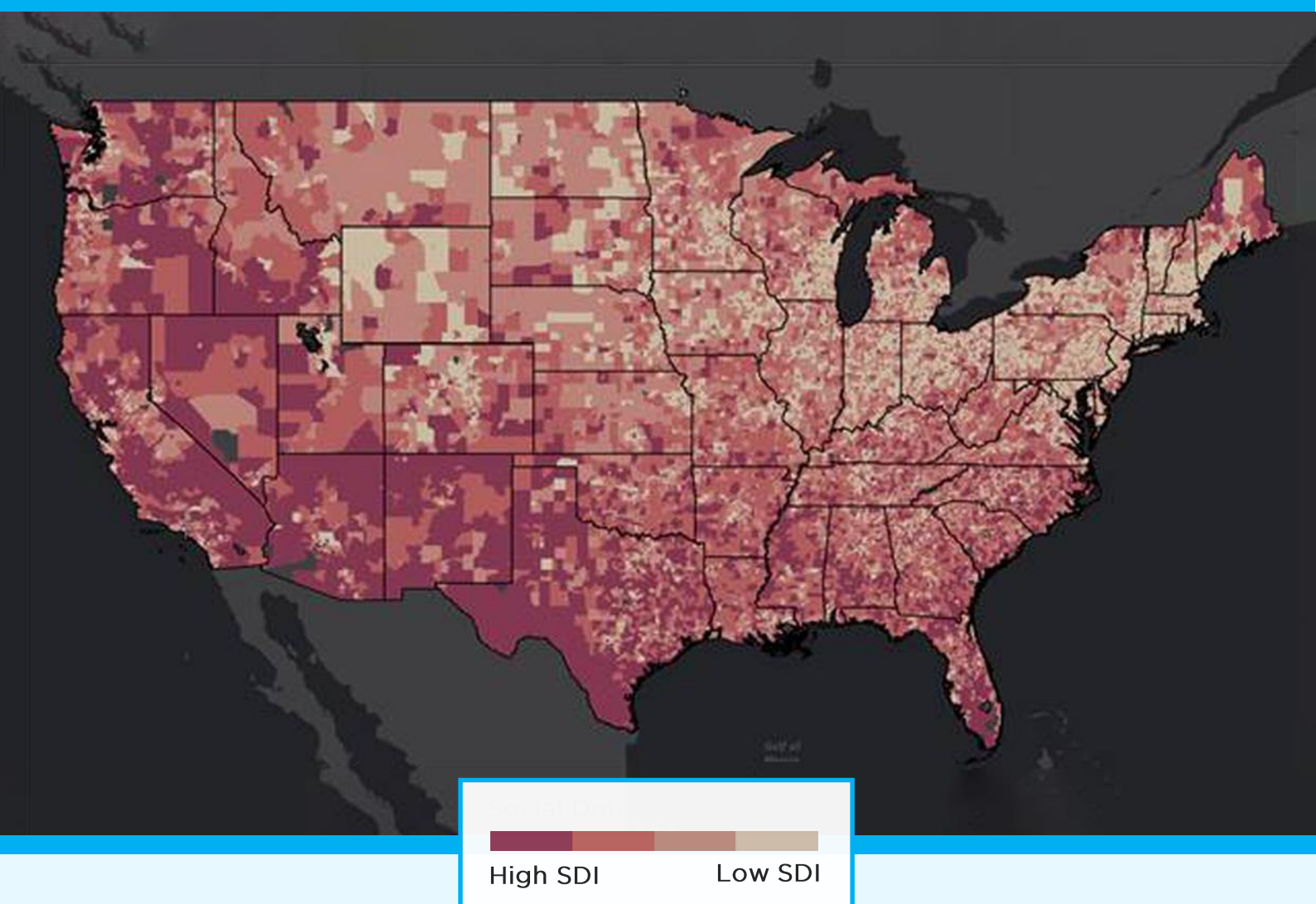
Cigna is currently using the SDI in two ways:

- 1 to identify under-resourced communities within Cigna markets where overall health status and utilization are impacted by SDoH, and additional resources may need to be deployed in the community; and
- 2 to improve identification of customers who are at increased risk for poor health status and utilization based on their residence, and increase engagement in programs to support customers with the resources they need to obtain optimal health.

Identifying Under-Resourced Communities

One method for identifying under-resourced communities or at-risk customer populations is through the use of Geographic Information Systems (GIS), a computer application used for storage, retrieval, mapping, and analysis of geographic or spatial data. Through the use of GIS, Cigna is able to produce maps that create a deeper understanding of the volume of Cigna customers living in areas of high SDI and their health status in comparison to communities with lower SDI.

Cigna's U.S. Commercial Medical Book of Business was mapped using SDI at the census tract level and identified ~18K census tracts with a very high SDI equating to roughly 18% of Cigna customers (shown in Image 1.) As health status, outcomes, utilization and engagement rates for customers living in communities with high SDI are measured, it becomes clear that there are many communities where additional resources may need to be deployed in order for customers to attain optimal health.



Dallas – a case study

The metropolitan region of Dallas, Texas was mapped using GIS to identify under-resourced communities. Census tracts in red represent those with very high SDI scores; 103K or 25% of customers in the Dallas metro region shown in the map reside in a census tract with a very high SDI score. Further analysis showed that customers living in these neighborhoods had higher rates of chronic disease like diabetes and prediabetes compared to customers living in areas of lower SDI (shown in Table 1).

It was also found that diabetic customers living in these areas of very high SDI had a lower rate of annual physicals and a higher rate of avoidable emergency room (ER) visits per customer (shown in Table 2). All results were statistically significant at 0.01 significance level.

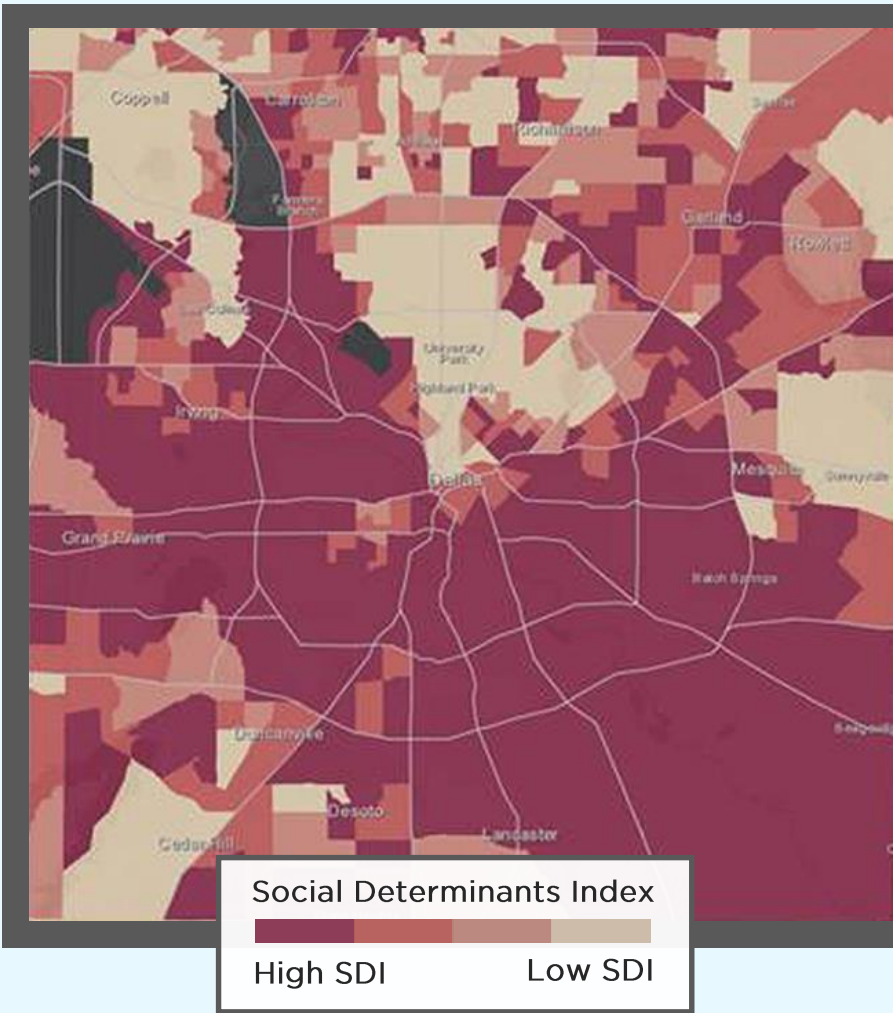


Table 1. Diabetes and Prediabetes Prevalence in Dallas County by SDI

	Very High SDI	Low SDI
Diabetes Rate	7.1%	4.9%
Prediabetes Rate	3.0%	2.6%

Table 2. Annual Physicals and Avoidable emergency room (ER) Visits in Dallas County by SDI

	Very High SDI	Low SDI
Annual Physical Rate	34.7%	37.6%
Average Avoidable ER Visits per Customer	0.102	0.061

To improve health outcomes and utilization of care among customers living in communities with high SDI scores, Cigna is piloting different approaches in communities within targeted markets to support customers with unmet basic human needs, at the individual and the community level.

Improving Identification and Engagement of Customers

Social determinants of health not only impact health outcomes, but appear to have a role in how our customers engage with the programs and services provided to them as part of their health plan benefits. An evaluation of Cigna medical case management programs found that customers with chronic disease conditions, such as diabetes, heart/circulatory, gastrointestinal and lower respiratory disease, who lived in a census tract with a high SDI score are more challenging to engage in case management. However, once they do engage, there is a strong correlation with medical cost reduction and ER visit reduction as compared to similar customers who do not engage in case management.

SDI

For every 5 unit increase in the SDI score (more social obstacles)

customers are 4% less likely to engage in a Cigna case management program



Once engaged, customers show \$663 PMPM savings and 0.80 fewer ER visits*

*Cost savings is an average within first 5 months post engagement and emergency room (ER) reduction is an average within first 6 months post engagement

The development of the SDI allows Cigna to better identify customers who may be facing challenging social circumstances that could impede their ability to take care of their health. Current and future efforts look to leverage the SDI to improve engagement for these customers by tailoring outreach content and using alternative modalities to outreach our customers, such as leveraging our digital capabilities.

Once engaged, Cigna case management programs and services currently assess both the clinical and non-clinical needs of the customer. When a non-clinical need is identified, the case manager assists in identifying resources available within the customer community to meet the psychosocial need and assists the customer in securing those resources. Case managers help a customer cope with complex issues such as physical illness, disabilities of any sort, the aging process, emotional or psychological challenges, family problems, addictive behavior, or problems with school or work. They advocate for the customer to obtain needed services such as food, transportation or financial assistance, and aim at improving the customer's overall quality of life. This support can help to drive lower medical costs by addressing the root cause for a customer's higher health care utilization.

For example, a 49 year old Cigna customer was diagnosed with endometrial cancer. She had been off of work for six weeks and did not qualify for short-term disability because it was too soon after starting her job. She was very concerned that physically she would not be able to continue to work; however, without her income, her family was not able to pay for her treatment or household essentials, including their utilities and mortgage. Cigna's case manager connected with the customer and was able to identify assistance for utilities, multiple local food pantries and two grants totaling \$3,000. This assistance is expected to help her complete the needed cancer treatment and prevent homelessness. Addressing these essential needs first is key in impacting overall health of our customers.

*** Based on an analysis of Cigna customer case management engagement and savings data from 07.01.17 to 06.30.18 presented at Academy Health Conference 2019.**

Conclusion

Cigna advocates for addressing whole-person health, including physical, emotional, financial, social and environmental factors. The SDI provides valuable data that is supporting our efforts in partnering across the entire health system to identify and address social determinant factors which fall outside of the traditional health care. The SDI enables Cigna to stimulate evidence-based conversations across varied industries to encourage collaborative efforts to mitigate the social determinants within the local communities they serve.

References & Citations:

1. World Health Organization, http://www.who.int/social_determinants/sdh_definition/en/
2. Berkowitz SA, Hulberg AC, Hong C, et al. Addressing basic resource needs to improve primary care quality: a community collaboration programme. BMJ Quality & Safety 2016;25:164-172. <https://qualitysafety.bmj.com/content/25/3/164>

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