

**MINUTES OF THE COMMUNITY HEALTH CARE INVESTMENT AND  
CONSUMER INVOLVEMENT COMMITTEE**

**Meeting of May 21, 2014**

**MASSACHUSETTS HEALTH POLICY COMMISSION**

**THE COMMUNITY HEALTH CARE INVESTMENT AND CONSUMER INVOLVEMENT  
COMMITTEE OF THE MASSACHUSETTS HEALTH POLICY COMMISSION**  
Center for Health Information and Analysis  
Daley Room, Two Boylston Street, 5<sup>th</sup> Floor  
Boston, MA 02116

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**Docket: Wednesday, May 21, 2014, 9:30 AM – 11:00 AM**

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**PROCEEDINGS**

The Massachusetts Health Policy Commission's Community Health Care Investment and Consumer Involvement (CHICI) Committee held a meeting on Wednesday, May 21, 2014 in the Daley Room at the Center for Health Information and Analysis located at Two Boylston Street, 5<sup>th</sup> Floor, Boston, MA 02116.

Committee member Dr. Paul Hattis (Chair) was present.

Ms. Kim Haddad, designee for Mr. Glen Short, Secretary of Administration and Finance, arrived late.

Ms. Jean Yang, Ms. Veronica Turner, and Mr. Rick Lord were not present.

Chair Hattis called the meeting to order at 9:35 AM.

**ITEM 1: Approval of minutes**

Chair Hattis noted the absence of quorum and tabled the minutes of the April 2, 2014.

**ITEM 2: Overview of Phase 2 Framework**

Chair Hattis stated that this was a special meeting to discuss the implementation of Phase 2 of the CHART Investment Program. Mr. David Seltz, Executive Director of the Health Policy Commission, stated that the goal of the meeting was to give Commissioners and members of the public an opportunity to offer comment on the framework for Phase 2 before it is presented to the full commission on May 22, 2014. Mr. Seltz introduced Mr. Iyah Romm, Director of System Performance and Strategic Investment, to present further.

Mr. Romm stated that the purpose of the day's meeting is to garner feedback on CHART Phase 2. Mr. Romm reviewed the development of the proposed framework for Phase 2, including input from stakeholders and members of the public. He stated that the goal of CHART Phase 2 was to encourage sustainable and scalable projects with regionally specific impacts.

Ms. Haddad arrived at this point.

Mr. Romm gave an overview of the proposed key design elements for CHART Phase 2. He stated there would be up to \$60 million available for investments, which would be awarded through a tiered approach. He stated that there would be a \$6 million award cap per hospital over the two year investment period.

Ms. Margaret Senese, Program Manager for Strategic Investment, presented on the proposed CHART Phase 2 aims. She stated that the proposed framework is a reflection of long-term evolution and discussion. She noted that the framework mandates that hospitals complete projects in one of three outcome-oriented aims, which culminate in an overall goal of supporting the sustainable achievement of the health care cost growth benchmark.

Ms. Senese reviewed the three outcome-based aims for CHART Phase 2. These include maximizing appropriate hospital use, enhancing behavioral health care, and improving hospital-wide processes to reduce waste and improve safety. Ms. Senese stated that, in addition to incorporating one of these aims, CHART Phase 2 awardees must work to address emerging technologies and strategic planning. She stated that the proposed emerging technologies and strategic planning elements will reconnect with the outcome-based aims to support overall goals.

Chair Hattis asked if proposals would have to include all three of the outcome-based aims. Ms. Senese stated that only one aim is required. Mr. Seltz added that one project proposal could include all three aims.

Chair Hattis asked if a proposal must always have an aspect of connected health and strategic planning. Ms. Senese stated this was the case. She further noted that the minimum effort in connected health was the use of the Mass HIWay.

Ms. Senese briefly reviewed examples of potential proposals.

Ms. Senese stated that some projects that were funded in Phase 1 may be out of scope for Phase 2.

Chair Hattis asked for clarification regarding the appropriate scope of projects under this framework. Mr. Romm stated that investments in Phase 2 would only be awarded if the proposal tied directly to one of the three outcome-based aims. Ms. Senese added that there is a two year window for projects and that they must be achievable over the course of that time.

Ms. Senese stated that community collaboration would be an essential component in Phase 2. She stated that substantial preference will be given to those proposals that include community partnerships.

Chair Hattis asked whether Phase 2 applicants could partner with physician practices. Ms. Senese responded that the staff encourages those types of relationships.

Ms. Senese added that a goal of CHART Phase 2 is to encourage hospitals to collaborate on proposals. She stated that, under this framework, each CHART hospital will be able to participate in two types of proposal, joint or hospital-specific. She stated that the \$6 million cap on investments per hospital will be cumulative across both proposals.

Chair Hattis asked if all collaborating hospitals must be CHART hospitals. Mr. Romm stated that the purpose of the joint application process is to facilitate collaboration between CHART hospitals. He stated this process would not be a way for non-CHART hospitals to gain access to funding, but rather that it would encourage CHART hospitals to work with other care providers in their region. He noted that the framework does not preclude CHART hospitals from creating non-financial partnerships with other institutions.

Chair Hattis asked for clarification regarding the \$6 million hospital investment cap. He outlined a scenario in which two hospitals, A and B, applied for both hospital-specific and joint funding. He asked whether the total funding cap across all projects would be \$12 million. Mr. Romm stated that the proposed cap is on each hospital. As such, in Chair Hattis' example, the total funding for all three projects would be \$12 million.

Ms. Haddad stated that joint proposals would create synergy that would produce further value.

Chair Hattis outlined a scenario in which a hospital would apply for both a joint and hospital-specific investment. He asked whether the goals of the hospital-specific application should be different from those of the joint application. Mr. Romm stated that the two applications should be for distinct projects.

Chair Hattis opened the floor to public comment. Public comment was offered by Celia Wcislo of 1199SEIU.

### **ITEM 3: Phase 2 Core Activities**

Ms. Senese reviewed the core activities for CHART Phase 2. She noted that one of the core activities that will be required for all hospitals is the use of the Mass HIWay. She stated that, within nine months of the CHART investment, hospitals must have Direct Messaging capacity and meet minimum use requirements for the HIWay.

Chair Hattis asked whether the hospital's efforts on the core activities must be related to one of the three outcome-based aims. Mr. Romm added the goal of Phase 2 investments is long-term planning. He stated that the proposed core activities encourage such planning. Mr. Seltz noted that he encourages hospitals to make proposals in Phase 2 that emphasize community engagement and long-term planning.

Ms. Senese reviewed the other core activities mandated under CHART Phase 2, including benchmarking key performance indicators and coordinating the use of tools, platforms, and approaches.

Chair Hattis asked for clarification around the coordination of tools, platforms, and approaches. Mr. Romm answered that this activity is segmented and allows hospitals flexibility. He added that the HPC staff will provide analytics support and facilitate discussion around best-practices, but that one successful practice would not be forced on hospitals.

Ms. Senese stated that another goal of CHART Phase 2 is learning, improvement, and diffusion. She said this would take shape in a CHART Executive Leadership Program.

Ms. Senese stated that there has been positive feedback about Phase 2 framing.

#### **ITEM 4: Phase 2 Application Process**

Ms. Senese reviewed the proposed timeline for CHART Phase 2. She stated that a Request for Proposals (RFP) would be released in June 2014, with awards announced in fall 2014. She added that a two year implementation process would be triggered shortly after contract execution in November 2014.

Ms. Senese stated that the Phase 2 application would occur in two steps. First, hospitals will be asked to submit a 5-7 page prospectus. This non-binding document will provide HPC staff insight to the applicant's proposal, allowing for early feedback. After submitting the prospectus, applicants must submit their full proposal.

Chair Hattis asked whether the prospectus would be a chance for the HPC staff to reflect back to hospitals on the scope of their projects. Mr. Romm stated that the application process is intended to be standardized across hospitals to guide proposals. Ms. Senese stated the HPC staff would review one prospectus per hospital per pathway. She further stated that staff would not review subsequent prospectuses if a project was initially deemed out of scope.

#### **ITEM 5: Phase 2 Budgeting Process and Disbursement Scheme**

Ms. Senese outlined the budgeting process and distribution scheme for CHART Phase 2 investments. She stated that disbursement will be based heavily upon the estimated impact and cost-savings for each individual application.

Chair Hattis asked if the savings could be societal in addition to financial. Ms. Senese responded that the savings calculation will consider both.

Ms. Senese outlined that awardees will receive \$100,000 at the time of contract execution to prepare for implementation. She noted that subsequent payments will be dispersed at particular intervals.

Mr. Romm stated that there will be a system contribution requirement for CHART Phase 2. He noted that each system will determine their contribution. He further stated that this

concept had been vetted with major systems in Massachusetts. Mr. Romm added that system contribution will be a competitive review factor.

Chair Hattis asked whether applications should separately detail the amount of funding they anticipate needing for outcome-based aims and core activities. Mr. Romm stated that the HPC will make achievement payments based on the size and scope of particular proposals. Ms. Senese added that the exact nature of the achievements will need to be explored once the program is fully underway.

## **ITEM 6: Phase 2 Review and Selection**

Mr. Romm provided a brief overview of the statutory eligibility criteria for CHART hospitals. He stated that none of these factors have changed since the release of Phase 1.

Mr. Romm reviewed what would happen if a hospital's eligibility changed during Phase 2 implementation. He stated that the HPC was developing a series of measures to assess and address these changes accordingly.

Ms. Senese noted that selection factors would include the impact of the proposal, the need and engagement of the community, the hospital's financial status and operational capacity, and the financial return and cost efficiency of the overall proposal.

Chair Hattis stated that the framework seemed extremely well-developed. He and Ms. Haddad endorsed the proposed framework for Phase 2.

Chair Hattis asked when Commissioners could volunteer to be involved in the selection process. Mr. Romm answered that this would occur in the summer.

Ms. Haddad asked if the proposed timeline provides enough time for thoughtful consideration of projects by hospitals. Mr. Romm stated that feedback from Phase 1 indicated this timeline was acceptable. Ms. Senese added that the hospitals have been continuously involved in the development of Phase 2.

Chair Hattis opened the floor to public comment. Public comment was offered by Kathleen Harrell of Donoghue Barrett & Singal and Celia Wcislo of 1199SEIU.

## **ITEM 7: Community Hospital Study**

Following the discussion at the April 16 board meeting, Mr. Romm announced that the HPC was going to produce a study on Massachusetts community hospitals. Mr. Romm stated that this study would have several goals, including identifying the challenges to transformation and the experiences of key stakeholders in driving transformation. He noted that this study will support future phases of the CHART program and identify opportunities evaluate capacity.

Chair Hattis asked whether the study would evaluate data on the communities served by these hospitals. He further asked whether the study would include hospitals not eligible for the CHART Investment Program. Mr. Romm responded that the study would analyze all community hospitals in the Commonwealth. He added that the particulars of the study are still in development and that it will be a collaborative effort of the HPC and other government agencies, such as the Executive Office of Health and Human Services (EOHHS) and the Department of Public Health (DPH).

Chair Hattis affirmed that the study will be instrumental in starting the conversation on this important issue.

Mr. Seltz noted that the idea of a community hospital study would be presented to the full board on May 22. He stated that it could provide a base for overall CHART strategic planning. He added that the HPC should begin looking forward towards the future of community hospitals in the Commonwealth.

Ms. Haddad stated this would be a great study for the HPC to undertake. She asked if this study would focus on the transforming health care landscape. Mr. Seltz responded that while community hospitals do not stand alone in the health care system, they will be the initial focus of the study.

Mr. Romm stated that the discussion around this study would continue within the next few weeks. He projected that the study would begin in January 2015.

Chair Hattis opened the floor to public comment. Public comment was offered by Celia Wcislo of 1199SEIU.

Seeing no further business before the Committee, Chair Hattis adjourned the meeting at 10:48 AM.