

Community Health Care Investment and Consumer Involvement

Health Policy Commission

Subcommittee Meeting
February 6, 2013



Agenda

- Election of Subcommittee Chair
- Review of Subcommittee Responsibilities
- Review of Regulatory Process and Notice of Upcoming Hearing on the One-Time Assessment Regulations (958 CMR 2.00)
- Discussion and Next Steps regarding Report on Consumer-Driven Health Plans
- Discussion of Hospital Facility Fees and Consumer Transparency
- Agenda for Next Subcommittee Meeting
- Public Comment

Subcommittee members

- Dr. Paul Hattis
- Rick Lord
- Secretary Glen Shor
- Veronica Turner
- Jean Yang

Subcommittee responsibilities

- Develop and administer a competitive grant program to enhance the ability of certain distressed community hospitals to meet system transformation
 - Develop strategies for engaging with various constituencies and a communications plan for educating providers, businesses, consumers, and the general public regarding the implementation of Chapter 224
 - Develop strategies for helping consumers navigate health care cost and quality, especially in light of additional information required under Chapter 224
 - Conduct an investigation and make legislative recommendations relative to increased adoption of flexible spending accounts, health reimbursement arrangements, and health savings accounts, as required by April 2013
 - Monitor and report on developments in health insurance product design regarding the impact of tiered or selective networks and high-cost sharing plans on out-of-pocket costs to individuals and families and on patient access to quality care
 - Work with other state agencies to minimize duplicative requirements
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What is the one-time assessment?

- Official title: 958 CMR 2.00

 - Total of \$225 million to be collected
 - 5% of total revenue transferred to Health Care Payment Reform Fund
 - Of remaining 95%:
 - 60% transferred to Distressed Hospital Trust Fund
 - 26.67% transferred to Prevention and Wellness Trust Fund
 - 13.33% transferred to e-Health Institute Fund

 - Funding from two sources:
 - Acute hospitals: \$60 million
 - Surcharge payors: \$165 million

 - Criteria for inclusion specified in regulation

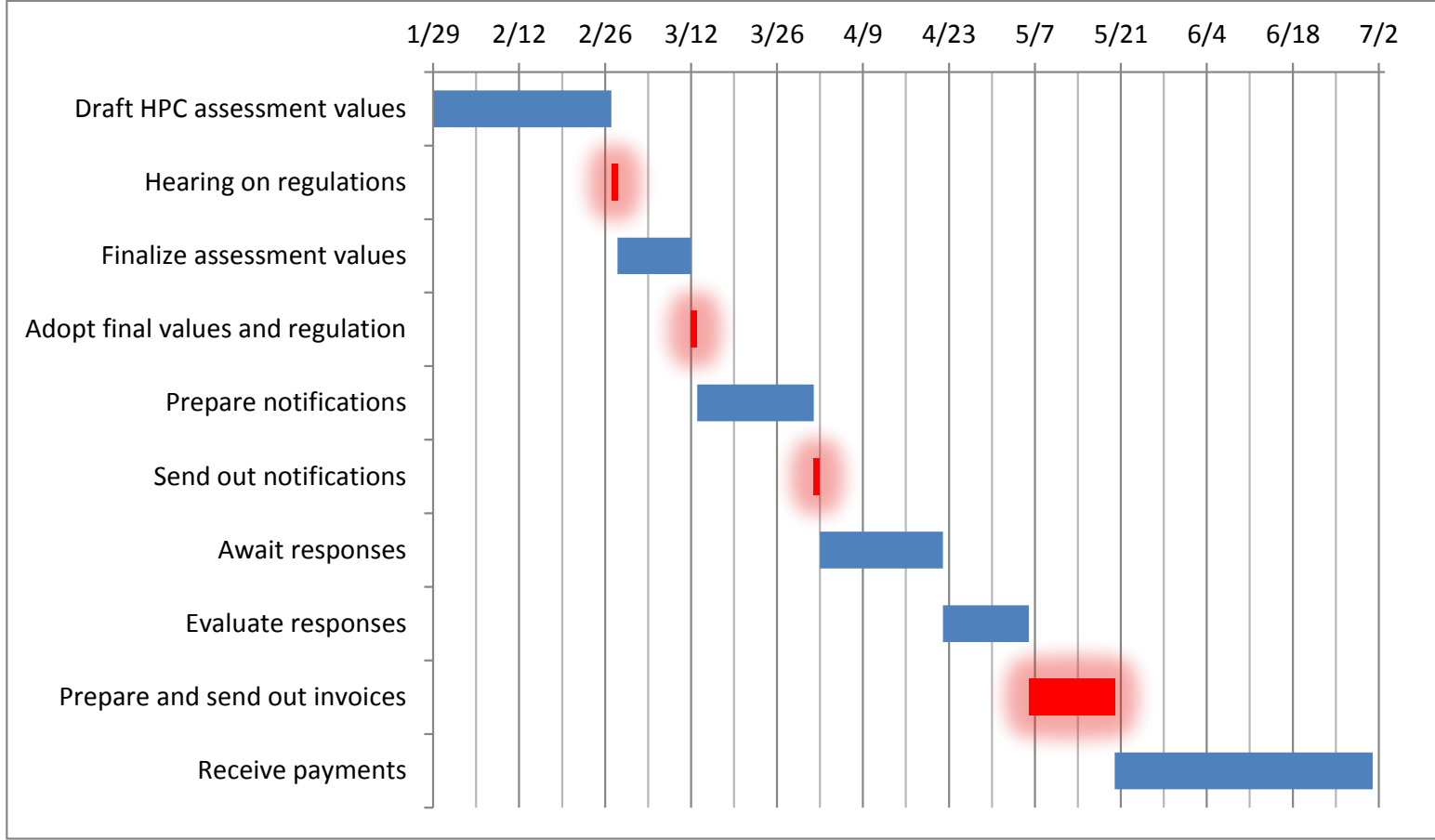
 - No offsets allowed to pay for the assessment:
 - Acute hospitals cannot seek an increase in rates
 - Surcharge payors cannot seek an increase in premiums

 - Notifications due by April 1st to hospitals and payors

 - Payment to HPC due by June 30th

 - Penalties can be levied for late payments
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Timeline



Section 263 of Chapter 224

Notwithstanding any general or special law to the contrary, the health policy commission shall investigate and review methods of, and make recommendations relative to, increasing the use and adoption of flexible spending accounts, health reimbursement arrangements, health savings accounts and similar tax-favored health plans and developing and implementing incentives to increase the utilization of these types of plans. The health policy commission shall examine the feasibility of such accounts and plans for public payers and commercial insurers and the feasibility of a pilot program. The health policy commission shall submit a report of its findings and recommendations to the clerks of the house of representatives and the senate, the house and senate committees on ways and means and the joint committee on health care financing not later than April 1, 2013.

Agenda

For More Information on the Health Policy Commission

- Visit us: <http://www.mass.gov/>
- Follow us: [@Mass_HPC](#)
- E-Mail us: Chapter224Inquire@state.ma.us