

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

**Meeting of February 27, 2013**

**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  
2 Boylston Street, 5<sup>th</sup> Floor  
Boston, MA 02116**

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**Docket: Wednesday, February 27, 2013, 9:00 AM – 10:00 AM**

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**PROCEEDINGS**

A public hearing of the Massachusetts Health Policy Commission's Community Health Care Investment and Consumer Involvement Committee was held on Wednesday, February 27, 2013 at the Center for Health Information and Analysis located at 2 Boylston St, 5<sup>th</sup> Floor, Boston, MA.

Committee members present were Paul Hattis, Rick Lord, Jean Yang, and Candace Reddy as designee for Glen Shor, Secretary, Executive Office of Administration and Finance.

Committee member absent was Veronica Turner. Stuart Altman, Chair, Health Policy Commission, was present.

Chair Hattis called the meeting to order at 9:00 AM.

**ITEM 1: APPROVAL OF MINUTES FROM FEBRUARY 6, 2013 MEETING**

Committee members approved the minutes unanimously.

**ITEM 2: PUBLIC TESTIMONY**

The following members of the public provided testimony regarding the one-time assessment on certain qualifying hospitals and qualifying surcharge payers.

1. Michael Caljouw, Vice President of State and Regulatory Affairs, Blue Cross Blue Shield of Massachusetts, urged the Health Policy Commission to maintain the regulations as currently drafted. He asked the HPC to exercise caution before further amending the regulations because it appropriately and equitably apportioned responsibility for the assessment.
2. Melissa Shannon, Director of State and Government Relations, and Laura Doucette, Director of Reimbursement and Decision Support, Boston Children's Hospital, maintained that Children's Hospital should receive a full 2/3<sup>rds</sup> mitigation of its portion of the assessment. They said that as a result of specializing in pediatrics, Medicare as a percentage of Boston Children's business is extremely low. However, the hospital receives a high amount of revenue from the State Children's Health Insurance Program, CHIP (Title XXI), which is folded under the MassHealth program. They testified that the

legislature intended for Children's Hospital to receive mitigation and highlighted the steps that the hospital has taken to reduce costs, integrate care, and promote better health outcomes for patients. Additionally, they asked the HPC to set a deadline by which it would respond to requests for waiver and mitigation. They urged the HPC to constrict the broad investigative authority granted to the agency for implementation of the regulations.

3. Medicaid Managed Care Organizations [BMC HealthNet, CeltiCare, Neighborhood, Network Health]. Susan Coakley, General Counsel, BMC HealthNet Plan, delivered testimony on behalf of CeltiCare Health Plan, Neighborhood Health Plan, Network Health, and her own organization, BMCHP. She testified that MMCOs should be exempt from the one-time assessment because the definition of "surcharge payer" in Ch. 224 § 15 excludes payments associated with Title XIX and other government programs. She maintained that payment of the assessment by MMCOs would violate federal and contractual requirements that all payments under Medicaid risk contracts must be actuarially sound, which would force the state to reimburse the MMCOs. She cited precedent under state and federal law that would exempt MMCOs from the assessment.

### **ITEM 3: CLOSING**

Chair Hattis saw no more people wishing to testify and adjourned the meeting at 10:00am.