

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

Meeting of April 2, 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, 5th Floor
Boston, MA 02116

Docket: Wednesday, April 2, 2014, 9:30 AM – 11:00 AM

PROCEEDINGS

The Massachusetts Health Policy Commission's Community Health Care Investment and Consumer Involvement (CHICI) Committee held a meeting on Wednesday, April 2, 2014, in the Daley Room at the Center for Health Information and Analysis, Two Boylston Street, 5th Floor, Boston, MA 02116.

Committee members present were Dr. Paul Hattis (Chair), Mr. Rick Lord, and Ms. Kim Haddad, designee for Mr. Glen Shor, Secretary of Administration and Finance.

Ms. Jean Yang and Ms. Veronica Turner were not present.

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

ITEM 1: Approval of minutes

Dr. Hattis made no changes to the minutes. Mr. Lord moved to accept the Committee minutes from the February 24, 2014 meeting. Ms. Haddad seconded. The Committee unanimously approved the minutes.

Before turning to the agenda, Dr. Hattis discussed the closure of North Adams Regional Hospital (NARH) and its affiliates. Dr. Hattis introduced Mr. David Seltz, Executive Director of the Health Policy Commission (HPC) to provide an update regarding the situation at NARH.

Mr. Seltz stated that the HPC awarded NARH \$395,000 through the CHART Investment Program to help integrate and expand their behavioral health services. He stated that, upon notice of NARH's closure, HPC staff contacted NARH officials to request all information pertaining to the CHART Investment Program. Mr. Seltz added that the Attorney General's Office, Executive Office of Health and Human Services, and stakeholders are engaged in ongoing conversations to create a long-term plan for health care services in the northern Berkshires.

Mr. Lord stated that he grew up in North Adams and is aware of the difficulties of this situation. He added that NARH could be considered a "critical access hospital" due to its isolated geographic nature.

ITEM 2: Update on CHART Phase 1 Investment Program

Dr. Hattis stated that the Health Policy Commission's Community Hospital Acceleration, Revitalization, and Transformation (CHART) Investment Program encourages hospitals to think about sustainability and innovation. He introduced Mr. Iyah Romm, Director of System Performance and Strategic Investment, to provide an update on Phase 1 of the CHART Investment Program.

Mr. Romm outlined an agenda for the day and reviewed the votes before the Committee. He introduced Ms. Margaret Senese, Program Manager of Strategic Investment.

Ms. Senese stated that all Phase 1 contracts have been executed. She noted that her team has monthly calls with CHART hospitals to assess the progress of projects and determine how the HPC can continue to serve as a resource.

Mr. Seltz noted that there has been considerable excitement and enthusiasm from awardees around the CHART Investment Program. Mr. Romm stated that CHART investments are allowing hospitals to push beyond budget gaps and achieve lasting results.

Mr. Romm reviewed key events involving CHART hospitals, including pending cost and market impact reviews. He paused for questions. Seeing none, he continued to the next agenda item.

ITEM 3: Consideration of Professional Services Contract

Mr. Romm stated that the HPC requires professional assistance for the CHART Investment Program. As such, staff would be detailing a contract for the committee's approval. Mr. Romm stated that, because the contract would exceed the board approved \$500,000 limit, he would seek endorsement from CHICI at the day's meeting before presenting the contract to the board on April 16.

Mr. Romm stated that the HPC released a Request for Responses (RFR) for professional assistance in January 2014. The goal of the RFR was to find a consultant that would contribute added value support and meaningful information sharing with the HPC.

Mr. Romm reviewed the procurement process for the professional services. He stated that the HPC reviewed ten responses, which were evaluated across five deliverable standards. Mr. Romm provided the evaluation scores and costs for the three top contenders. He concluded that the staff recommends a contract with Safe & Reliable Healthcare (S&R).

Mr. Romm provided a summary of the anticipated work S&R would complete. He stated that S&R would complete a three step evaluation for Phase 1. S&R would first conduct a survey of hospital-specific culture work. This will help the HPC ascertain which of two pathways of work the hospital would follow moving forward.

Dr. Hattis asked Mr. Romm to define "pathways of work." Mr. Romm responded that S&R's would determine whether a hospital has sufficient baseline data on culture. He clarified that if the hospital has sufficient data, then the HPC would work with it to assess, interpret, and implement the data sets. If not, the HPC would define sampling techniques and support hospitals in fielding and interpreting surveys.

Following the culture surveys, Mr. Romm stated that S&R would visit each CHART hospital to assess the culture and leadership capacity.

Mr. Romm outlined the third phase of S&R's contract with the HPC: the development of the CHART Leadership Academy. He stated that the academy would be a 1-2 day seminar with a curriculum focused on skill training around principles of quality improvement, strategic operational planning for system improvement, and change management.

Mr. Romm stated that the contract with S&R would be up to \$525,000 with an option to renew for up to five years.

Dr. Harris asked for clarification on the term of the contract. Mr. Romm responded that the term would begin soon after the board approved the contract. He stated that work would occur over four months with the CHART Leadership Academy in fall 2014.

In addition to the proposed contract with Safe and Reliable, Mr. Romm briefly introduced a second contract with Cynosure. Dr. Hattis confirmed that staff was not asking for a vote on Cynosure because it did not meet the \$500,000 contract threshold. Mr. Romm confirmed this and added that he would be happy to provide details upon request.

Mr. Lord asked if S&R responded to the management survey portion of the RFR. Mr. Romm said that the management survey called for consultation on processes and lean management. He stated that S&R is leadership-oriented, but would provide support, where possible, for management surveys.

Dr. Hattis asked for any additional questions concerning the proposed contract with Safe and Reliable. Seeing none, he stated his confidence in the proposal and made a motion to endorse the contract with S&R. Mr. Lord seconded. The members voted unanimously to endorse the contract.

ITEM 4: Review of Framework for CHART Investment Program - Phase 2

Mr. Romm noted that the next portion of the meeting would focus on Phase 2 of the CHART Investment Program.

Mr. Romm introduced the key decisions points for Phase 2 and introduced the proposed framework for the program. Staff proposed a 3+1+1 approach, which involves (3) three standardized aims, (1) an emphasis on emerging technologies, and (1) an emphasis on strategic planning. Mr. Romm noted that this plan would include standardized metrics for evaluation and benchmarking.

Mr. Romm reviewed the core aims for Phase 2 of the CHART Investment Program: maximizing appropriate hospital use, encouraging hospital-wide process improvement, and enhancing behavioral health care. He stated that a hospital must complete a project with impact in one or more of these three areas. He added that awardees must also focus on emerging technologies, including the use of the Mass HIway.

Dr. Hattis asked if a hospital would be required to complete a project within each of the three core aims. Mr. Romm responded that a hospital would only be required to include one of the three outcome-based aims.

Dr. Hattis asked whether a hospital could apply for funding for a planning project that did not include one of these core aims. Mr. Romm stated that, under this framework, it could not.

Ms. Senese reviewed the interplay between the goals of Phase 2 of the CHART Investment Program and the conclusions from the 2013 Cost Trends Report. She detailed how Phase 2 would balance competing aims and pressures.

Mr. Lord asked how the staff would determine the amount of an investment. Ms. Senese stated that it may vary by hospital and will be a topic under consideration by the committee over the coming months.

Ms. Senese reviewed the major challenges in framing CHART Phase 2 and the approach proposed by the staff. She noted that Phase 1 demonstrated the benefits of common aims and goals among hospitals for increased shared learning. Ms. Senese stated that there was significant discussion around whether payments should be based on process or outcomes.

Dr. Hattis stated that the HPC needs to define its desired outcome for investments prior to making awards. This would allow CHART hospitals to work towards a clear goal. He stated that the purpose of the CHART Investment Program is not simply to obtain data and information on community hospitals. Rather, it is to help eligible community hospitals succeed.

Mr. Lord asked what would happen if a project funded by the CHART Investment Program did not successfully meet its goals. Mr. Romm stated that one of the Committee's tasks will be deciding how much funding is distributed at the start of the project and how much is held until it is successfully completed. He noted that building the correct proportion would vary from hospital to hospital and would be developed as the process moved forward.

Dr. Hattis asked if it would be possible for a CHART eligible hospital to apply for funding in conjunction with other hospitals and organizations. Mr. Romm stated that this framework is broad and would continue to be refined throughout the spring.

Ms. Senese reviewed three examples of potential proposals from CHART eligible hospitals.

Mr. Lord asked whether it is a prerequisite for CHART eligible hospitals to be connected to the Mass HIway. Dr. Hattis further asked whether a CHART hospital would satisfy the technology requirement of the 3+1+1 Phase 2 program if they are already connected to the Mass HIway. Mr. Romm responded that being on the highway is necessary, but not sufficient to satisfy the technological requirement. He noted that there would be additional tasks towards completing this goal.

Dr. Hattis stated that each hospital should have some obligation to advance their technology.

Mr. Lord asked whether the Massachusetts e-Health Institute (MeHI) would assist the HPC in communicating information on the HIway. Mr. Romm stated that MeHI and the Executive Office of Health and Human Services would support this effort.

Dr. Hattis stated that he believes that the "3+1+1" is an appropriate way to frame Phase 2. Mr. Romm thanked committee members for their feedback. Mr. Seltz stated that feedback from stakeholders and members of the public is also welcome.

Mr. Romm and Ms. Senese gave an overview of the proposed application process for Phase 2 of the CHART Investment Program.

Dr. Hattis asked if the Phase 1 Leadership Academy would touch upon portions of Phase 2. Mr. Romm stated that it would be different from an information session but would provide an opportunity to discuss important areas and challenges.

ITEM 6: Adjournment

Dr. Hattis asked for comments from members of the public. Public comment was offered by Laura Henze Russell and Stacey Ober.

Seeing no further comments, Dr. Hattis adjourned the meeting at 11:08 AM.