



MASSACHUSETTS
HEALTH POLICY COMMISSION

Health Policy Commission Advisory Council

November 13, 2019



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HEALTH POLICY COMMISSION

AGENDA

- **Executive Director's Report: Upcoming Agency Activities**
- 2019 Cost Trends Hearing: Recap and Next Steps
- Design Considerations for MassUP Initiative

Upcoming HPC Meetings and Activities

November 20 Board Meeting

- Executive Session (8AM -9AM)
- Consideration of proposed regulation governing the HPC's new authority to review **pharmaceutical manufacturer's pricing practices**
 - Public hearing date to be announced – likely mid-December
- Select preview of upcoming **2019 Cost Trends Report**: hospital inpatient and outpatient trends
- CHART evaluation results

Upcoming Publications

- CHART Hospital Awardee Profiles
- CHART Program Playbook
- SHIFT-Care Challenge Awardee Profiles
- **Prescription Drug Coupon** Study

Grant Opportunities

- New **MassUP** Request for Proposals (see slides X-X for more details)



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Panel 1: Confronting Complexity in the Health Care System

GOAL

This panel focused on the impact of administrative complexity on patients, employers, providers, and payers, as well as solutions for reducing complexity that does not provide value.

WITNESSES

Dr. Michael Apkon, President and CEO

Cheryl Corman, Executive VP and Chief HR Officer

Dr. Alejandro J. Esparza-Perez, CMO

Amy Rosenthal, Executive Director

David Segal, President and CEO

Tufts Medical Center

Middlesex Savings Bank

Holyoke Health Center

Health Care For All

AllWays Health Partners

Takeaways from Panel 1: Confronting Complexity in Health Care



Panelists described the **negative effects of complexity**, including higher premiums, workforce shortages, high demands on consumers, and uncoordinated care.



Panelists and Commissioners discussed how a **single fee schedule and uniform billing rules** result in lower administrative complexity (and expenses) in Canada.



Panelists agreed that **consumers face significant challenges** navigating the system once enrolled, such as identifying in-network providers, verifying coverage for specific services and drugs, and determining cost-sharing.



Payers and employers emphasized **leveraging technology to help patients** navigate complexity.



The group discussed potential solutions, such as **reducing unnecessary variation** in administrative requirements and procedures and improving **consumer navigation resources**.

Panel 2: Pharmaceutical Market Trends and Cost Drivers

GOAL

This panel discussed emerging policies and strategies for payers, providers, manufacturers, and other stakeholders to address affordability of prescription drugs and promote value in pharmaceutical spending.

WITNESSES

Dr. Troyen Brennan, Executive VP and CMO

CVS Health

Michael Carson, President and CEO

Harvard Pilgrim Health Care

Erin Mistry, Head of Value, Access, and HEOR

Syneos Health

Dr. David Twitchell, Chief Pharmacy Officer

Boston Medical Center Health System

Takeaways from Panel 2: Pharmaceutical Market Trends and Cost Drivers



Prescription drug prices remain a central concern for patients, providers, payers and policymakers. Prescription drugs account for up to **25%** of commercial health care spending.



Panelists agreed that **more transparency is crucial** to understand the flow of dollars in the prescription drug market. PBM CVS Caremark stated it would be “open to regulation” that increases transparency in Massachusetts.



Panelists noted that strategies such as **value-based contracting offer promises to align prices with outcomes**, but they are administratively complex and difficult to scale.



Panelists discussed potential strategies for reform across the pharmaceutical distribution channel:

- Examine the **rebate model**
- Provide **information on consumer cost impact to providers** at the point of care
- **Collect better evidence on patient experience** and functional capacity around clinical trials

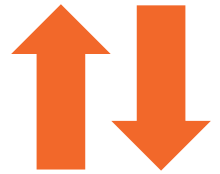
Lessons Learned from Rhode Island Primary Care Investment Efforts

In 2010, **RI Health Insurance Commission** implemented affordability standards:

- Required proportion of medical expense for primary care would increase 1 percentage point per year for 5 years
- Capped hospital inpatient price growth at inflation + 1%

Key Takeaways from Cost Trends 2019 Presentation:

- As primary care spend increases, ED & hospitalization discharges decrease
 - Physician-based ACOs do better than hospital-oriented ACOs
 - ACOs alone do not incentivize primary care sufficiently
 - Many other states are taking action to increase primary care spending
- Rhode Island encouraged investments in PCMH & non-FFS payment
 - Non-FFS included substantial investments in IT
- Rhode Island named 'most improved state' in 2019 by the Commonwealth Fund due to increases in access, affordability, prevention & treatment, healthy lives, and reduce health care disparities.



Researchers found that RI's investment was beneficial, but the state's success in controlling spending resulted mainly from the implementation of the hospital price growth cap.

Panel 3: Strengthening Primary and Behavioral Health Care

GOAL

This panel focused on strategies to enhance primary and behavioral health care in the Commonwealth through direct investment, expanding workforce, behavioral health integration, and other capacity building.

WITNESSES

Dr. Joseph Frolkis, President and CEO

New England Quality Care Alliance

Dr. Jeffrey Greenberg, Co-Founder and COO

Firefly Health

Richard Lynch, COO

Blue Cross Blue Shield of MA

Dr. Nancy Norman, Medical Director of Integration

MA Behavioral Health Partnership

Christina Severin, President and CEO

Community Care Cooperative (C3)

Takeaways from Panel 3: Strengthening Primary and Behavioral Health Care



Panelists observed that the current **payment environment is not conducive to innovation** in primary and behavioral health care.



Providers agreed there is opportunity to use **all clinical staff at the top of their licenses** while incorporating **non-clinical staff into care teams**.



Some suggested that new payment models would allow more use of **home care, telehealth** and other **non-office-visit-based care models**.



The group discussed that investments in primary care and behavioral health should result in **decreased acute care utilization and lower spending**.

Panel 4: Provider Market Trends and Cost Drivers

GOAL

This panel sought to examine how changes in the provider market continue to impact spending as well as quality of and access to care. It also included a discussion of trends in the appropriate use of lower-cost sites of care, the impacts of continued market consolidation, and the role and future of community-based providers.

WITNESSES

Thomas Crowell, President and CEO

Sandra Fenwick, CEO

Kim Hollon, President and CEO

Dr. Anne Klibanski, President and CEO

Dr. Steven Strongwater, President and CEO

Dr. Kevin Tabb, President and CEO

Tufts Health Plan

Boston Children's Hospital

Signature Healthcare

Partners HealthCare

Atrius Health

Beth Israel Lahey Health

Takeaways from Panel 4: Provider Market Trends and Cost Drivers



Commissioners expressed concern that despite hitting the health care cost growth benchmark, **health care spending in the Commonwealth remains high**, impacting affordability for consumers.



In addressing the question of whether costs would ever decline, one panelist described how a community hospital **lowered its internal costs to achieve small positive margins even with low reimbursement rates**.



Panelists noted that some costs are not under the direct control of providers or payers and emphasized the **need to partner with community organizations** to address social determinants of health and health-related social needs.



Panelists indicated that they **welcomed continued collaboration with the HPC to control spending and improve quality**, and highlighted plans to try to shift more care to lower-intensity settings.



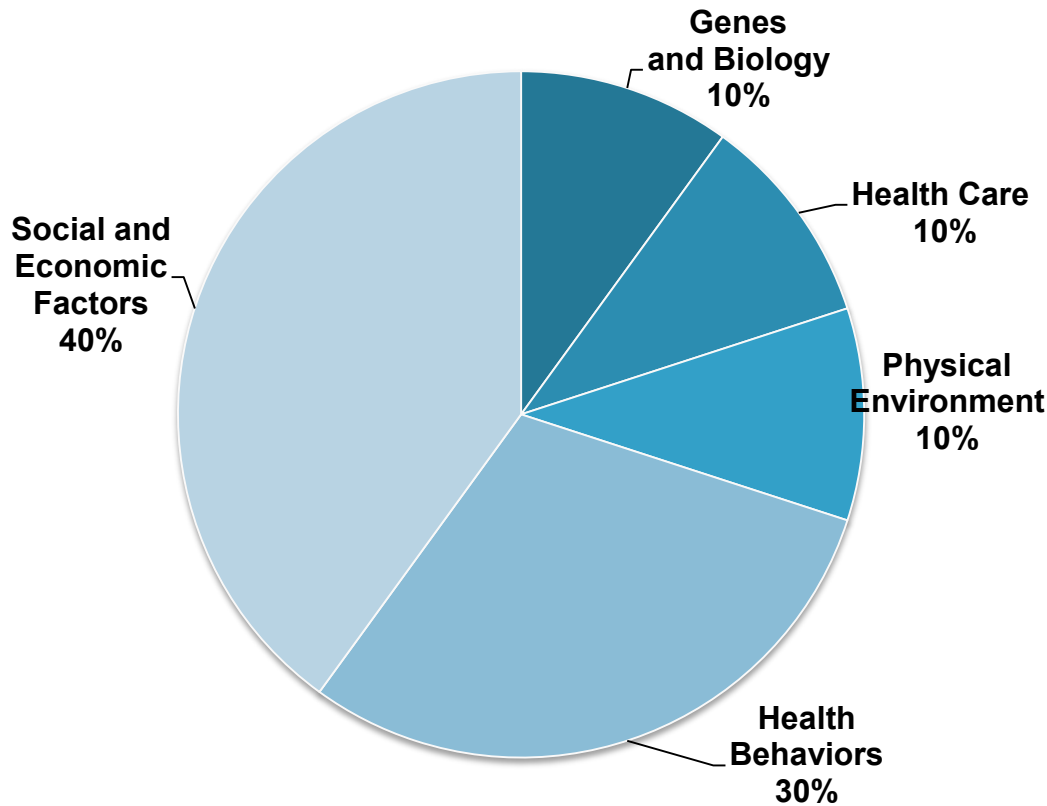
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Addressing social determinants of health is essential to improving population health, reducing health inequities, and controlling health care costs.

Factors that Impact Health



2018 Annual Health Care

COST TRENDS REPORT

PROMOTING AN EFFICIENT, HIGH-QUALITY
HEALTH CARE DELIVERY SYSTEM

#8. SOCIAL DETERMINANTS OF HEALTH. The Commonwealth should continue to address the impact of social determinants of health (SDH) on health care access, outcomes, and costs.

The Case for a Coordinated Strategy to Align Health Care System and Community Health Initiatives

Context

- Health systems and accountable care organizations (ACOs) **have clinical and financial interest in improving population health and reducing health inequities**
- Strong partnerships are necessary** for success; communities and health systems/ACOs need **technical assistance and capacity-building investment** to partner effectively



Challenges

- Difficulties working to address health related social needs (HRSN) within individual health systems/ACOs, as well as in collaboration with other health systems, municipal governments, and community organizations
- Data can inform and promote collaborations between health systems/ACOs and communities to address the social determinants of health (SDOH), but challenges and barriers exist that limit ability to share and collaborate effectively

Opportunity

- Support the development of **community collaborations that better align resources and policy levers**, including community health needs planning, community benefits programs, ACO population health approaches, municipal public health efforts, and determination of need programs, particularly in areas with high demonstrated health needs/inequities



Overview of Moving Massachusetts Upstream (MassUP)

MassUP Vision:

Better health, lower costs and reduced health inequities — across communities and populations in Massachusetts — through effective partnerships between government, health care systems, and communities to address the social determinants of health.

- **A partnership across state agencies: DPH, MassHealth, AGO, EOE, and HPC**
- Goal: to engage in **policy alignment activities** and make **investments to support health care system–community collaborations** to more effectively address the “upstream” causes of poor health outcomes and health inequity



MassUP Action Plan Strategies

Investment Program

- The HPC will fund a **competitive grant opportunity** for 2-3 partnerships including at least one provider organization and one community-based organization

Technical Assistance

- DPH will **provide dedicated technical assistance either through staff or contracted resources** to the community collaboratives (e.g. convening/facilitation expertise)

Aligning Policy

- MassUP will **identify policy opportunities and work to alleviate state-level policy barriers** across MassUP agencies

Evaluation

- DPH **will analyze, document and disseminate the design elements** leading to successful clinical and community collaboratives to address SDOH

Proposed MassUP Investment Program Key Parameters

PURPOSE

To support partnerships that include provider organizations and community-based organizations working together to address upstream (i.e., social, environmental, and economic) challenges, and enable sustainable improvements in community health and health equity.

EXPECTED OUTCOMES

- **Internal alignment** within participating provider organizations current programs/efforts — e.g., Community Health Needs Assessment (CHNA), Community Benefits, ACO population health management, anchor investment strategies
 - Initiation of **new work or investments focused further upstream** to address a SDOH in a local community
 - Establishment of **cross-sector, community-engaged partnerships that are sustainable** beyond the term of the MassUP investment to continue advancing upstream work
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DURATION

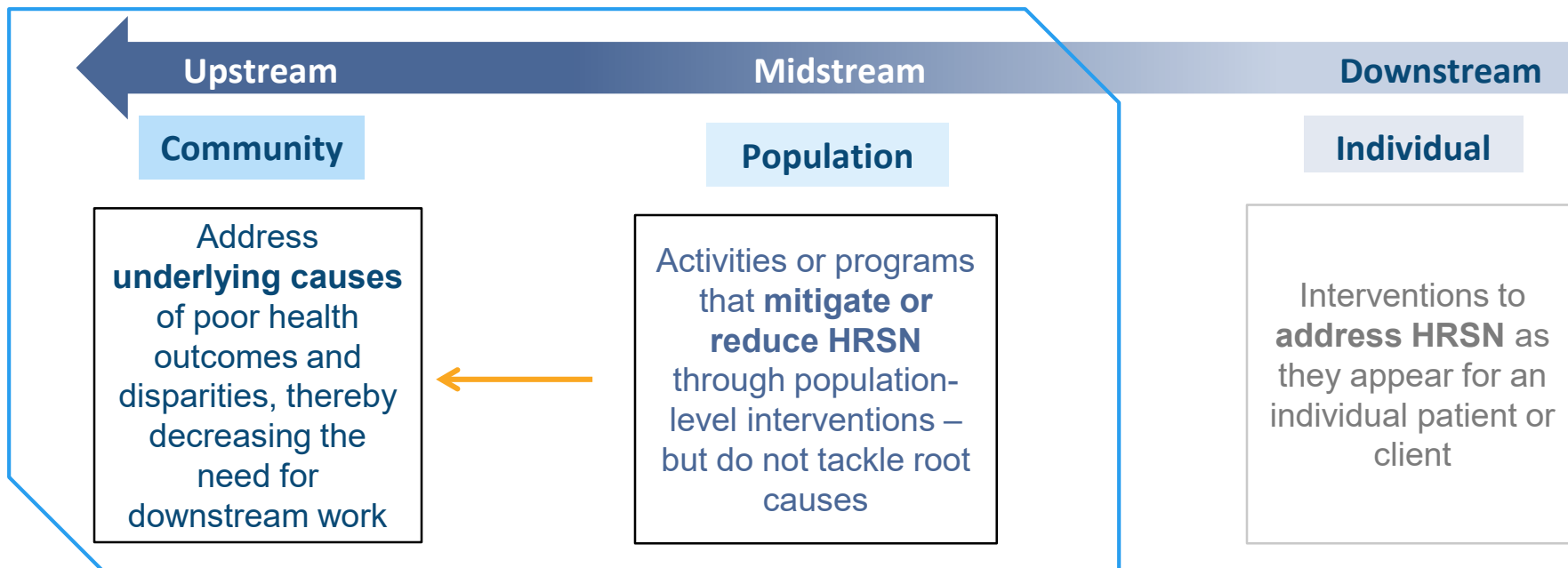
3 years (inclusive of a planning period and implementation)

FUNDING*

Total of approximately \$1.25 million from the Healthcare Payment Reform Fund, allocated across 2-3 awards of up to \$625,000 each

What would it mean for health care providers and CBOs to align current work and “move upstream” through MassUP?

A shift in focus...



...and activities.

- 1 **Understand the local community’s needs and health and health equity priorities** through CHNA data, authentic engagement, etc.
- 2 **Inventory current health system and community work** to identify opportunities to modify/align and move further upstream
- 3 **Develop upstream-oriented intervention**, including goals, strategies, and tactics

Proposed Requirements to Qualify for MassUP Investment Funding



Local focus

Focus on a community (one or more specific zip codes)

Access to community-level data, with demonstrated understanding of relevant SDOH and health inequities

Clear strategy for authentic community engagement to further understand local needs, preferences, and priorities



Upstream vision

Proposes to deepen current or initiate new, more upstream work

Identifies expected results, including health and health equity improvements, and change measurement strategy

Proposes plans for sustaining the partnership after the investment period to continue upstream efforts



Partnership

Includes ≥ 1 health care provider organizations and ≥ 1 CBO

Proposes a collaborative governance and decision-making structure that equitably empowers partner organizations

Articulates clear roles for each partner organization in operating the partnership and executing on its goals

MassUP Request For Information (RFI): 49 responses received

Provider Organizations

- Behavioral Health Network
- BeHealthy Partnership (Baycare)
- Beth Israel Lahey Performance Network
- BMC Health System
- Boston Children's Hospital
- Cambridge Health Alliance
- Fairview Hospital
- Greater Lowell Collaboration
- Hebrew Senior Life
- Heywood Hospital
- Holyoke Medical Center
- Mass Home Care Network
- MassGeneral Hospital For Children
- Mercy Medical Center
- Merrimack Valley ACO
- South Shore Health
- UMass Memorial
- Whittier Street Health Center

Community Based Organizations

- 2Life Communities
- Center for Human Development
- Children's Healthwatch
- Community Action Pioneer Valley
- EMPath
- Gandara Center
- Greater Boston Food Bank
- HealthLeads
- Madison Park Development Corporation
- Medical Legal Partnership Boston
- Open Sky
- Pine Street Inn
- Project Bread
- Resources for Human Development
- MENTOR Network

Advocacy Groups

- Allston Brighton Health Collaborative
- Collaboration for Educational Services
- HRiA
- Institute for Health and Recovery
- MA Association for Community Devel Corps
- MA Healthy Aging Collaborative
- MA Public Health Association
- Mental Health Association
- Public Health Institute of Western MA

Additional respondents

- Beacon Health Options
- Holyoke Community College
- New England College of Optometry
- Salem Board of Health
- UMass Amherst College of Nursing
- UMass Amherst Health Promotion
- William James College

Key Themes from RFI

Governance and Oversight

- Ensure equitable governance and authentic community engagement: participants with **lived experience**, account for inherent power imbalances
- **Backbone organization** to serve as administrator or fiscal agent
- **Do not have a strict requirement** for governance structure



Partnerships and Partners

- **Do not require any specific partners**, though **CBOs and Municipalities** are assets
- Allow for **non-traditional partners**, such as churches, schools, jails, small businesses and private sector representatives
- Foster **existing partnerships**, and allow new organizations to join Program



Evaluation Metrics

- Measure the **impact of the partnership**: experience of patients and providers; social, health, and economic outcomes
- Allow for **ROI to be broad**

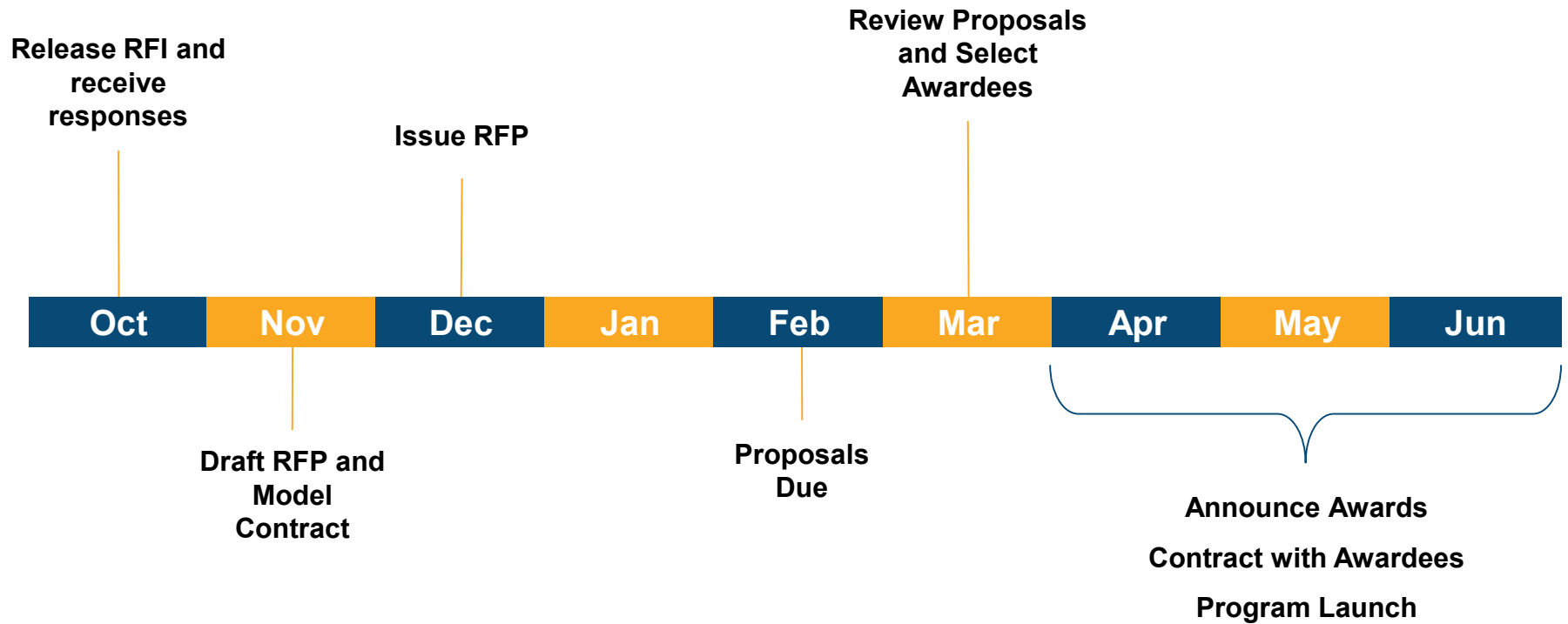


Needed Resources

- Critical organizational needs: **staff**; funding re **IT systems and data** sharing capabilities
- Allow for **flexible use** of funds (infrastructure, staffing, service delivery, support for community participation)



Anticipated MassUP Investment Program Timeline



Upcoming 2019 Meetings and Contact Information



Board Meetings

Wednesday, November 20
Monday, December 16



Contact Us



Mass.Gov/HPC

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