MASSACHUSETTS
HEALTH POLICY COMMISSION

Health Policy Commission Advisory Council

September 29, 2021

MASSACHUSETTS
HEALTH POLICY COMMISSION

AGENDA

- **Welcome by Executive Director David Seltz**
- Executive Director's Report
- Targeted Cost Challenge Investments (TCCI) Evaluation
- 2021 Cost Trends Report and Policy Recommendations
- Upcoming HPC Meetings

Welcome HPC Advisory Council Members!

Lissette Blondet, Executive Director, Massachusetts Association of Community Health Workers
Kim Brooks, Chief Operating Officer, Senior Living, Hebrew SeniorLife
Michael Caljouw, Vice President of Government & Regulatory Affairs, Blue Cross Blue Shield MA
Christopher Carlozzi, State Director, National Federation of Independent Business (NFIB)
JD Chesloff, Executive Director, Massachusetts Business Roundtable
Dr. Cheryl Clark, Director of Health Equity Research and Intervention, Brigham and Women's Hospital
Michael Curry, President and CEO, Massachusetts League of Community Health Centers
Dr. Ronald Dunlap, Cardiologist and Past President, Massachusetts Medical Society
Geoffrey Gallo, Director of State Government Affairs, AstraZeneca
Audrey Gasteier, Chief of Policy and Strategy, Massachusetts Health Connector
Bonny Gilbert, Co-Chair of Healthcare Action Team, Greater Boston Interfaith Organization (GBIO)
Tara Gregorio, President and CEO, Mass Senior Care Association
Lisa Gurgone, Executive Director, Mass Home Care
Jon Hurst, President, Retailers Association of Massachusetts
Pat Kelleher, Executive Director, Home Care Alliance of Massachusetts
Colin Killick, Executive Director, Disability Policy Consortium
Ellen LaPointe, CEO, Fenway Health
David Matteodo, Executive Director, Massachusetts Association of Behavioral Health Systems
Dr. Danna Mauch, President and CEO, Massachusetts Association for Mental Health
Cheryl Pascucci, Family Nurse Practitioner, Baystate Franklin Medical Center
Carlene Pavlos, Executive Director, Massachusetts Public Health Association
Lora Pellegrini, President and CEO, Massachusetts Association of Health Plans
Christopher Philbin, Vice President of Office of Government Affairs, Partners HealthCare System
Judith Pare, Director of Nursing, Massachusetts Nurses Association
Dr. Claire-Cecile Pierre, Chief Medical Officer, Harbor Health Services and Executive Director, Kerry Murphy Healey Center for Global Health Entrepreneurship at Babson College
Amy Rosenthal, Executive Director, Health Care For All
Christine Schuster, President and CEO, Emerson Hospital
Zach Stanley, Executive Vice President, MassBio
Dr. Steven Strongwater, President and CEO, Atrius Health
Assistant Secretary Daniel Tsai, Assistant Secretary for MassHealth, Executive Office of Health and Human Services
Matthew Veno, Executive Director, Group Insurance Commission
Steven Walsh, President and CEO, Massachusetts Health and Hospital Association
Elizabeth Wills-O'Gilvie, Chair, Springfield Food Policy Council
Deborah Wilson, President and CEO, Lawrence General Hospital

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Denotes new member for 2021

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New and Forthcoming Publications

2021 Cost Trends Report

September 2021

Annual report that presents trends in health care spending and delivery in Massachusetts, evaluates progress in key areas, and makes recommendations for strategies to increase quality and efficiency.

HPC Shorts: COVID-19's Impact on ED Visits

August 2021

This short video discusses types of ED visits and behavioral health ED boarding from January 2019 through September 2020.

Health Equity Practice and Style Guide

July 2021

An internal reference tool that includes general guidance, specific recommendations, and useful resources.

Children with Medical Complexities in the Commonwealth

Forthcoming

A report to the Massachusetts Legislature on characteristics of children with medical complexities, including health coverage, access, utilization, and spending.

Certified Nurse Midwives and Maternity Care in MA

Forthcoming

Findings on the landscape of maternity care in the Commonwealth, focusing on the role of nurse midwives and outcomes associated with midwifery care.

Targeted Cost Challenge Investments (TCCI) Evaluation Report

Forthcoming

Detailed findings from the TCCI Program, including cross-initiative themes, program impacts, and sustainability.

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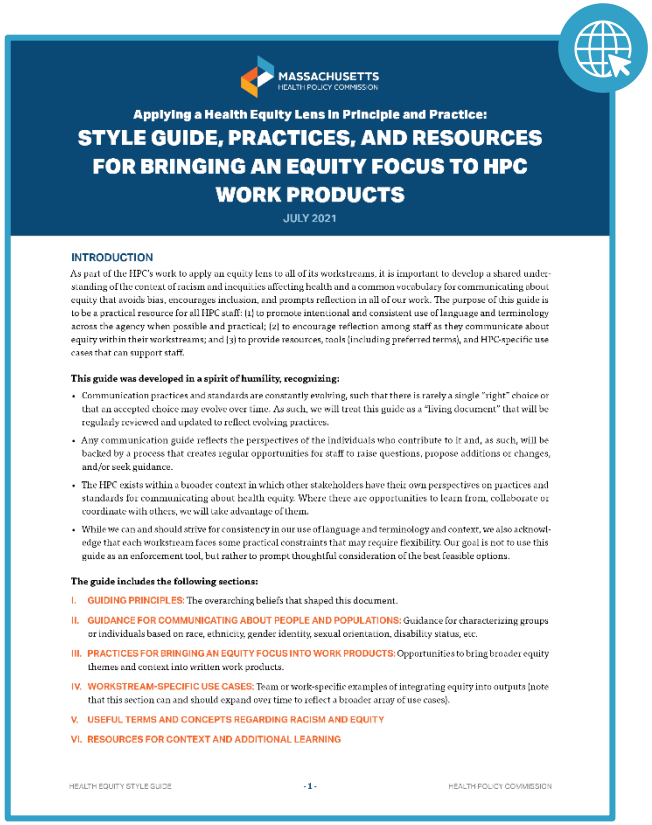
Health Equity Practice and Style Guide



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Applying a Health Equity Lens in Principle and Practice:

STYLE GUIDE, PRACTICES, AND RESOURCES FOR BRINGING AN EQUITY FOCUS TO HPC WORK PRODUCTS

JULY 2021

INTRODUCTION

As part of the HPC's work to apply an equity lens to all of its workstreams, it is important to develop a shared understanding of the context of racism and inequities affecting health and a common vocabulary for communicating about equity that avoids bias, encourages inclusion, and prompts reflection in all of our work. The purpose of this guide is to be a practical resource for all HPC staff: (1) to promote intentional and consistent use of language and terminology across the agency when possible and practical; (2) to encourage reflection among staff as they communicate about equity within their workstreams; and (3) to provide resources, tools (including preferred terms), and HPC-specific use cases that can support staff.

This guide was developed in a spirit of humility, recognizing:

- Communication practices and standards are constantly evolving, such that there is rarely a single "right" choice or that an accepted choice may evolve over time. As such, we will treat this guide as a "living document" that will be regularly reviewed and updated to reflect evolving practices.
- Any communication guide reflects the perspectives of the individuals who contribute to it and, as such, will be backed by a process that creates regular opportunities for staff to raise questions, propose additions or changes, and/or seek guidance.
- The HPC exists within a broader context in which other stakeholders have their own perspectives on practices and standards for communicating about health equity. Where there are opportunities to learn from, collaborate or coordinate with others, we will take advantage of them.
- While we can and should strive for consistency in our use of language and terminology and context, we also acknowledge that each workstream faces some practical constraints that may require flexibility. Our goal is not to use this guide as an enforcement tool, but rather to prompt thoughtful consideration of the best feasible options.

The guide includes the following sections:

I. GUIDING PRINCIPLES: The overarching beliefs that shaped this document.
II. GUIDANCE FOR COMMUNICATING ABOUT PEOPLE AND POPULATIONS: Guidance for characterizing groups or individuals based on race, ethnicity, gender identity, sexual orientation, disability status, etc.
III. PRACTICES FOR BRINGING AN EQUITY FOCUS INTO WORK PRODUCTS: Opportunities to bring broader equity themes and context into written work products.
IV. WORKSTREAM-SPECIFIC USE CASES: Team or work-specific examples of integrating equity into outputs (note that this section can and should expand over time to reflect a broader array of use cases).
V. USEFUL TERMS AND CONCEPTS REGARDING RACISM AND EQUITY
VI. RESOURCES FOR CONTEXT AND ADDITIONAL LEARNING

HEALTH EQUITY STYLE GUIDE - 1 - HEALTH POLICY COMMISSION

As part of the HPC's work to apply an equity lens to all of its workstreams, it is important to develop a **shared understanding of the context of racism and inequities affecting health and a common vocabulary for communicating about equity** that avoids bias, encourages inclusion, and prompts reflection in all of our work.

The ***Health Equity Practice and Style Guide*** is an internal reference tool that includes general guidance, specific recommendations, and useful resources.

The **Health Equity Practice and Style Guide** is available now on the HPC's website.

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HPC Committee Meetings: October 6, 2021

Market Oversight and Transparency (MOAT)

Report Findings: *Children with Medical Complexity in the Commonwealth*

HPC 2021 Policy Recommendations

- Strengthen Accountability for Excessive Spending
- Constrain Excessive Provider Prices

Care Delivery Transformation (CDT)

ACO Distinction Program

Targeted Cost Challenge Investments (TCCI) Evaluation

Report Highlights: *Certified Nurse Midwives and Maternity Care in Massachusetts*

SAVE THE DATE!

2021 HEALTH CARE COST TRENDS HEARING

WEDNESDAY, NOVEMBER 17 AT 12PM

MASSACHUSETTS
HEALTH POLICY COMMISSION

REGISTER ONLINE:
TINYURL.COM/HPCCTH21

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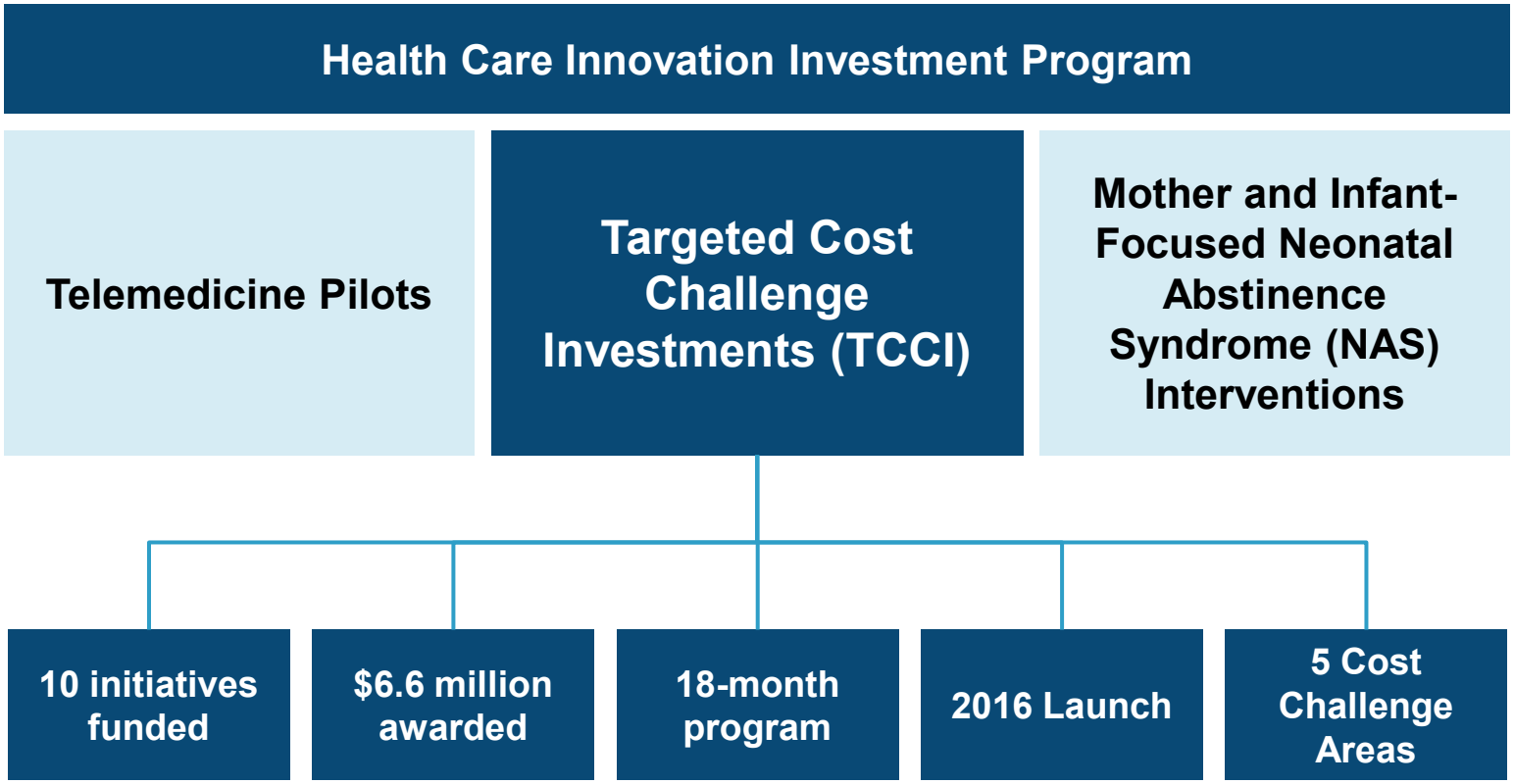
Targeted Cost Challenge Investments Program Background



GOALS

- Reduce health care cost growth while maintaining or improving quality, access, and staff and patient experience.
- Identify opportunities for sustainability through policy and payment reform.

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Cost Challenge Areas and Awardee Care Models

Health-Related Social Needs

- Behavioral Health Network
- Boston Health Care for the Homeless Program
- Boston Medical Center
- Hebrew SeniorLife

Serious Illness and End of Life

- Care Dimensions

Site and Scope of Care

- Commonwealth Care Alliance
- Lynn Community Health Center

Behavioral Health Integration

- Berkshire Medical Center
- Brookline Community Mental Health Center

Care Transitions and Post-Acute Care

- Spaulding Hospital Cambridge

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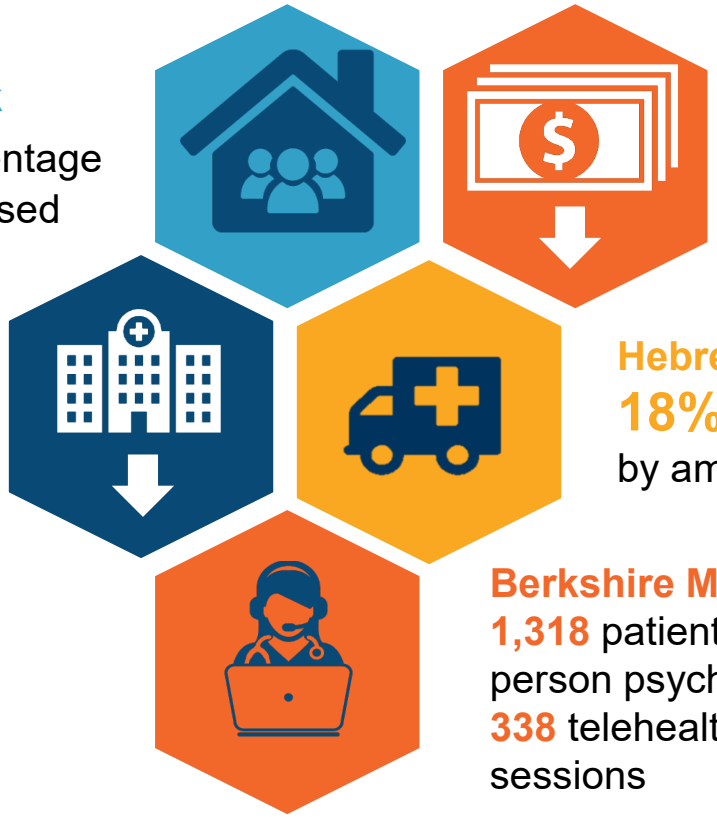
Select TCCI Program Impact Highlights

Behavioral Health Network

43% decrease in the percentage of homeless or unstably housed families

Care Dimensions

21% decrease in inpatient readmissions, compared to baseline



Brookline Community Mental Health Center:

16% reduction in participants' total health expenditures

Hebrew SeniorLife:

18% decrease in ED transports by ambulance

Berkshire Medical Center

1,318 patients received **2,900** in-person psychotherapy sessions, **338** telehealth behavioral health sessions

3836
patients served

60+
community org. partners

>50%
of programs sustained

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Key Takeaways

- **Cross sector collaboration** with community partners was critical to address patients' needs, provide wrap-around care for patients, and extend the programs' reach.
- **Care coordination** helped patients create goals, navigate health and social service systems, and facilitate communication between providers and systems
- **Community health workers**, patient navigators and similar **non-clinical roles were essential parts of many programs**, working to engage patients, connect them to services, and provide holistic, person-centered care coordination and support.
- **Building trust and relationships with patients** allowed staff to foster engagement with many who had been disconnected from or distrustful of the health care system.
- Even the **robust care coordination** and partnerships in the program were insufficient to overcome **systemic resource shortages** in housing, SUD treatment beds, and other areas of patient need.

Discussion Questions

1. How can the roles that proved to be effective in TCCI programs in supporting care coordination, such as patient navigators and community health workers, be better supported through policy?

2. What is the HPC's role in encouraging/supporting the development of maximally effective partnerships between health care and community organizations to address SDoH and HRSN?

TCCI Program Publications

TCCI Program Evaluation Report

Comprehensive evaluation of all 10 TCCI Program initiatives.

Forthcoming, Fall 2021

TCCI Care Coordination Report

An in-depth look at care coordination's resonance and relevance for patients and providers in 4 TCCI Program initiatives.

Forthcoming, Fall 2021

TCCI Impact Brief

A high-level overview of the impact of the TCCI Program.

Published April 2021

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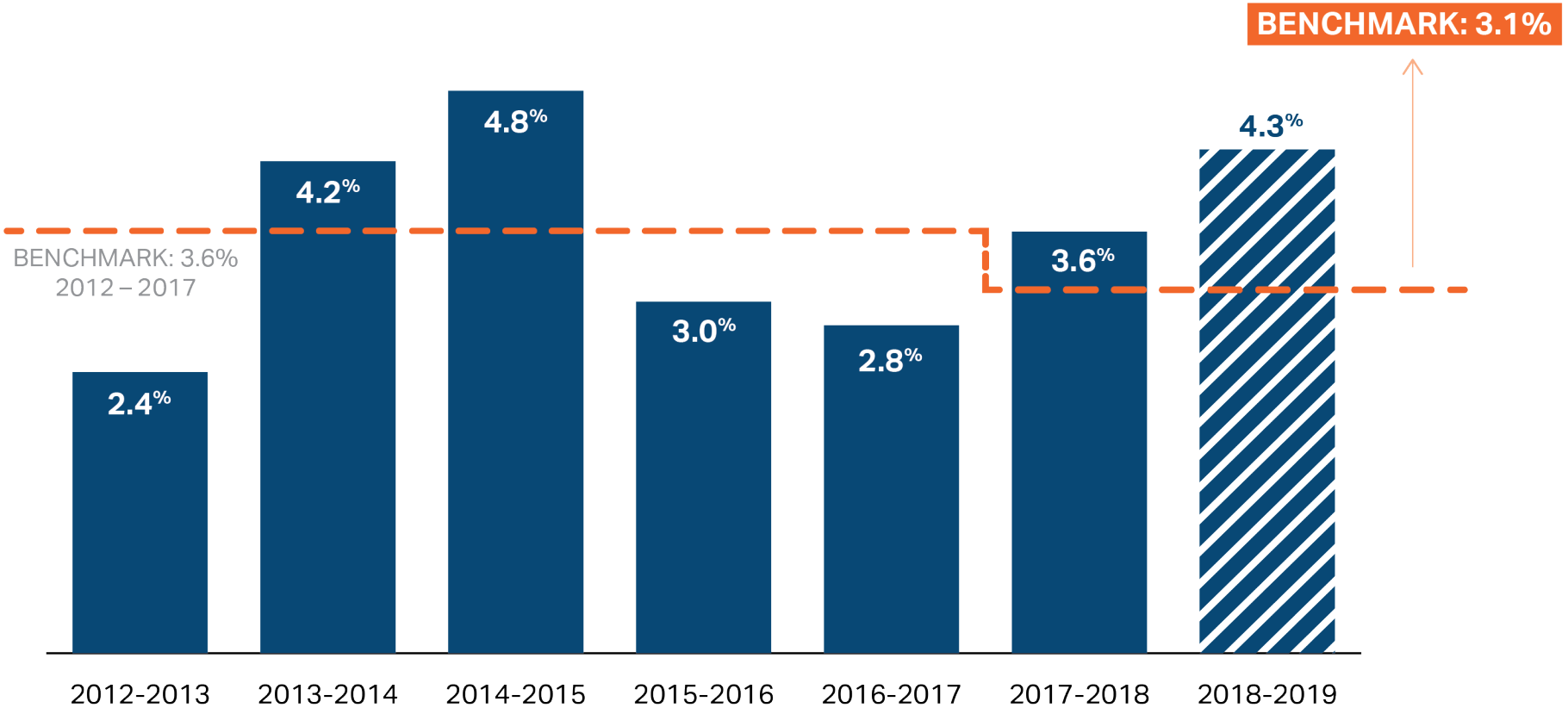
2021 Annual Health Care Cost Trends: Table of Contents

REPORT

CHARTPACK

Growth in total health care spending accelerated the past two years and exceeded the benchmark in 2018 and 2019.

Massachusetts annual growth in per capita total health care spending relative to the benchmark, 2012-2019



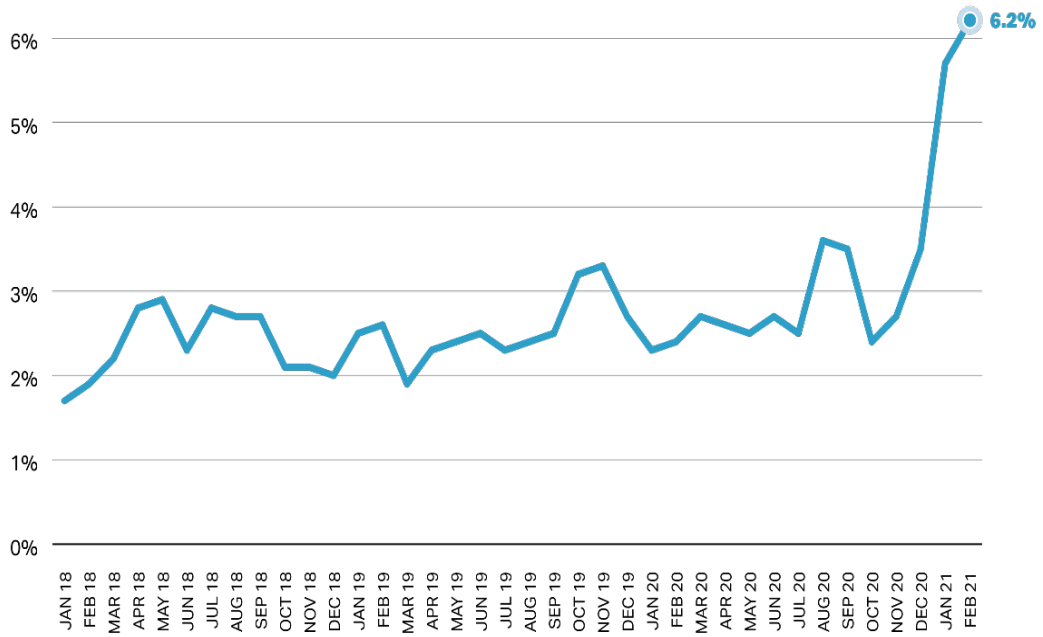
Average annual spending growth between 2012 and 2019 → **3.59%**

Notes: 2018-2019 spending growth is preliminary.
Source: Massachusetts Center for Health Information and Analysis, Annual reports 2013-2020.

Commercial spending growth has been driven more by prices than utilization.

- BCBS, Tufts and HPHC all reported annual prices grew from 2015-2018 **more than twice** the rate of utilization
- The Health Care Cost Institute found that Massachusetts commercial health care prices grew **15.6%** from 2014-2018 while utilization grew **7.0%.**
- Massachusetts 2016-2018 price growth per service category:
  - Hospital inpatient: **9.0%**
  - Hospital outpatient: **6.1%**
  - Physician office: **4.4%**

National growth in commercial hospital prices relative to the same month, 12 months prior, Altarum Institute



- Nationally, commercial hospital prices accelerated further at the end of 2020.

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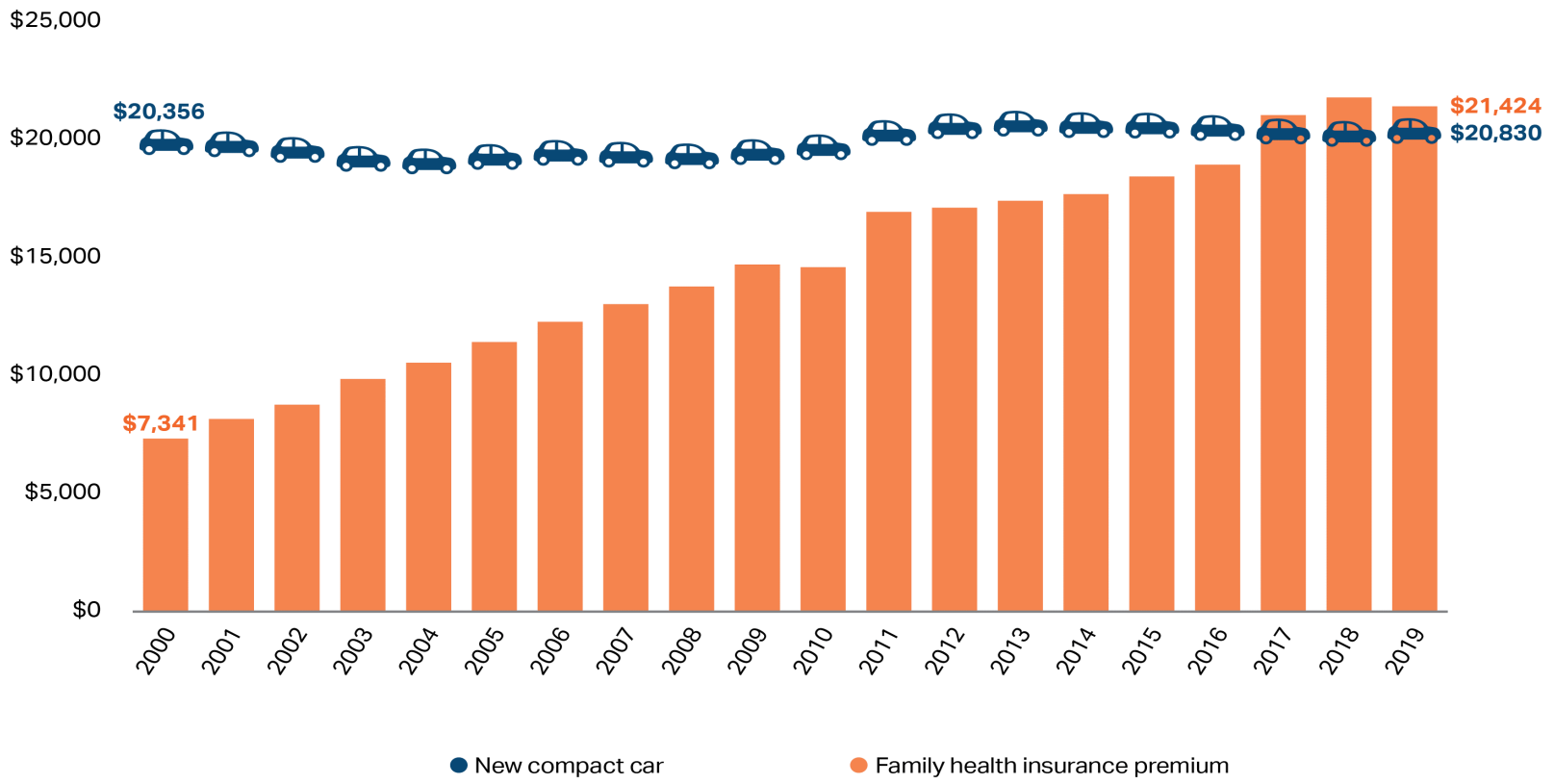
HCCI: https://healthcostinstitute.org/interactive/2018-health-care-cost-and-utilization-report. HPC 2019 Annual Cost Trends report; HPC 2020 Benchmark Presentation: https://www.mass.gov/doc/presentation-benchmark-hearing-march-11-2020/download

Massachusetts health insurance premiums have tripled in 19 years and consume an ever-larger portion of earnings for middle class families.

Average total cost for Massachusetts family health insurance premiums and national cost of a new compact car



The share of middle-class commercially-insured Massachusetts families with more than ¼ of total earnings going to health care rose from **28%** in 2013-2015 to **33%** in 2016-2018.

Notes. Data are in normal dollars of the year shown.

Sources: Family Health Insurance premiums are for Massachusetts from the Agency for Health Care Quality – Medical Expenditure Panel Survey, Insurance Component. Car cost information is based on car-specific inflation from the BLS and the compact car price index from Kelly Blue Book. https://www.prnewswire.com/news-releases/average-new-car-prices-up-nearly-4-percent-year-over-year-for-may-2019-according-to-kelley-blue-book-300860710.html. Earnings calculation includes employer premium contribution in both health care payments and in earnings total. See Massachusetts HPC 2019 Annual Cost Trends Report (p.15)

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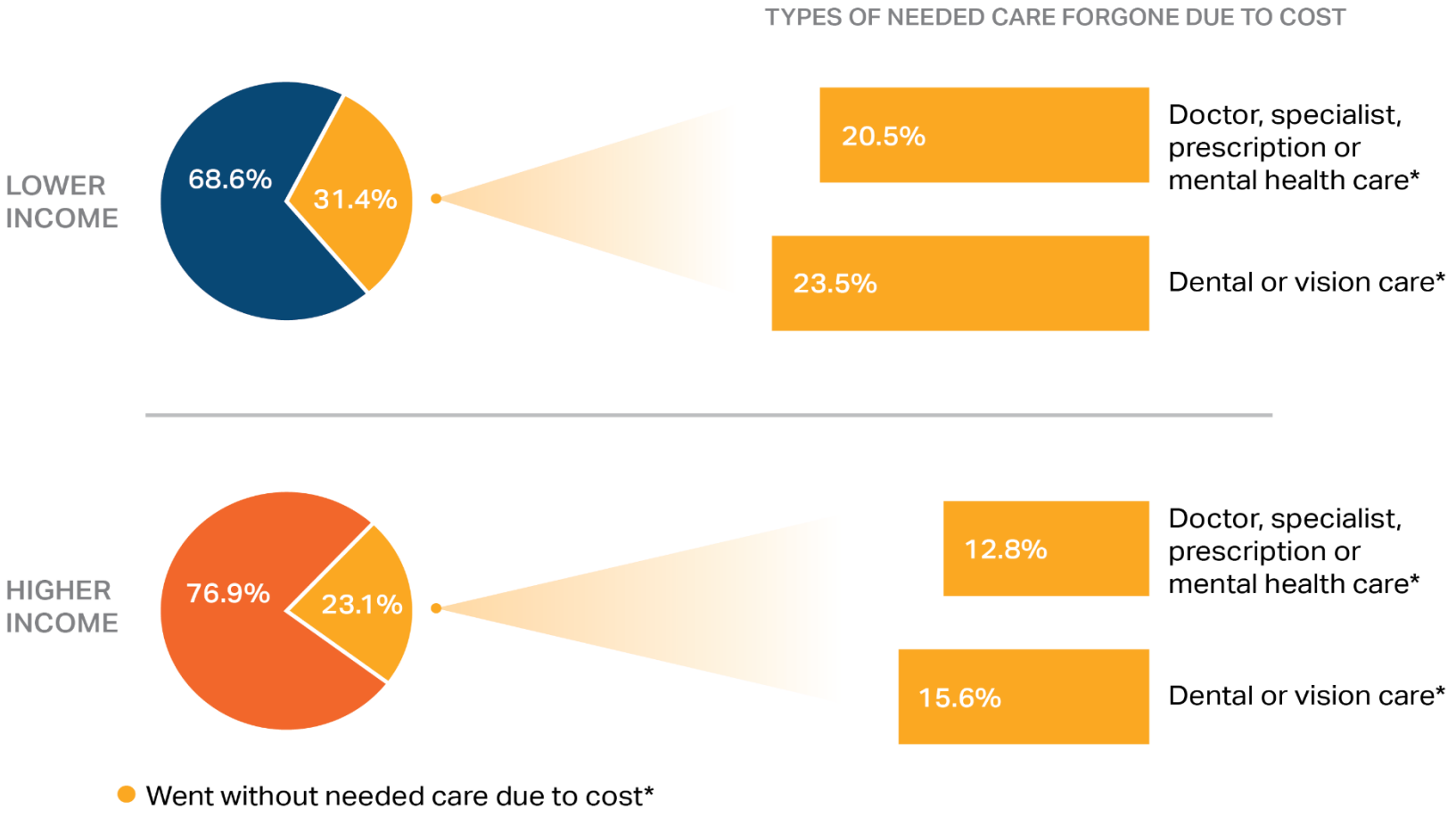
Adults with lower income were much more likely to go without needed health care or prescription drugs because of cost.

Percent of commercially-insured adults who went without needed care because of cost and types of needed care forgone by household income, 2019



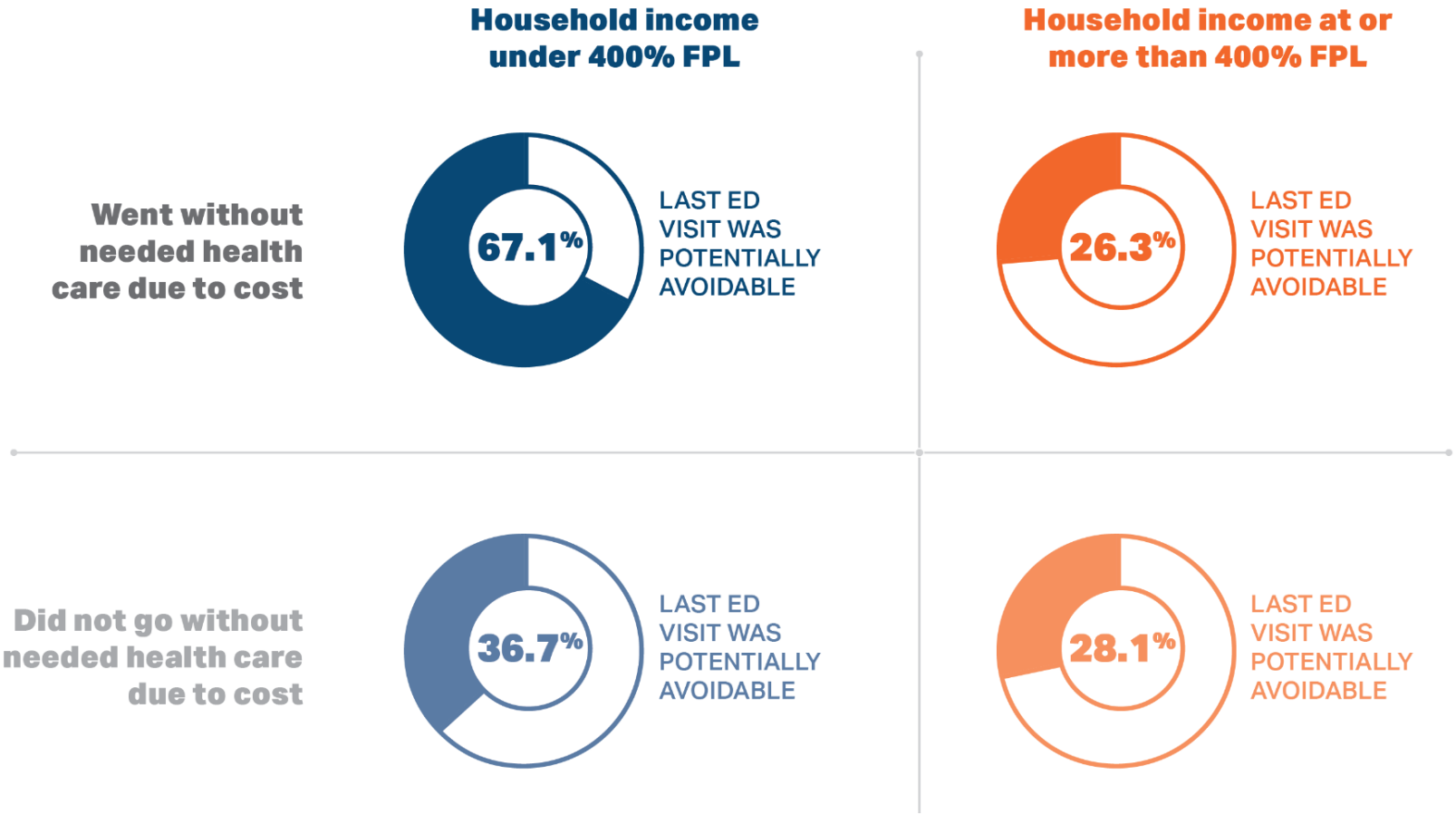
Notes: Results are reported according to self-reported income. Population includes commercially-insured adults age 18-64, with 12-months continuous coverage as of survey timeframe in 2019. * indicates significance at P<0.05 level.

Question text: "Still thinking about the past 12 months, was there any time that you did the following because of cost?": "…not fill a prescription for medicine needed for you", "… not get doctor care that you needed", "not get specialist care that you needed", "not get mental health care or counseling that you needed", "not get dental care that you needed", "not get vision care that you needed"

Source: HPC analysis of Center for Health Information and Analysis 2019 MHIS Survey

Those who are lower income and went without needed care due to cost were twice as likely to have had a potentially avoidable ED visit.

Percent of commercially-insured adults whose last ED visit was potentially avoidable, by household income and unmet health care needs due to cost, 2019



Notes: Results are reported according to self-reported income. Population includes commercially-insured adults age 18-64, with 12-months continuous coverage as of survey timeframe in 2019. Needed health care includes doctor, specialist, prescription drug, and mental health care. Clockwise from upper left quadrant, estimated number of Massachusetts residents whose last ED visit was potentially avoidable: 32,210/48,031, 18,421/70,097, 89,246/317,376, and 57,464/156,749.

Question text: "Still thinking about the past 12 months, was there any time that you did the following because of cost?": "…not fill a prescription for medicine needed for you", "… not get doctor care that you needed", "not get specialist care that you needed", "not get mental health care or counseling that you needed". "The last time you went to a hospital emergency room, was it for a condition that you thought could have been treated by a regular doctor if he or she had been available?"

Source: HPC analysis of Center for Health Information and Analysis 2019 MHIS Survey

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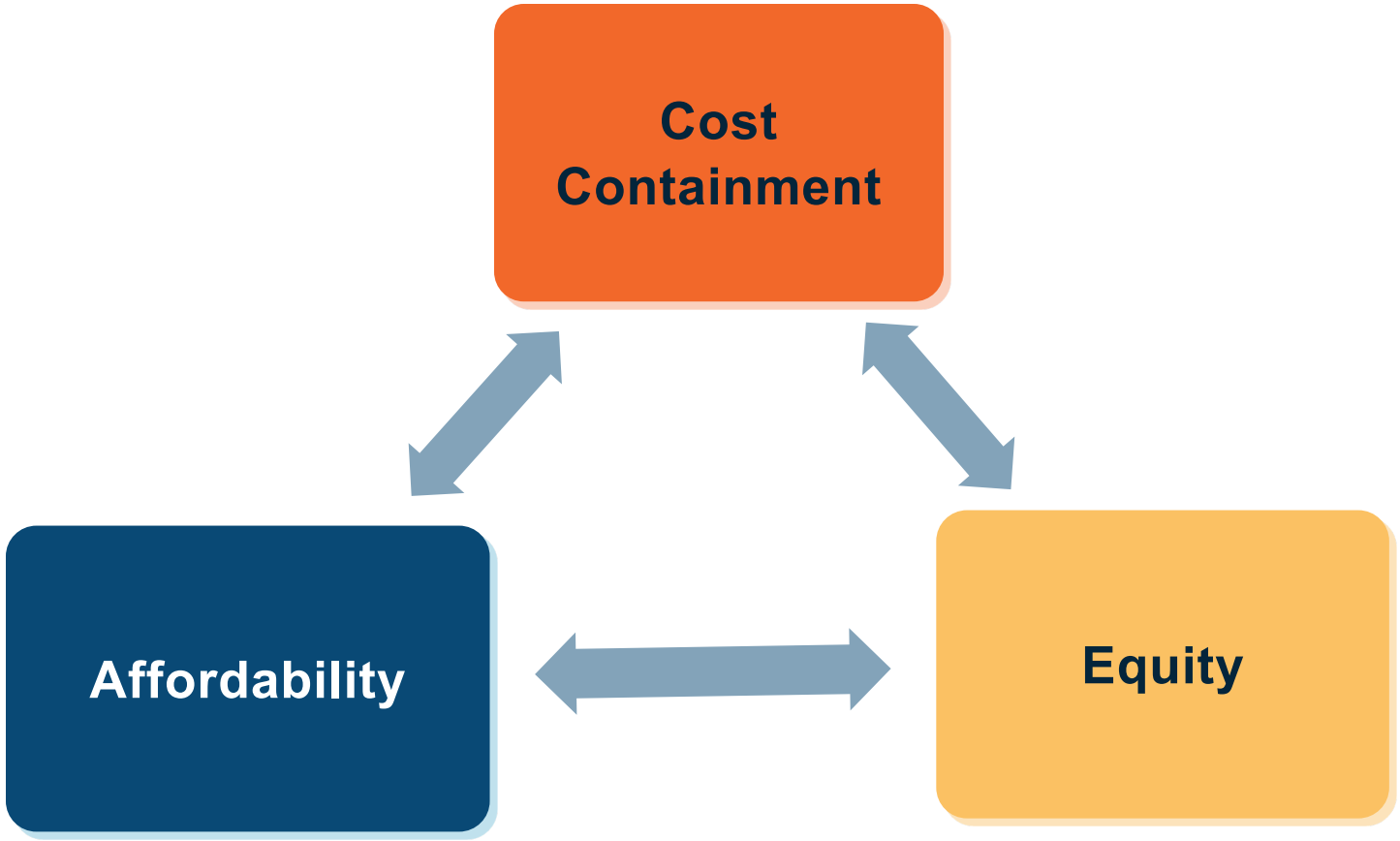
The findings of the 2021 Cost Trends Report and the experience of the COVID-19 pandemic further highlight that containing health care costs is interrelated with addressing issues of affordability and health equity.



In developing a set of potential Policy Recommendations for inclusion in the 2021 report, the HPC aims to advance these three goals.

Cost Trends Report Recommendations (1/5)

As the Commonwealth approaches the ten year anniversary of its benchmark-anchored cost containment effort, the HPC recommends the Commonwealth take immediate action to strengthen and enhance the state's strategy for addressing the intersecting challenges of **cost containment, affordability, and health equity** to improve outcomes and lower costs for all. In addition to implementing the following items, this includes sustaining the successful innovations made during the COVID-19 pandemic, such as expanded access to telehealth, workforce flexibilities, and new care models.

AREAS OF FOCUS

1	2	3	4	5
Strengthen Accountability for Excessive Spending	Constrain Excessive Provider Prices	Make Health Plans Accountable for Affordability	Advance Health Equity for All	Implement Targeted Strategies and Policies

1 **Strengthen Accountability for Excessive Spending.** Strengthen the mechanisms for holding providers, payers, and other health care actors responsible for spending performance by improving the metrics used in the annual performance improvement plan (PIP) process, increasing financial penalties for above-benchmark spending or non-compliance, and considering additional tools to reflect and respond to underlying variation in the relative level of provider prices.

Cost Trends Report Recommendations (2/5)

2 **Constrain Excessive Provider Prices.** Since prices continue to be a primary driver of health care spending growth in Massachusetts and divert resources away from smaller, community providers, the HPC recommends the following actions:

a. **Establish Price Caps for the Highest Priced Providers in Massachusetts.** As a complement to the statewide benchmark, cap prices for the highest priced providers (i.e., limiting the highest, service-specific commercial prices with the greatest impact on spending) and limit price growth (e.g., limiting annual service-, insurer-, and provider-specific price growth) to reduce unwarranted price variation and promote equity.

b. **Limit Facility Fees.** Require site-neutral payments for certain common ambulatory services (e.g., basic office visits) and limit the cases in which both newly licensed and existing sites can bill as hospital outpatient departments and require clear disclosure of facility fees to patients, prior to delivering care.

c. **Enhance Scrutiny and Monitoring of Provider Expansions and Ambulatory Care.** Improve data collection on ambulatory care and continue to closely examine the impact of plans for major expansions of services or new facilities, particularly for outpatient services and for higher-priced providers, on health care costs, quality, access, and market competition, and ensure that any such expansions are well informed by health equity considerations.

d. **Adopt Default Out-of-Network Payment Rate.** As a constraint on the spending and market impact of excessive prices charged by out-of-network providers, the Legislature should enact the default out-of-network payment rate for “surprise billing” situations recommended by the Executive Office of Health and Human Services in its Report to the Massachusetts Legislature: Out-of-Network Rate Recommendations.

Cost Trends Report Recommendations (3/5)

3 **Make Health Plans Accountable for Affordability.** Require greater accountability of health plans for delivering value for consumers and ensure that any savings that accrue to health plans (e.g., from provider price caps as described above) are passed along to consumers.

a. **Set New Affordability Targets and Affordability Standards.** Set measurable goals that identify and track improvement on indicators of affordability, including measures that capture the differential impact of both health plan premiums and consumer out-of-pocket spending by income, geography, market segment and other factors, and develop new health plan affordability standards.

b. **Improve Health Plan Rate Approval Process.** Require greater transparency and public participation in the Division of Insurance health plan rate approval process and require that new health plan affordability standards be a key factor in the approval of health plan rate filings.

c. **Reduce Administrative Complexity.** Require greater cross-payer standardization of policies, programs and processes to reduce administrative complexity, enhance affordability, and improve equity.

d. **Improve Benefit Design and Cost-Sharing.** Develop alternatives to high deductible health plans and other benefit designs that can impede access and perpetuate inequities, such co-payments and deductibles for high value medical care and structure premium contributions to reflect different employee wage levels.

e. **Alternative Payment Methods.** Increase adoption and effectiveness of APMs, especially in the commercial market where expansion has stalled (e.g., increased use of primary care capitation, APMs for preferred provider organization (PPO) populations, episode bundles and two-sided risk models).

Cost Trends Report Recommendations (4/5)

4 **Advance Health Equity for All.** The Commonwealth and all actors in the health care system should be accountable in efforts to achieve health equity for all.

a. **Set New Health Equity Targets.** Set measurable goals to advance health equity. Such goals should focus on eliminating disparities that manifest in both health and health care and be developed through a collaborative approach that is guided by the perspectives of individuals and communities most affected by these disparities.

b. **Address Social Determinants of Health.** Examine and address the social determinants of health (SDOH) that can lead to poor health outcomes for individuals and communities by making and supporting key community investments and enhancing provider efforts to address the health-related social needs of individual patients by collaborative relationships with community-based social service agencies.

c. **Improve Data Collection.** Collaborate to improve the collection of reliable patient data on race, ethnicity, language, disability status, sexual orientation, and gender identity to inform the integration of equity considerations into quality improvement, cost-control, and affordability efforts.

Cost Trends Report Recommendations (5/5)

5 **Implement Targeted Strategies and Policies.** To further advance cost containment, affordability, and health equity, the Commonwealth should adopt the following additional strategies and policies.

a. **Examine Increases in Medical Coding Intensity and Improve Patient Risk Adjustment.** Continue to investigate medical coding and risk adjustment trends and incentives and take action to mitigate the impact of changes in clinical documentation practices on spending and performance measurement and support the development of alternative risk adjustment methods and performance metrics.

b. **Reduce Drug Spending, Align Pricing with Value, and Improve Affordability.** Increase oversight and transparency for the full drug distribution chain, such as by authorizing the expansion of the HPC's drug pricing review authority to include drugs with a financial impact on the commercial market in Massachusetts and by increasing state oversight of pharmacy benefit managers' (PBMs) practices and pursuing strategies to maximize value and enhance access.

c. **Improve Primary and Behavioral Health Care.** Specific areas of focus should include:

   i. **Focus Investment in Primary Care and Behavioral Health Care.** Hold entities accountable for increasing spending devoted to primary care and behavioral health while adhering to the Commonwealth's total health care spending benchmark, prioritizing non-claims-based spending such as capitation, infrastructure, and workforce investments.

   ii. **Improve Access to Behavioral Health Services.** Increase access to behavioral health services and provide resources and support to individuals and families suffering from the effects of the opioid epidemic, by implementing the EOHHS Roadmap for Behavioral Health Reform.

d. **Support Efforts to Reduce Low-Value Care.** Develop strategies, incentives and action steps to eliminate low-value care and provide patients access to information useful in making high-value treatment decisions.

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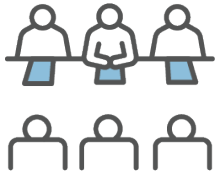
2021 Meetings and Contact Information

COST TRENDS HEARING

November 17



COMMITTEE MEETINGS

October 6

December 15

ADVISORY COUNCIL

December 8

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