

MINUTES OF THE HEALTH POLICY COMMISSION

Meeting of January 25, 2022

MASSACHUSETTS HEALTH POLICY COMMISSION

Date of Meeting: January 25, 2022

Start Time: 12:00 PM

End Time: 2:41 PM

	Present?	ITEM 1: Approval of Minutes (September 15, 2021)	ITEM 2: Approval of Minutes (November 8, 2021)	ITEM 3: Executive Session	ITEM 4: Mass General Brigham DoN Process: HPC Public Comment
Stuart Altman*	X	X	X	X	X
Don Berwick	X	X	X	2 nd	2 nd
Barbara Blakeney	X	X	X	X	X
Martin Cohen	X	M	2 nd	X	M
David Cutler	A	A	A	A	A
Timothy Foley	X	X	X	X	X
Patty Houpt	X	X	M	X	X
Chris Kryder	X	2 nd	X	X	X
Ron Mastrogiovanni	X	X	X	X	X
Sec. Marylou Sudders	X	ab	X	M	X
Sec. Michael Heffernan	X	X	ab	X	X
Summary	10 Members Attended	Approved with 9 votes in the affirmative	Approved with 9 votes in the affirmative	Approved with 10 votes in the affirmative	Approved with 10 votes in the affirmative

Presented below is a summary of the meeting, including time-keeping, attendance, and votes.

*Chairman

(M): Made motion; (2nd): Seconded motion; (ab): Abstained from Vote; (A): Absent from Meeting

Proceedings

A virtual meeting of the Health Policy Commission (HPC) was held on January 25, 2022, at 12:30 PM. A recording of the meeting is available [here](#). Meeting materials are available on the Board meetings page [here](#).

Participating commissioners included: Dr. Stuart Altman (Chair), Mr. Martin Cohen (Vice Chair); Ms. Barbara Blakeney; Dr. Donald Berwick; Mr. Timothy Foley; Ms. Patricia Houpt; Mr. Ron Mastrogiovanni; Dr. Chris Kryder; Secretary Marylou Sudders, Executive Office of Health and Human Services; and Ms. Cassandra Roeder, designee for Secretary Michael Heffernan, Executive Office of Administration and Finance.

Dr. Altman began the meeting at 12:30 PM and welcomed the commissioners, staff, and members of the public viewing the meeting live on the HPC's YouTube channel.

ITEM 1: Approval of Minutes

Dr. Altman called for a vote to approve the minutes from the September 15, 2021, Board meeting. Vice Chair Mr. Cohen made the motion to approve the minutes. Dr. Kryder seconded it. The vote was taken by roll call. The motion was approved unanimously with Secretary Sudders abstaining.

Dr. Altman called for a vote to approve the minutes from the November 8, 2021, Board meeting. Ms. Houpt made the motion to approve the minutes. Vice Chair Mr. Cohen seconded it. The vote was taken by roll call. The motion was approved unanimously.

ITEM 2: Executive Session

Dr. Altman called for a vote to enter into a confidential Executive Session. Secretary Sudders made the motion to enter Executive Session. Dr. Berwick seconded it. The vote was taken by roll call:

Dr. Altman - Aye
Mr. Cohen - Aye
Ms. Blakeney - Aye
Dr. Berwick - Aye
Mr. Foley - Aye
Ms. Houpt - Aye
Mr. Mastrogiovanni - Aye
Dr. Kryder - Aye
Sec. Sudders - Aye
Ms. Roeder - Aye

ITEM 3: Improvement Plan Process

The Board reconvened in open session at 1:05 PM. Dr. Altman welcomed the public and announced that commissioners unanimously recommended that the HPC seek a definitive

improvement plan from Mass General Brigham (MGB) for spending period 2016-2017 and 2017-2018.

Dr. Altman acknowledged that this is the first performance improvement plan (PIP) required by the HPC. Dr. Altman turned the presentation over to Mr. David Seltz, Executive Director, who outlined the improvement plan process, the decision to require a PIP, and a summary of the HPC's analysis of factors used in review. For more information, see slides 10-16.

Mr. Seltz turned the presentation over to Ms. Kara Vidal, Director, Health System Planning & Performance, who provided a summary of the HPC's primary concerns and next steps in the process. For more information, see slides 17-24. The full video of the PIP summary can be viewed [here](#).

ITEM 4: Mass General Brigham Determination of Need Application: HPC Public Comment

Dr. Altman turned the meeting back to Mr. Seltz to discuss the HPC's public comment on MGB's determination of need (DoN) applications. Mr. Seltz turned the meeting over to Ms. Kate Mills, Senior Director of Market Oversight and Transparency, who provided an overview of the HPC's review process, the role that the HPC plays in DPH's DoN program, and a summary of the agency's findings. For more information, see slides 26-35.

Ms. Mills turned the meeting over to Mr. Sasha Hayes-Rusnov, Senior Manager for Market Performance, who provided an overview of the HPC's findings on the spending implications. For more information, see slides 35-53.

Dr. Berwick asked if staff had any figures or specifications on pending expansion projects and used Wellesley Hospital as an example. Mr. Hayes-Rusov said that staff do not know exactly what the scope of the multi-year ambulatory project mentioned looks like.

Ms. Mills provided an overview of the HPC's findings regarding market function and health care access and equity. For more information, see slides 53-61.

Dr. Kryder asked whether the independent cost analyses (ICAs) conducted for the DoN applications were paid for by MGB. Sec. Sudders said that the DoN statute allows the Department of Public Health (DPH) to request an ICA paid for by the applicant. She noted that the DoN is limited in the ICA process to each separate filing of the facility and cannot look at the system as a whole. Sec. Sudders noted that all ICAs are paid by the applicant and this feature is not exclusive to MGB.

Dr. Berwick said the claim of cost reductions in the DoN application is in direct conflict with MGB's public comments at a health care conference hosted by J.P. Morgan in which the organization discussed increasing overall revenue. He asked if, between its DoN application and public comments, whether MGB is contradicting itself. Mr. Seltz noted that the HPC did not have access to detailed information on MGB's larger expansion plans. He also emphasized the distinction between the total medical expense (TME) of MGB's patients and its impact on overall

health care spending and the organization's revenue. He also noted that the important nuance is where the savings accrue and said the HPC's focus was on the impacts to total health care spending in the Commonwealth, commercial spending and its impact on Massachusetts residents, employers, and businesses that pay for commercial health insurance.

Ms. Houpt asked if there was any mention by MGB of outreach to underserved communities. Mr. Hayes-Rusnov noted that all DoN applicants are required to go through community engagement process prior to filing applications and that MGB engaged with that process with local community groups, including some that represent traditionally underserved populations.

Mr. Cohen asked what the impact has been on MGB's other facilities, particularly the impact on cost. Ms. Mills said that there are data limitations, but the HPC can examine the utilization rates in the communities impacted and some assumptions made by MGB in their applications were tested. Ms. Mills cited the assumption that 100 percent of patient volume would shift from hospitals to the community based care as an example. She said that, big picture, staff could not know what the impact on spending has been.

Mr. Mastrogiovanni asked what the impact the merger of Beth Israel and Lahey Health (BILH) had had on other hospital systems in the marketplace and whether MGB had lost market share following that transaction.. Ms. Mills showed data from fiscal year 2019 following the BILH merger and highlighted a few pieces of data that showed how BILH has changed, including becoming number one in outpatient volume compared to MGB. She also said other providers will react to MGB, including backfilling its own patients. Mr. Seltz asked Mr. Hayes-Rusnov if, in comments submitted to DoN staff, competitors outlined what they would do. Mr. Hayes-Rusnov said that competitors have not commented in detail on the topic except to say that they would lose business to MGB, and it would impact their operations. Ms. Mills noted that providers have testified that they have capacity and can provide these services.

Dr. Berwick asked if there is anything staff do not have access to that would be valuable for the analysis. Mr. Seltz said that, while there is always a desire for more information, the HPC is confident that it has sufficient data to stand behind this comment and the conclusions.

Mr. Seltz concluded the presentation and highlighted the HPC's key findings. For more information, see slides 62.

Dr. Altman said that the responsibility for the DoN process is within the DPH and that the HPC's job is to analyze the proposed changes on the basis of their potential impact on benchmark spending and availability of services, particularly for lower income and marginal communities. He said that the HPC's strong assessment is that this would substantially increase spending and reduce revenues for institutions who provide services to lower income and marginalized communities.

Dr. Kryder asked if the HPC has the ability in its motion to separate the proposed investments. Dr. Altman noted that the HPC's recommendation does not indicate whether one part of the application should go forward or not. He said the HPC's role to do a systemic analysis of the spending potentials of the applications, in combination and separately and that the decision on

approval is with DPH. Sec. Sudders said the HPC is a party of record and is not opining on the benefits of any particular DoN filing but providing a cost analysis and examining other factors that DPH should take into consideration. Dr. Kryder said the explanation was helpful and that this is a legitimate question since the HPC's mission is to advance a more accountable system.

Dr. Altman called for a vote to approve the issuance of the HPC's Public Comment. Mr. Cohen made the motion, seconded it. The vote was taken by roll call. The motion was approved unanimously. The full video of the HPC's Public Comment summary can be viewed [here](#).

Item 5: Executive Directors Report

Dr. Altman turned the presentation over to Mr. David Seltz who highlighted the year's accomplishments and outlined the recent material change notices (MCNs) received by the HPC and action taken on MCN's previously received. For more information, see slides 64-72. The full video of the executive director's report can be viewed [here](#).

The meeting adjourned at 2:46 PM.