

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

**Meeting of February 24, 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, 5<sup>th</sup> Floor  
Boston, MA 02116

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**Docket: Monday, February 24, 2014, 11:00 AM – 12:30 PM**

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**PROCEEDINGS**

The Massachusetts Health Policy Commission's Community Health Care Investment and Consumer Involvement (CHICI) Committee held a meeting on Monday, February 24, 2014 in the Daley Room at the Center for Health Information and Analysis located at Two Boylston Street, 5<sup>th</sup> 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 11:18 AM.

**ITEM 1: Approval of minutes**

Chair Hattis made no changes to the minutes. Mr. Lord moved to accept the Committee minutes from September 4, 2013 and Ms. Haddad seconded. The Committee unanimously accepted the minutes.

Chair Hattis framed the day's meeting. He stated that much of the discussion would surround the CHART Investment Program. Chair Hattis noted that Phase 1 of the program awarded foundational investments to 28 hospitals. He stated that the Committee would discuss the goals and scope of Phase 2 during the day's meeting.

**ITEM 2: Update on CHART Phase 1 Investment Program**

Ms. Margaret Senese, Program Manager for the CHART Investment Program, presented on the work to date in Phase 1. She reviewed the program's operational timeline, noting that the final reports were during in the early fall with evaluation lasting through the end of the year.

Ms. Senese stated that award letters had been sent to 28 hospitals and would be returned to the HPC for full contract execution by March 1, 2014. She stated that the total amount of money dispersed was \$9,947,060. This amount was a few thousand dollars lower than

what was reported at the January 8 board meeting because of small changes in several projects.

Ms. Senese discussed the implementation of technical assistance for the hospitals. She noted that the HPC is going to contribute both project-specific assistance and cohort-wide touch points. She stated that five hospitals that applied for HIT/HIE heavy projects would receive support from MeHI.

Mr. Lord asked whether these hospitals would receive funding from MeHI as well. Ms. Senese replied that the hospitals were just receiving funding from the HPC, but that MeHI offered technical experts to help with project implementation.

Ms. Senese reviewed cohort-wide requirements for communication with the HPC. She stated that staff would engage with the hospitals multiple times during the course of contract execution.

Ms. Senese then discussed the lessons learned from Phase 1 of the CHART Investment Program. Among these lessons was the need to release RFP and application materials earlier, increase the length of the application window, and narrow the focus of the application.

Dr. Hattis asked whether staff learned anything from hospitals about the need for changes in future phases. Mr. Iyah Romm, Director of Strategic Investment and System Performance, stated that the hospitals found the informational sessions helpful, but that the HPC should hold them earlier.

Chair Hattis asked for any questions. Seeing none, he moved to the next agenda item.

### **ITEM 3: Overview of CHART Evaluation Approach**

Dr. Marian Wrobel, Director of Research and Analysis, presented on the evaluation approach for the CHART Investment Program. Dr. Wrobel began by situating the CHART program within the larger context of Massachusetts Health Care Reform. She then reviewed the evaluation objectives of the CHART Investment Program.

Dr. Wrobel reviewed the evaluation goals of the Phase 1 of the CHART Investment Program. She stated that the evaluation aims to: (1) assess the progress and output of each investment; (2) establish a baseline understanding of hospital capacity and capability; (3) identify best practices and foster shared learning; (4) strengthen HPC's grant stewardship practices; and (5) inform further investments and care delivery policy.

Dr. Wrobel then discussed the data sources for the evaluation. She noted that the information would come from (a) HPC driven metrics from publically available data and focus groups and (b) application driven metrics. The result of the evaluation would be two-fold. First, in summer 2014, the HPC would have baseline findings on hospital performance

and program structure. Then, during winter 2014, the HPC would release the Phase 1 evaluation report.

Mr. Romm stated that the evaluation framework was still under discussion and, as such, staff welcomed feedback.

Chair Hattis asked for any questions. Seeing none, he moved to the next agenda item.

#### **ITEM 4: Update on CHART Phase 2 Framework**

Mr. Romm framed the staff's discussion of Phase 2 of the CHART Investment Program. He stated that Phase two moved from the goals of meaningful infrastructure investment and executive commitment to change to goals surrounding creating an innovative approach to delivery and a model for sustainability.

Mr. Romm reviewed the basic differences between Phase 1 and Phase 2, noting that the Phase 2 would focus on driving system transformation through multi-year, system or service line transformation in Commission-identified areas of focus. Mr. Romm next reviewed potential focus areas and discussed key decisions points for Phase 2.

Dr. Hattis stated that many of the applicants in Phase 1 applied for projects concerning behavioral health and care coordination, but that there was not a focus on service line efficiency. Mr. Romm stated that the presence of service line or internal efficiency projects was secondary to behavioral health and care coordination in Phase 1. Dr. Hattis stated that the 2013 Cost Trends Report had a novel chapter on internal efficiency of hospitals, which is not a topic that people immediately think of when applying for grants. He stated that Phase 2 of CHART could push hospitals to work on this area of cost reduction.

Mr. Romm discussed the linkage between the HPC's 2013 Cost Trends Report and the CHART Investment Program. He noted that many of the CHART eligible hospitals were clustered towards higher efficiency when looking at quality performance relative to inpatient operating expenses per admission. Mr. Romm stated that staff is trying to understand the underlying ideas and lessons from the cost trends analysis.

Dr. Hattis stated that the HPC changed the name of the Distressed Hospital Fund to the CHART Investment Program because these hospitals have fewer resources. The hospitals generally have high efficiency because they have no choice but to be efficient with the smaller pool of money that is available to them.

Mr. Romm next reviewed areas of applicable remedies in the cost trends report. He noted that the CHART hospitals could use the HPC investments to make improvements towards reducing hospital operating expenses and wasteful spending as well as adjust the treatment of high-cost patients.

Mr. Romm reviewed the goals of Phase 2 for the CHART Investment Program. He stated that the primary aim of the program is the support efforts to meet and sustain the health care cost growth benchmark.

Ms. Haddad stated that she was uneasy about the cost growth benchmark being the sole goal of the CHART Investment Program. She stated that Chapter 224 was about more than cost savings. Mr. Romm responded that the benchmark was not the only goal, but rather something to work towards because it symbolized the need to balance cost and quality.

Mr. Romm next reviewed the three primary drivers that would enable the HPC to reach the primary aim of meeting the benchmark. These drivers included: (1) increasing the quality of care delivery; (2) improving the health of populations; and (3) improving resource stewardship. Mr. Romm then discussed potential activities that would address the primary drivers.

Chair Hattis asked who prioritizes the goals of Phase 2. Mr. Romm responded that it would be a joint effort of the Committee members, the full board, and the staff. Mr. Lord asked how the staff would determine the priorities, asking whether they would be defined, for example, by monetary value of savings, influence on the population, or term. Mr. Romm noted that the staff foresaw certain aims, but that the topic was still open for discussion by the Committee. He noted that the priorities would consider the cost and quality impact as well as the available evidence base and sustainability/scalability of the project.

Ms. Senese opened the preliminary discussion on the scope of Phase 2 of the CHART Investment Program. She stated that the staff proposed total funding of \$50 million for large-scale, multi-year awards. She noted that a central theme of the phase would be community-focused, collaborative approaches to care delivery transformation. Ms. Senese outlined two potential pathways for the second phase: (1) a smaller number of large scale transformational awards and (2) a larger awardee pool with focused intervention awards.

Dr. Hattis asked whether Phase 2 would provide the potential for all 30 eligible hospitals to participate in some form, especially through focused interventions. Mr. Romm responded that this was a decision the Committee would need to make, but that staff saw Phase 2 as a more selective process with deeper investments and engagement.

Mr. Romm reviewed the timeline for the CHART Investment Program over 2014. He stated that the period of performance for Phase 1 would end in late July 2014. He noted that the staff was proposing a RFP release for Phase 2 in early May 2014, with contract execution by early September.

Mr. Lord asked how the Phase 2 RFP release will differ from Phase 1. Mr. Romm responded that the Phase 2 RFP will be a few weeks longer.

Ms. Haddad asked Mr. Romm about the timing for releasing the Phase 2 goals and focus areas. Mr. Romm responded that the goals would be discussed in detail at the April CHICI meeting. He noted that staff had been engaging with stakeholders on this issue.

Chair Hattis stated that the CHART Investment Program is not an entitlement program. He stated that Massachusetts wants to make transformations in health care. Mr. Romm noted that Phase 2 allowed the HPC to address multiple goals and pathways to achieving this transformation.

#### **ITEM 5: Discussion of CHICI Committee Priorities for 2014**

The CHICI Committee discussed priorities for 2014.

Mr. Lord stated that he was interested in more consumer education and involvement in HPC activities as well as health care in the Commonwealth of Massachusetts. Mr. Seltz, Executive Director, echoed the need for consumer engagement. Committee members engaged in a conversation about available avenues for consumer education.

#### **ITEM 6: Adjournment**

Chair Hattis asked for any comments from members of the public. Seeing none, he announced the date of the next Committee meeting and adjourned the meeting at 12:16 PM.