

## **Exhibit A: Notice of Public Hearing**

Pursuant to M.G.L. c. 6D, § 8, the Health Policy Commission, in collaboration with the Office of the Attorney General and the Center for Health Information and Analysis, will hold a public hearing on health care cost trends. The hearing will examine health care provider, provider organization and private and public health care payer costs, prices and cost trends, with particular attention to factors that contribute to cost growth within the Commonwealth's health care system.

Scheduled hearing dates and location:

**Monday, October 6, 2014, 9:00 AM**  
**Tuesday, October 7, 2014, 9:00 AM**  
**Suffolk University Law School**  
**First Floor Function Room**  
**120 Tremont Street, Boston, MA 02108**

Time-permitting, the HPC will accept oral testimony from members of the public beginning at 4:00 PM on Tuesday, October 7. Any person who wishes to testify may sign up to offer brief comments on a first-come, first-served basis when the hearing commences on October 6.

Members of the public may also submit written testimony. Written comments will be accepted until October 16, 2014 and should be submitted electronically to [HPC-Testimony@state.ma.us](mailto:HPC-Testimony@state.ma.us), or, if comments cannot be submitted electronically, sent by mail, post-marked no later than October 16, 2014, to the Health Policy Commission, Two Boylston Street, 6th floor, Boston, MA 02116, attention Lois H. Johnson.

Please note that all written and oral testimony provided by witnesses or the public may be posted on the [HPC's website](#).

The HPC encourages all interested parties to attend the hearing. Visit the Suffolk Law School [website](#) for driving and public transportation directions. Suffolk Law School is located diagonally across from the Park Street MBTA station (Red and Green lines). Parking is not available at the law school but information about nearby garages is listed at the link provided.

If you require disability-related accommodations for this hearing, please contact Kelly Mercer at (617) 979-1420 or by email [Kelly.A.Mercer@state.ma.us](mailto:Kelly.A.Mercer@state.ma.us) a minimum of two weeks prior to the hearing so that we can accommodate your request.

For more information, including details about the agenda, expert and market participant panelists, testimony and presentations, please check the Annual Cost Trends Hearing section of the HPC's [website](#). Materials will be posted regularly as the hearing dates approach.

## **Exhibit B: Instructions and HPC Questions for Written Testimony**

### **Instructions:**

On or before the close of business on September 8, 2014, electronically submit, **using the provided template**, written testimony signed under the pains and penalties of perjury to: [HPC-Testimony@state.ma.us](mailto:HPC-Testimony@state.ma.us). **You may expect to receive the template for submission of responses as an attachment received from HPC-Testimony@state.ma.us.** If you have any difficulty with the template or did not receive it, please contact Kelly Mercer at [Kelly.A.Mercer@state.ma.us](mailto:Kelly.A.Mercer@state.ma.us) or (617) 979-1420.

Please begin each response with a brief summary not to exceed 120 words. The provided template has character limits for responses to each question, but if necessary, you may include additional supporting testimony or documentation in an Appendix. Please submit any data tables included in your response in **Microsoft Excel or Access format**.

The testimony must contain a statement that the signatory is legally authorized and empowered to represent the named organization for the purposes of this testimony, and that the testimony is signed under the pains and penalties of perjury. An electronic signature will be sufficient for this submission.

If you have any other questions regarding this process or regarding the following questions, please contact: Lois Johnson at [Lois.Johnson@state.ma.us](mailto:Lois.Johnson@state.ma.us) or (617) 979-1405.

[Remainder of page intentionally left blank]

## **Questions:**

*We encourage you to refer to and build upon your organization's 2013 Pre-Filed Testimony responses, if applicable. Additionally, if there is a point that is relevant to more than one question (including Exhibit C questions from the Attorney General), please state it only once and make an internal reference.*

1. Chapter 224 of the Acts of 2012 (c. 224) sets a health care cost growth benchmark for the Commonwealth based on the long-term growth in the state's economy. The benchmark for growth between CY2012-CY2013 and CY2013-CY2014 is 3.6%.

SUMMARY: Network Health continues to evaluate its provider network to ensure it is providing high value within the cost benchmark. This year, we were forced to terminate our relationship with one high-cost provider. We have also pursued other cost savings, including some operational consolidation with our parent organization and the implementation of new care programs for members with chronic conditions.

- a. What actions has your organization undertaken since January 1, 2013 to ensure the Commonwealth will meet the benchmark, and what have been the results of these actions?

Network Health has pursued a number of cost containment strategies in an effort to meet the state's cost benchmark. These include continuing to pursue a high-value provider network, achieving economies of scale with our parent organization, Tufts Health Plan, using care management and disease management programs to address high-cost members, and implementing new IT solutions in our claims system. As part of Network Health's strategy to optimize its provider network, we seek to contract with providers that can deliver quality care within the benchmark for growth. We are working with many of our providers to shift to risk-sharing reimbursement models that align our incentives and result in contained cost growth. This year, we also made the difficult to decisions to terminate one of the high-cost providers from our network, which resulted in the loss of approximately 67% of the membership associated with that network.

As part of our continued operational integration with Tufts Health Plan, we consolidated our pharmacy departments and our pharmacy benefit manager, which will result in economies of scale and real cost savings. As described further in Question 10 below, Network Health uses care management teams to identify high-cost members and refer them to appropriate services. Network Health also recently launched a new enhanced disease management program designed specifically for members with both asthma and diabetes, two chronic conditions that drive costs upward due to the lack of coordination of care. The program is expected to result in better health for our members and lower administrative costs. Finally, we recently implemented new claims-editing software, which is expected to yield savings.

- b. What actions does your organization plan to undertake between now and October 1, 2015 to ensure the Commonwealth will meet the benchmark?

Network Health will continue to evaluate its provider network in an effort to align cost and quality and to pursue additional risk arrangements with providers. To that end, we have begun the implementation of APR DRG reimbursement for providers. APR more accurately links pricing and reimbursement by capturing differences in severity of illness among patients and creates a common measurement of quality across disparate patient types. This model will be critical for assessing the relationship between cost and quality of our providers. Phase I of the APR DRG implementation is expected to begin in February 2015. Network Health has also begun to engage providers for participating in the state's Primary Care Payment Reform Initiative (PCPRI). As described more below, PCPRI provides a model for moving providers toward bundled payments for a certain set of services and includes a risk component for behavioral health services.

We do caution that the significant costs for the Hepatitis C drug, Sovaldi, have been fiscally challenging, and the new oral treatments for Hepatitis C to be released this fall are also expected to be expensive. Network Health has worked with the state and the other MCOs to develop clinically-appropriate medical criteria for prescribing Sovaldi and has implemented appropriate prior authorization criteria in an effort to control these costs.

Finally, we note that while Chapter 224 has the commendable goal of controlling overall health care spending, MCOs continue to face tremendous financial pressures as providers seek to control their costs and revenue from the state lags behind the actual costs experienced by the MCOs.

- 
2. C. 224 requires health plans to reduce the use of fee-for-service payment mechanisms to the maximum extent feasible in order to promote high quality, efficient care delivery. SUMMARY: Network Health has increased both the number of lives managed under risk contracts and the number of physicians in our network who participate in risk contracts. We expect participation in the state's Primary Care Payment Reform Initiative to increase these numbers and to help better align clinical quality with financial incentives.
- a. Please describe your organization's efforts to date in meeting this expectation. Attach any analyses your organization has conducted on the effects of alternative payment methods (APMs)(payment methods used by a payer to reimburse health care providers that are not solely based on the fee-for-service basis, e.g., global budget, limited budget, bundled payment, and other non-fee-for-service models, but not including pay-for-performance incentives accompanying fee-for-service payments) on your (i) total medical expenses, (ii) premiums and (iii) provider quality. As Exhibit 2 demonstrates, Network Health has consistently grown its membership under risk contracts, and in December 2013, 28.8% of our total membership was in such contracts, up from 17% in 2012 and 2011, when we signed our first risk contract. As described below in Question 3, we have also more than doubled the number of physicians participating in risk contracts from CY2012 to CY2013 and now have more than 12% of physicians in our network

under risk contracts. Network Health remains committed to reducing provider unit costs through the further development of our high-value provider network built around providers who demonstrate both high quality and cost-efficient care. While there are risk contracts in place with providers, as described herein, we continue to work to make improvements to these models to ensure more positive margins and financial sustainability. We have not conducted formal analyses of the existing APM contracts in place with respect to total medical expenses, premiums or provider quality; however, as discussed in part b below, we believe that such arrangements must provide flexibility. Depending on the sophistication of the provider, progress to align clinical outcomes and financial incentives might have to be incremental.

- b. What efforts does your organization plan between now and October 1, 2015 to increase your use of APMs, including any efforts to expand APMs to other primary care providers, hospitals, specialists (including behavioral health providers), and other provider types?

The primary method Network Health intends to increase the use of APMs over the next year is through the Primary Care Payment Reform Initiative (PCPRI). PCPRI includes a bundled payment for a certain set of primary care services and an additional payment or withhold for behavioral health services, depending on the level of risk selected by the provider. Providers will be encouraged to move toward upside/downside risk as appropriate throughout the program, which is scheduled to last three years. Participating in PCPRI allows Network Health to build upon the state's existing framework and to increase provider participation in APMs.

Network Health will continue to engage providers in additional discussions to move toward APM agreements. For example, the state is considering implementing Accountable Care Organizations in the MassHealth program, and Chapter 224 requires ACOs to accept APMs. Network Health has participated in the public forums discussing this topic and continues to monitor its progress. The ongoing challenge remains in creating budgets that are financially sustainable for both the provider and the plan. An important component of these discussions includes highlighting Network Health's strong clinical programs. Our ability to demonstrate to providers key design principles of our care management programs will support our collective success under APMs. We strongly believe successful APM agreements must align the financial incentives and clinical outcomes.

3. Please quantify your organization's experience implementing risk contracts across your provider network using the template below. For purposes of this question, "risk contracts" refers to contracts that incorporate a per member per month budget against which claims costs are settled for purposes of determining the withhold returned, surplus paid, and/or deficit charged to the provider, including contracts that subject the provider to limited or minimal "downside" risk.

SUMMARY: Source: Network Health Data Warehouse; data pulled on 9/4/14, data populated through July, 2014. Please note: percentages below rounded to whole numbers since template does not appear to accept decimals. Actual percentages were 5.1% for CY2012 and 12.5% for CY2013.

<b>Year</b>	<b>Number of Physicians in your Network Participating in Risk Contracts</b>	<b>Percentage of Physicians in your Network Participating in Risk Contracts</b>
<b>CY2012</b>	1655	5
<b>CY2013</b>	4325	12

- 
4. Please identify and explain the principal factors considered in formulating risk adjustment measures used in establishing risk contracts or other APM contracts with providers, including how you adjust for changes in population health status over the contract term.

SUMMARY: Network Health primarily considers a provider's readiness and ability to accept risk when implementing all risk contracts, including using risk adjustment in such contracts if feasible. Beyond using vendor software for DxCG risk adjustment, Network Health does not otherwise adjust for changes in population dynamics.

- a. Does your organization use a common approach to risk adjustment for all providers? If not, what factors support the need for the application of different measures or adjustments for different providers or provider organizations?
- Network Health's approach to risk adjustment varies from provider to provider, depending on the provider's sophistication and capacity to accept risk. Some risk contracts do not include risk adjustment. Some of the factors we consider when considering risk adjustment include the provider's size and membership, degree of alignment between hospitals and physicians, level of clinical integration, and financial strength.
- b. What values and/or drawbacks does your organization identify regarding potential statewide standardization of risk adjustment measures for use in contracts, both across providers and across payers? What are the values and/or drawbacks of differentiation?

As described briefly above and in Question 2, part b, we believe flexibility is critical when implementing risk contracts due to significant variation in readiness among providers. As such, we prefer not to take a prescriptive approach to standardizing risk adjustment measures. Flexibility allows us to meet providers where they are and to take an incremental approach, if necessary.

- c. What progress has your organization made to date regarding the development and implementation of population-based socioeconomic adjustments to risk budgets? What plans does your organization have in this area?  
Like Tufts Health Plan, Network Health uses DxCG Software licensed from Verisk Health to adjust for the severity of illness experienced by members associated with each provider. This software has been studied and refined for decades by academics and medical experts, and we believe that this well-tested method accounts for population-based morbidity differences, including those related to socioeconomic factors that may affect risk budgets. Network Health has just launched a company-wide project to implement APR DRGs, so that comparisons among and payments to providers can be case mix-adjusted. Phase 1 of the APR DRG implementation is expected to be completed by February 2015.
- d. How do any such differences interact with other contract elements that materially affect risk budgets and performance-based payments, and what are the results of any analyses conducted by your organization regarding variation in provider performance under different measures and adjustments?  
To date, Network Health has not measured the effect of population-based socioeconomic factors on the performance of risk contracts. We may be better positioned to undertake such an analysis when the implementation of APR DRG, as described above, is completed.

- 
5. Please identify and explain the principal factors considered in selecting quality metrics used in establishing APM contracts with providers.

SUMMARY: Currently, Network Health has only one risk contract that uses specific quality metrics, a contract that is based on the state's PCPRI model. Other risk contracts in place do not have quality measures tied to financial incentives.

- a. Does your organization use a common approach to quality measurement and associated payments for all providers? If not, what factors support the need for the use of different quality measures or performance targets for different providers or provider organizations?  
The state's PCPRI model was used as a guide for one of the risk contracts that Network Health has signed to date. Our other risk contracts do not have quality measures with payment incentives because of current financial constraints. Network Health is assessing data to create an approach for the development of quality measures tied to incentive payments which will be implemented when it is financially viable for us to do so.
- b. What values and/or drawbacks does your organization identify regarding potential statewide standardization of quality measures, such as the measures included in the Standard Quality Measure Set, for use in risk contracts and other APM contracts, both across providers and across payers? What are the values and/or drawbacks of differentiation?  
As described above and elsewhere in this response, flexibility is important when considering risk contracts and we prefer not to take a prescriptive approach regarding quality measures. Each provider organization has their own strengths and areas in need of improvement. Although some quality measures may be



consistent between providers, it is important to evaluate the data to determine (at the provider contract level) what quality improvements will improve care of our members.

---

6. C. 224 requires health plans to attribute all members to a primary care provider, to the maximum extent feasible.

SUMMARY: Network Health prioritizes the attribution of enrollees to a PCP across all of our lines of business. Since Network Health offers only HMO products, a PCP is required for all our members. We have developed assignment logic to match enrollees who do not actively select a PCP with the best match based on available information resulting in nearly 100% of enrollees across all lines of business being attributed to a PCP.

Network Health uses extensive efforts to encourage enrollees to select a PCP within 15 business days of enrollment. Our provider directory, available online and in printed form, encourages enrollees to call Network Health for assistance with selecting a PCP. In addition, our enrollee handbook repeatedly encourages enrollees to choose a PCP and provides education about the role of the PCP.

- a. Describe your current attribution methodology (or methodologies), identifying the purpose(s) for which it is (or they are) used, and include the following information:
  - i. provider types considered for attribution (e.g., primary care physicians, specialist physicians, NPs/PAs)  
PCPs must be assigned at least one of the following specialties: internal medicine, family practice, OBGYN, pediatric medicine, PA - adult health, family practice, OBGYN, or pediatrics or NP - in same categories as PA
  - ii. units used in counting services (e.g., number of claims, share of allowed expenditures)  
N/A
  - iii. services included in a claims-based methodology (e.g., E&M, Rx, OP)  
N/A
  - iv. time period for evaluation of attribution (e.g., 12 months, 18 months) and  
N/A
  - v. whether patients are attributed retrospectively or prospectively.  
Prospectively

- b. Please describe your efforts to develop a comprehensive attribution methodology, including the current status of your efforts to validate, pilot and implement a methodology for purposes of implementing risk contracts and other APM contracts for PPO insurance products. What resulting barriers or challenges has your organization faced?

Network Health uses historical data stored in our data warehouse and transaction data from the HIPAA 834 enrollment file to match enrollees with a PCP. If an enrollee's record comes across on the 834 enrollment file without valid PCP data, Network Health begins auto-assignment.



This logic assigns previous Network Health enrollees to their most recent PCP if appropriate. If no historical PCP is available, the attribution logic assigns a preferred provider in the geographic areas (for certain limited areas with provider competition). If none of the above apply or the historical PCP is unavailable, the logic assigns a PCP within the enrollee's zip code who is accepting patients, or if none is available, then a PCP within the city of residence. The logic also considers age, gender and handicap status for attribution at each step.

- c. What values and/or drawbacks does your organization identify regarding potential standardization of attribution methods, both across providers and across payers? What are the values and/or drawbacks of differentiation?  
Standardization of an attribution methodology that leads to provider investment in the management of members for both cost efficiency and quality improvement would be beneficial to the health care system. A standard methodology could also benefit members and providers, who should understand and agree with the attribution logic. However, a prescriptive approach does limit flexibility in the provider-plan relationship, and some arrangements, such as APMs, may call for different attribution logic.
- d. How does your organization plan to further extend the share of your members that are attributed to a primary care provider in 2015?  
Nearly 100% of our members are assigned to a PCP

- 
7. Describe your organization's efforts and results in developing insurance products that encourage members to use high-value (high-quality, low-cost) care and providers, including but not limited to tiered network and limited network products. Please attach any quantitative analyses your organization has conducted on these products, including take-up, characteristics of members (e.g., regional, demographic, health status risk scores), members' utilization of care, members' choice of providers, and total medical spending.

SUMMARY: Network Health does not offer tiered or limited network products. As described elsewhere herein, we are focused on developing a high-value provider network that can achieve high quality, cost-effective care. As such, we use narrow provider networks that meet the network adequacy and accessibility standards set forth in our contracts with the state.

ANSWER:

- 
8. C. 224 requires providers to provide patients and prospective patients with requested price for admissions, procedures and services. Please describe your organization's progress in this area, including available data regarding the number of individuals that seek this information (using the template below) and identify the top ten admissions, procedures and services about which individuals have requested price information. Additionally, please discuss how patients use this information, any analyses you have conducted to assess the accuracy of estimates provided, and/or any qualitative observations of the value of this increased price transparency for patients.

SUMMARY: Network Health can provide real-time cost information for the most common services at our highest-volume providers via telephone. A pre-defined pricing matrix

allows customer service representatives to provide this information during normal business hours. Web inquiries, and other matters that cannot be resolved immediately, are answered within two business days. This process reflects the population we service, which has limited cost-sharing and prefers telephonic communication. Although use of the service has been very limited, quality checks have shown that the estimates provided were accurate.

With respect to the chart below, Network Health has received only six inquiries to date about the price of health care services, all of which have been received via telephone. All were answered "on the spot."

<b>Health Care Service Price Inquiries</b>				
<b>Year</b>		<b>Number of Inquiries via Website</b>	<b>Number of Inquiries via Telephone/In Person</b>	<b>Average (approximate) Response Time to Inquiries*</b>
<b>CY2014</b>	<b>Q1</b>	0	2	2
	<b>Q2</b>	0	2	2
	<b>Q3</b>	0	2	2
<b>TOTAL:</b>		0	6	

*\* Please indicate the unit of time reported.*

ANSWER: As of October 2013, Network Health members can contact customer service by phone to request a cost estimate in real-time. Members may also submit an online inquiry and will receive a call back within two business days. We have established a pre-defined pricing matrix that is used by our trained customer service representatives in combination with the enrollee's benefit plan to provide members with the estimated allowed amount that would be paid to the provider for a given service and the member's out-of-pocket cost (i.e. co-payment, coinsurance). Cost estimates for services and providers that appear on the grid can be resolved in real-time during normal business hours. If a benefit or provider requested by the member is not on the grid, the case is escalated to a supervisor who researches the inquiry and provides a response within two business days.

Because of our limited experience in commercial products, our options for providing automated, plan-specific cost estimates are severely restricted. The vendor-provided solutions utilized by other carriers, including the Castlight Health tool implemented by our parent company, Tufts Health Plan, require plans to provide historical claims data. Network Health does not have sufficient claims data to provide plan-specific cost estimates. Consequently, we are working to identify an alternative solution for providing accurate, web-based cost estimates.

In designing this cost transparency tool, Network Health is carefully considering both the information our members need to make informed choices as well as the way in which our members typically access such information. The vast majority (more than 99%) of

Network Health members have limited or no cost-sharing. Further, our members continue to rely primarily on telephonic communication for the management of their health care (only 7% of all Network Health members have registered for access to our dedicated member web portal).

Given the dynamics of our membership, including Network Health's limited commercial experience, and the significant resources necessary to meet the price transparency requirements of Chapter 224, our operational goal continues to be focused on providing a web-based solution that is appropriate to the scale of the demand for information. Consistent with the timeline communicated by the Office of Consumer Affairs and Business Regulation and the Division on August 28th, we anticipate such a tool would go live in October 2015.

- 
9. An issue addressed both at the 2013 Annual Cost Trends Hearing and in the Commission's July 2014 Cost Trends Report Supplement is the Commonwealth's higher than national average utilization of inpatient care and its heavy reliance on academic medical centers. Describe your organization's efforts to address these trends, including efforts to redirect appropriate care to lower cost community settings. Please attach any analyses you have conducted on such "outmigration," including specific estimates of cost savings that may be accrued through redirection of care.

SUMMARY: Network Health continues to focus on high-value providers who can provide the right care in the right setting. To that end, we are cognizant that academic medical centers do not always achieve the appropriate balance between quality and cost. We have seen that efforts to move providers into APMs and risk contracts makes them more acutely aware of care setting and total medical costs. To that end, we feel that these efforts will contribute toward "outmigration" in the future.

ANSWER: Network Health continues to implement APMs in order to place the accountability for total medical care and expense on the provider organization under a risk contract. These risk contracts include shared savings and upside/downside risk. This type of provider accountability creates awareness of utilization and costs (associated with all patients tied to the contracted entity) at each facility that has cared for one of the provider's patients. Providers under risk agreements pay careful attention to leakage reports, which indicate the facilities utilized in caring for the contracted entities patients. The providers review utilization and cost information of inpatient and outpatient services, where the services were performed, and the costs associated with those services at each location. This awareness initiates action on the part of the providers to manage the setting for care more carefully, being mindful of the quality and cost of services available at academic medical centers versus non academic medical centers and community-based settings for care. Although we have not conducted any formal analyses related to the outmigration of care, our experience in the market is consistent with the findings of the HPC reports with respect to academic medical centers.

- 
10. The Commission has identified that spending for patients with comorbid behavioral health and chronic medical conditions is 2-2.5 times as high as spending for patients with

a chronic medical condition but no behavioral health condition. As reported in the July 2014 Cost Trends Report Supplement, higher spending for patients with behavioral health conditions is concentrated in emergency departments and inpatient care.

SUMMARY: Network Health uses data analytics to identify high-cost members, who are then reviewed by the care management team and referred to additional services as appropriate.

- a. Please describe any efforts your organization has made to effectively address the needs of these high-cost, high-risk patients in an integrated manner.

On a monthly basis, Network Health's IT reporting team generates a list of high cost members for the previous 12-month period. The report includes all members across all product lines with a PMPM cost (pharmacy plus non-pharmacy) greater than or equal to \$6,250, or a total cost greater than or equal to \$50,000. For reference, in February 2014, this report contained 2,398 high-cost members, or .73% of all Network Health members, and 1,179 active members, or .36% of our member population. The care management team selects a subset of these high-cost members randomly to determine if they are in care management or if they need a referral for care management services. Members with either behavioral health or substance abuse issues are automatically referred to care management if they have not been previously assigned.

Network Health also receives electronic communications from two partner facilities when our members appear in the Emergency Department. This process provides another means to identify members with BH/SA issues and those with chronic conditions. Such members are referred to BH case management or medical case management or both. Network Health has begun increasing co-management of members, which involves case managers of multiple disciplines (RNs, licensed social workers, and community health workers) assigned to the same member to help from all perspectives, since the majority of our members have socio-economic issues as well.

Due to the nature of the populations we serve, our membership usually includes individuals with higher DxCG risk scores than the general population. Therefore, Network Health maintains strong clinical programs focusing on delivering the right care in the right setting.

- b. If you contract with or otherwise use a behavioral health managed care organization or "carveout," please describe how you ensure that integrated treatment is provided for these high-cost, high-risk patients.  
Network Health does not contract with an outside behavioral health managed care organization.

- 
11. Please describe whether and how your organization provides financial support or incentives for a provider to achieve recognition or accreditation from a national organization as a patient-centered medical home (PCMH) or improve performance as a

PCMH. Attach any analyses your organization has conducted on the impact of PCMH implementation in your provider network on outcomes, quality, and costs of care.

SUMMARY: Network Health participated in the state-facilitated Patient Centered Medical Home Initiative (PCMHI) and made payments to providers to facilitate infrastructure for PCMH. Network Health has begun the process of participating in the follow-up to PCMHI, known as the Primary Care Payment Reform Initiative.

ANSWER: Network Health contracted with various providers as part of the Executive Office of Health and Human Services' Patient Centered Medical Home Initiative (PCMHI) through March of 2014. Network Health provided financial support to providers that participated in the Patient Centered Medical Home Initiative. The Patient Centered Medical Home Initiative officially ended at the end of March, 2014. The attached document (Attachment 1.xls) is the PCMHI attestation grid that identifies Medical Home Activities payments and Clinical Management Services payments made to provider organizations as part of PCMHI for one year ending March 31, 2014.

Network Health is currently taking active steps to participate in the Primary Care Payment Reform Initiative (PCPRI), which is an alternative payment model that includes a capitated payment, quality incentive payment and shared savings or risk. A requirement of participation for providers (Sec.3.A.4.b.1.- Sec 3.A.4.b.10.) states that the provider must operate as a Patient Centered Medical Home by meeting multiple Patient Centered Medical Home components. These components cover a provider's patient-centeredness, multidisciplinary care team-based approach to care, planned visit follow up care, population-based tracking and analysis, care coordination, self-management support by members of the multidisciplinary care team, integration of quality improvement strategies and enhanced access to services. The capitated payments to be paid by Network Health are to cover a set of primary care bundled services and to recognize the PCMH requirements and other requirements/obligations of the providers that chose to participate in the initiative.

Currently Network Health is in the process of engaging contracted provider organizations that are participating in PCPRI with EOHHS.

To date, Network Health has not conducted any analyses on the impact of PCMH on outcomes quality or cost of care.

- 
12. After reviewing the Commission's 2013 Cost Trends Report and July 2014 Supplement to that report, please provide any commentary on the findings presented in light of your organization's experiences.

SUMMARY: Like all payers, Network Health is subject to the forces that shape the Massachusetts health care market, including hospital market power and market variation. Such forces pose a challenging environment to meet the dual goals of controlling costs and providing high-quality care to our members.

ANSWER: As described in the 2013 Cost Trends report, hospital operating expenses vary significantly across the spectrum of acute inpatient care, and market structure is a significant influence on hospital operating efficiency. The 2014 Supplement also

describes the concentration of inpatient care, in which the five largest hospital systems account for 50% of all inpatient care in the state. As such, there is significant geographic variation with respect to hospital market structure and hospital bargaining power in the state. To the extent that the state could consider such geographic differences in its hospital payment rates, it would better reflect the market reality facing the MCOs as they seek to contract with hospitals. Hospital concentration also results in increased spending on medical care, as observed in the Attorney General's Office report, "2013 Examination of Health Care Cost Trends and Cost Drivers." As described in Exhibit 1, Network Health experience increased unit costs increases of 4.6% in CY2013 after three years of unit cost decreases. One significant driver for these increases were the inpatient and outpatient rates paid to acute hospitals, known as SPAD and PAPE, respectively. Because many of our contracts were tied to the SPAD and PAPE rates, increases in these state-established payments drove our costs higher.

Network Health has aggressively pursued a re-contracting strategy to better align rates paid to hospitals and physicians to premiums received from state government. As described above, we had to terminate our relationship with one high-cost provider in our network this year. As the state has moved to changing its methodology for SPAD to use APR DRG, so too is Network Health beginning this process, as described above. We would caution that additional efforts to control provider costs could ultimately limit choice and access for the vulnerable population we serve.

## Exhibit C: Instructions and AGO Questions for Written Testimony

*Please note that these pre-filed testimony questions are for hospitals. To the extent that a hospital submitting pre-filed testimony responses is affiliated with a provider system also submitting pre-filed testimony responses, each entity may reference the other's response as appropriate.*

1. Please submit a summary table showing actual observed allowed medical expenditure trends in Massachusetts for CY 2011 to 2013 according to the format and parameters provided and attached as AGO Payer Exhibit 1 with all applicable fields completed. Please explain for each year 2011 to 2013 what portion of actual observed allowed claims trends is due to (a) demographics of your population; (b) benefit buy down; (c) change in health status of your population, and where any such trends would be reflected (e.g., utilization trend, payer mix trend).

*Completed in Attachment AGO Payer Exhibit 1*

Please see the attached document, FINAL AGO Payer Ex 1 Trend\_NwH.xls

- 
2. Please submit a summary table according to the format and parameters provided and attached as AGO Payer Exhibit 2 with all applicable fields completed showing your total membership for members living in Massachusetts as of December 31 of each year 2010 to 2013, broken out by:
    - a. Market segment (Hereafter “market segment” shall mean commercial individual, commercial small group, commercial large group, Medicare, Medicaid MCO, MassHealth, Commonwealth Care, other government. “Commercial” includes fully-insured and self-insured.)
    - b. Membership whose care is reimbursed through a risk contract by market segment (Hereafter “risk contracts” shall mean contracts that incorporate a per member per month budget against which claims costs are settled for purposes of determining the withhold returned, surplus paid, and/or deficit charged to a provider, including contracts that subject the provider to limited or minimal “downside” risk.)
    - c. Within your commercial large group, commercial small group, and commercial individual membership, by product line (fully-insured HMO/POS, self-insured HMO/POS, fully-insured PPO/indemnity, self-insured PPO/indemnity).
    - d. Membership in a tiered network product by market segment (Hereafter “tiered network products” are those that include financial incentives for hospital services (e.g., lower copayments or deductibles) for members to obtain in-network health care services from providers that are most cost effective.)
    - e. Membership in a limited network product by market segment (Hereafter “limited network products” are those that feature a limited network of more cost-effective providers from whom members can obtain in-network health care services.)
    - f. Membership in a high cost sharing plan by market segment



(Hereafter “high cost sharing plan” is any plan in which an individual deductible or copayment of \$1,000 or more may apply to any in-network benefit at any tier level.)

*Completed in Attachment AGO Payer Exhibit 2*

- 
3. To the extent your membership in any of the categories reported in your response to the above Question 2 has changed from 2010 to 2013, please explain and submit supporting documents that show your understanding of the reasons underlying any such changes in membership (e.g., why membership in PPO is growing).

Membership changes in our product lines reflect normal programmatic changes in the government-sponsored products. In general, our MassHealth population has consistently grown since 2010 and now exceeds 200,000 total members. Membership in the Commonwealth Care program grew incrementally between 2010 and 2013 and has started to decline this year as the program winds down. Our Unify and commercial products both launched during Calendar Year 2013.

- 
4. Please explain and submit supporting documents that show for each year 2009 to 2013, (i) your total number of employer accounts and the total annual claim payments made for those employers; and (ii) the total number of such employers for whom you do not have arrangements to provide behavioral health network or management services and the total annual claim payments for such employers

Network Health did not begin to offer commercial products until April 2013, and the total number of members was less than 500 for the entire calendar year.

## PCMHI Payments

Period: August 2013 - April 2014

**August 2013**

**Payee | Group Name | Tax ID**

	MassHealth Medical Home	MassHealth Clinical Care Mgmt	Comm Care Medical Home	Comm Care Clinical Care Mgmt	Total for Month
V36785   Foley Family Practice PC - FFP   205221618	\$72.00	\$58.50	\$30.00	\$30.00	<b>\$190.50</b>
V38975   Cambridge Public Health Comm - RFHC   043320571	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
V38975   Cambridge Public Health Comm - USFH   043320571	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
V39255   Whittier Street Health Center - WSHC   042619517	\$885.00	\$669.00	\$384.00	\$384.00	<b>\$2,322.00</b>
V40912   Fairview Pediatrics - FAIR   043115224	\$90.00	\$41.40	\$6.00	\$6.00	<b>\$143.40</b>
V41231   Hilltown Community Hlth Ctrs - HILL   042161484	\$13.50	\$12.60	\$54.00	\$54.00	<b>\$134.10</b>
V42358   Family Practice Group - FPG   042585070	\$66.00	\$52.50	\$81.00	\$81.00	<b>\$280.50</b>
V43828   Harvard Street Nhc (Medical) - HSTD   042600042	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
V44182   Holyoke Health Center, Inc - HHC   042492730	\$738.00	\$560.70	\$255.00	\$259.50	<b>\$1,813.20</b>
V44210   Drum Hill Primary Care LLC - DRUM   043487623	\$138.00	\$136.20	\$97.50	\$102.00	<b>\$473.70</b>
V44988   Harbor Health Services Inc - MIDU   237100550	\$297.00	\$251.10	\$250.50	\$250.50	<b>\$1,049.10</b>
V44988   Harbor Health Services Inc - NEPO   237100550	\$1,479.00	\$1,118.10	\$603.00	\$612.00	<b>\$3,812.10</b>
V45052   Umass Memorial Medical Group - BARE   042911067	\$498.00	\$385.50	\$271.50	\$276.00	<b>\$1,431.00</b>
V45052   Umass Memorial Medical Group - UMPP   042911067	\$2,586.00	\$1,140.60	\$27.00	\$27.00	<b>\$3,780.60</b>
V45567   Community Health Connections Fitchburg - FICH   043452697	\$2,005.50	\$1,670.70	\$718.50	\$723.00	<b>\$5,117.70</b>
V46048   Edward M Kennedy Community Health Center Inc - EMKI   042513817	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
V46048   Edward M Kennedy Community Health Center Inc - EMKW   0425138	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
V46111   Family Health Center of Worcester Inc - FHOW   042485308	\$2,929.50	\$2,229.30	\$891.00	\$900.00	<b>\$6,949.80</b>
V46351   Brockton Neighborhood Health Center - BROCC   043165044	\$2,353.50	\$1,640.70	\$870.00	\$888.00	<b>\$5,752.20</b>
V47237   Lynn Community, Health Center - GLFH   042525066	\$40.50	\$28.80	\$48.00	\$48.00	<b>\$165.30</b>
V47237   Lynn Community, Health Center - LYNN   042525066	\$2,071.50	\$1,487.40	\$486.00	\$486.00	<b>\$4,530.90</b>
V47490   Dorchester House - DORH   237125970	\$979.50	\$643.80	\$396.00	\$400.50	<b>\$2,419.80</b>
V47830   Joseph Smith Community Health Center - JS/A   237221597	\$712.50	\$546.00	\$751.50	\$765.00	<b>\$2,775.00</b>
V47830   Joseph Smith Community Health Center - JS/W   237221597	\$124.50	\$95.70	\$160.50	\$160.50	<b>\$541.20</b>
V47849   North End Community Hlth Ctr - NEND   237089746	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
V48654   Boston Healthcare f/t Homeless - BHH   043160480	\$67.50	\$67.50	\$24.00	\$24.00	<b>\$183.00</b>
V49222   Greater Lawrence Family Health - GLFH   042708824	\$3,670.50	\$2,731.80	\$2,794.50	\$2,825.10	<b>\$12,021.90</b>
V49278   Codman Square Health Ctr - CODM   042678774	\$1,275.00	\$859.20	\$297.00	\$306.00	<b>\$2,737.20</b>

V49278   Codman Square Health Ctr - CSQR   042678774	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
V49459   Fenway Community Health Center - FENW   042510564	\$238.50	\$238.50	\$307.50	\$312.00	\$1,096.50
V49474   South Cove Community Hlth Ctr - SCOV   042501818	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$23,331.00	\$16,665.60	\$9,804.00	\$9,920.10	\$59,720.70

## September 2013

MassHealth Medical Home	MassHealth Clinical Care Mgmt	Comm Care Medical Home	Comm Care Clinical Care Mgmt	Total for Month
\$69.00	\$55.50	\$33.00	\$33.00	<b>\$190.50</b>
\$1.50	\$25.50	\$3.00	\$51.00	<b>\$81.00</b>
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
\$879.00	\$658.50	\$391.50	\$391.50	<b>\$2,320.50</b>
\$88.50	\$40.80	\$6.00	\$6.00	<b>\$141.30</b>
\$21.00	\$18.30	\$58.50	\$58.50	<b>\$156.30</b>
\$67.50	\$54.00	\$82.50	\$82.50	<b>\$286.50</b>
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
\$742.50	\$567.00	\$247.50	\$247.50	<b>\$1,804.50</b>
\$141.00	\$139.20	\$91.50	\$96.00	<b>\$467.70</b>
\$298.50	\$253.50	\$243.00	\$243.00	<b>\$1,038.00</b>
\$1,417.50	\$1,082.70	\$597.00	\$606.00	<b>\$3,703.20</b>
\$507.00	\$390.90	\$271.50	\$276.00	<b>\$1,445.40</b>
\$2,520.00	\$1,109.70	\$30.00	\$30.00	<b>\$3,689.70</b>
\$1,968.00	\$1,636.80	\$723.00	\$727.50	<b>\$5,055.30</b>
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
\$2,881.50	\$2,186.70	\$895.50	\$913.50	<b>\$6,877.20</b>
\$2,259.00	\$1,591.20	\$882.00	\$891.00	<b>\$5,623.20</b>
\$31.50	\$23.40	\$45.00	\$45.00	<b>\$144.90</b>
\$2,067.00	\$1,490.10	\$474.00	\$474.00	<b>\$4,505.10</b>
\$990.00	\$651.60	\$396.00	\$405.00	<b>\$2,442.60</b>
\$706.50	\$540.00	\$750.00	\$777.00	<b>\$2,773.50</b>
\$129.00	\$97.50	\$154.50	\$154.50	<b>\$535.50</b>
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
\$63.00	\$63.00	\$21.00	\$21.00	<b>\$168.00</b>
\$3,541.50	\$2,607.30	\$2,691.00	\$2,727.00	<b>\$11,566.80</b>
\$1,269.00	\$850.50	\$294.00	\$294.00	<b>\$2,707.50</b>

## October 2013

MassHealth Medical Home	MassHealth Clinical Care Mgmt	Comm Care Medical Home	Comm Care Clinical Care Mgmt	Total for Month
\$70.50	\$57.00	\$28.50	\$28.50	<b>\$184.50</b>
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
\$880.50	\$662.70	\$396.00	\$396.00	<b>\$2,335.20</b>
\$99.00	\$45.90	\$4.50	\$4.50	<b>\$153.90</b>
\$25.50	\$21.90	\$52.50	\$52.50	<b>\$152.40</b>
\$70.50	\$57.00	\$75.00	\$75.00	<b>\$277.50</b>
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
\$727.50	\$555.60	\$267.00	\$267.00	<b>\$1,817.10</b>
\$138.00	\$137.10	\$91.50	\$96.00	<b>\$462.60</b>
\$277.50	\$237.90	\$252.00	\$256.50	<b>\$1,023.90</b>
\$1,380.00	\$1,050.60	\$574.50	\$583.50	<b>\$3,588.60</b>
\$522.00	\$406.80	\$285.00	\$294.00	<b>\$1,507.80</b>
\$2,517.00	\$1,112.10	\$33.00	\$33.00	<b>\$3,695.10</b>
\$1,992.00	\$1,651.80	\$724.50	\$724.50	<b>\$5,092.80</b>
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
\$2,895.00	\$2,202.90	\$903.00	\$912.00	<b>\$6,912.90</b>
\$2,316.00	\$1,642.80	\$910.50	\$919.50	<b>\$5,788.80</b>
\$31.50	\$20.70	\$39.00	\$39.00	<b>\$130.20</b>
\$2,068.50	\$1,489.80	\$460.50	\$460.50	<b>\$4,479.30</b>
\$994.50	\$650.70	\$382.50	\$391.50	<b>\$2,419.20</b>
\$702.00	\$541.80	\$745.50	\$763.50	<b>\$2,752.80</b>
\$124.50	\$93.00	\$145.50	\$145.50	<b>\$508.50</b>
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
\$66.00	\$66.00	\$19.50	\$19.50	<b>\$171.00</b>
\$3,633.00	\$2,705.10	\$2,838.00	\$2,869.50	<b>\$12,045.60</b>
\$1,141.50	\$785.10	\$318.00	\$318.00	<b>\$2,562.60</b>

\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
\$234.00	\$234.00	\$285.00	\$285.00	<b>\$1,038.00</b>	\$213.00	\$213.00	\$262.50	\$262.50	<b>\$951.00</b>
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>
<b>\$22,893.00</b>	<b>\$16,367.70</b>	<b>\$9,666.00</b>	<b>\$9,835.50</b>	<b>\$58,762.20</b>	<b>\$22,885.50</b>	<b>\$16,407.30</b>	<b>\$9,808.50</b>	<b>\$9,912.00</b>	<b>\$59,013.30</b>

## November 2013

## December 2013

MassHealth Medical Home	MassHealth Clinical Care Mgmt	Comm Care Medical Home	Comm Care Clinical Care Mgmt	Total for Month	MassHealth Medical Home	MassHealth Clinical Care Mgmt	Comm Care Medical Home	Comm Care Clinical Care Mgmt	Total for Month	MassHealth Medical Home
\$66.00	\$52.50	\$31.50	\$31.50	<b>\$181.50</b>	\$70.50	\$57.00	\$31.50	\$31.50	<b>\$190.50</b>	\$63.00
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$1.50	\$25.50	<b>\$27.00</b>	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$132.00	\$87.00	\$51.00	\$51.00	<b>\$321.00</b>	\$124.50
\$874.50	\$666.60	\$384.00	\$384.00	<b>\$2,309.10</b>	\$882.00	\$678.60	\$399.00	\$399.00	<b>\$2,358.60</b>	\$703.50
\$90.00	\$40.50	\$3.00	\$3.00	<b>\$136.50</b>	\$102.00	\$45.30	\$4.50	\$4.50	<b>\$156.30</b>	\$94.50
\$27.00	\$21.60	\$37.50	\$37.50	<b>\$123.60</b>	\$33.00	\$26.70	\$46.50	\$46.50	<b>\$152.70</b>	\$27.00
\$67.50	\$54.00	\$72.00	\$72.00	<b>\$265.50</b>	\$63.00	\$49.50	\$73.50	\$73.50	<b>\$259.50</b>	\$49.50
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00
\$730.50	\$555.00	\$270.00	\$270.00	<b>\$1,825.50</b>	\$696.00	\$520.50	\$285.00	\$285.00	<b>\$1,786.50</b>	\$607.50
\$129.00	\$128.10	\$90.00	\$94.50	<b>\$441.60</b>	\$136.50	\$135.60	\$90.00	\$94.50	<b>\$456.60</b>	\$112.50
\$285.00	\$243.60	\$234.00	\$238.50	<b>\$1,001.10</b>	\$288.00	\$247.50	\$234.00	\$234.00	<b>\$1,003.50</b>	\$271.50
\$1,330.50	\$1,014.60	\$594.00	\$603.00	<b>\$3,542.10</b>	\$1,291.50	\$993.60	\$600.00	\$609.00	<b>\$3,494.10</b>	\$1,054.50
\$516.00	\$406.20	\$288.00	\$297.00	<b>\$1,507.20</b>	\$502.50	\$393.60	\$295.50	\$304.50	<b>\$1,496.10</b>	\$370.50
\$2,491.50	\$1,097.40	\$34.50	\$34.50	<b>\$3,657.90</b>	\$2,434.50	\$1,076.40	\$37.50	\$37.50	<b>\$3,585.90</b>	\$2,508.00
\$1,977.00	\$1,640.40	\$696.00	\$696.00	<b>\$5,009.40</b>	\$1,980.00	\$1,638.00	\$730.50	\$730.50	<b>\$5,079.00</b>	\$1,725.00
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00
\$2,757.00	\$2,086.50	\$837.00	\$846.00	<b>\$6,526.50</b>	\$2,730.00	\$2,078.40	\$880.50	\$889.50	<b>\$6,578.40</b>	\$2,517.00
\$2,293.50	\$1,632.90	\$925.50	\$939.00	<b>\$5,790.90</b>	\$2,280.00	\$1,614.90	\$952.50	\$966.00	<b>\$5,813.40</b>	\$1,987.50
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00
\$2,035.50	\$1,468.50	\$463.50	\$463.50	<b>\$4,431.00</b>	\$1,659.00	\$1,219.80	\$474.00	\$474.00	<b>\$3,826.80</b>	\$1,519.50
\$979.50	\$645.60	\$391.50	\$396.00	<b>\$2,412.60</b>	\$937.50	\$616.20	\$385.50	\$390.00	<b>\$2,329.20</b>	\$804.00
\$697.50	\$531.90	\$738.00	\$760.50	<b>\$2,727.90</b>	\$699.00	\$533.40	\$745.50	\$763.50	<b>\$2,741.40</b>	\$604.50
\$138.00	\$106.50	\$139.50	\$139.50	<b>\$523.50</b>	\$130.50	\$99.00	\$133.50	\$133.50	<b>\$496.50</b>	\$127.50
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00
\$69.00	\$69.00	\$19.50	\$19.50	<b>\$177.00</b>	\$69.00	\$69.00	\$18.00	\$18.00	<b>\$174.00</b>	\$42.00
\$3,615.00	\$2,697.90	\$2,854.50	\$2,868.00	<b>\$12,035.40</b>	\$3,630.00	\$2,698.50	\$2,965.50	\$2,974.50	<b>\$12,268.50</b>	\$3,103.50
\$1,164.00	\$804.90	\$324.00	\$324.00	<b>\$2,616.90</b>	\$1,149.00	\$788.10	\$328.50	\$328.50	<b>\$2,594.10</b>	\$1,018.50

\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00
\$205.50	\$205.50	\$253.50	\$253.50	<b>\$918.00</b>	\$202.50	\$202.50	\$244.50	\$244.50	<b>\$894.00</b>	\$102.00
\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00
<b>\$22,539.00</b>	<b>\$16,169.70</b>	<b>\$9,681.00</b>	<b>\$9,771.00</b>	<b>\$58,160.70</b>	<b>\$22,098.00</b>	<b>\$15,869.10</b>	<b>\$10,008.00</b>	<b>\$10,108.50</b>	<b>\$58,083.60</b>	<b>\$19,537.50</b>



# January 2014

# February 2014

MassHealth Clinical Care Mgmt	Comm Care Medical Home	Comm Care Clinical Care Mgmt	Total for Month	MassHealth Medical Home	MassHealth Clinical Care Mgmt	Comm Care Medical Home	Comm Care Clinical Care Mgmt	Total for Month	MassHealth Medical Home	MassHealth Clinical Care Mgmt
\$49.50	\$18.00	\$18.00	<b>\$148.50</b>	\$64.50	\$51.00	\$18.00	\$18.00	<b>\$151.50</b>	\$64.50	\$51.00
\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00
\$82.20	\$34.50	\$34.50	<b>\$275.70</b>	\$132.00	\$88.80	\$36.00	\$36.00	<b>\$292.80</b>	\$136.50	\$92.40
\$493.80	\$211.50	\$216.00	<b>\$1,624.80</b>	\$744.00	\$525.30	\$207.00	\$211.50	<b>\$1,687.80</b>	\$727.50	\$519.60
\$39.60	\$3.00	\$3.00	<b>\$140.10</b>	\$99.00	\$42.30	\$1.50	\$1.50	<b>\$144.30</b>	\$99.00	\$44.10
\$19.80	\$16.50	\$16.50	<b>\$79.80</b>	\$24.00	\$20.40	\$15.00	\$15.00	<b>\$74.40</b>	\$21.00	\$18.30
\$37.80	\$40.50	\$40.50	<b>\$168.30</b>	\$57.00	\$44.40	\$40.50	\$45.00	<b>\$186.90</b>	\$57.00	\$43.50
\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00
\$439.20	\$70.50	\$70.50	<b>\$1,187.70</b>	\$631.50	\$461.40	\$70.50	\$70.50	<b>\$1,233.90</b>	\$631.50	\$461.40
\$111.60	\$51.00	\$55.50	<b>\$330.60</b>	\$121.50	\$120.60	\$52.50	\$57.00	<b>\$351.60</b>	\$120.00	\$119.10
\$208.50	\$120.00	\$120.00	<b>\$720.00</b>	\$211.50	\$169.20	\$106.50	\$106.50	<b>\$593.70</b>	\$204.00	\$161.70
\$736.80	\$331.50	\$340.50	<b>\$2,463.30</b>	\$1,126.50	\$792.60	\$318.00	\$327.00	<b>\$2,564.10</b>	\$1,158.00	\$815.10
\$278.70	\$118.50	\$127.50	<b>\$895.20</b>	\$463.50	\$349.20	\$127.50	\$136.50	<b>\$1,076.70</b>	\$471.00	\$354.90
\$1,095.90	\$3.00	\$3.00	<b>\$3,609.90</b>	\$2,590.50	\$1,163.10	\$3.00	\$3.00	<b>\$3,759.60</b>	\$2,557.50	\$1,147.20
\$1,383.00	\$298.50	\$298.50	<b>\$3,705.00</b>	\$1,668.00	\$1,369.20	\$273.00	\$273.00	<b>\$3,583.20</b>	\$1,672.50	\$1,372.80
\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00
\$1,847.40	\$481.50	\$486.00	<b>\$5,331.90</b>	\$2,619.00	\$1,950.30	\$480.00	\$484.50	<b>\$5,533.80</b>	\$2,569.50	\$1,917.90
\$1,306.20	\$567.00	\$576.00	<b>\$4,436.70</b>	\$2,499.00	\$1,792.50	\$550.50	\$559.50	<b>\$5,401.50</b>	\$2,536.50	\$1,806.60
\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00
\$1,085.70	\$228.00	\$228.00	<b>\$3,061.20</b>	\$1,263.00	\$940.80	\$207.00	\$211.50	<b>\$2,622.30</b>	\$1,098.00	\$839.70
\$480.90	\$202.50	\$207.00	<b>\$1,694.40</b>	\$858.00	\$525.90	\$205.50	\$210.00	<b>\$1,799.40</b>	\$871.50	\$543.00
\$434.40	\$382.50	\$400.50	<b>\$1,821.90</b>	\$616.50	\$460.80	\$367.50	\$385.50	<b>\$1,830.30</b>	\$582.00	\$438.00
\$89.70	\$75.00	\$75.00	<b>\$367.20</b>	\$139.50	\$99.00	\$79.50	\$79.50	<b>\$397.50</b>	\$136.50	\$96.00
\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00
\$42.00	\$3.00	\$3.00	<b>\$90.00</b>	\$42.00	\$42.00	\$3.00	\$3.00	<b>\$90.00</b>	\$39.00	\$39.00
\$2,190.00	\$1,672.50	\$1,686.00	<b>\$8,652.00</b>	\$3,472.50	\$2,561.70	\$1,650.00	\$1,668.00	<b>\$9,352.20</b>	\$3,558.00	\$2,611.20
\$656.70	\$162.00	\$162.00	<b>\$1,999.20</b>	\$1,063.50	\$704.40	\$150.00	\$150.00	<b>\$2,067.90</b>	\$1,056.00	\$698.70

\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00
\$102.00	\$109.50	\$109.50	<b>\$423.00</b>	\$103.50	\$103.50	\$82.50	\$82.50	<b>\$372.00</b>	\$111.00	\$111.00
\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00
<b>\$13,211.40</b>	<b>\$5,200.50</b>	<b>\$5,277.00</b>	<b>\$43,226.40</b>	<b>\$20,610.00</b>	<b>\$14,378.40</b>	<b>\$5,044.50</b>	<b>\$5,134.50</b>	<b>\$45,167.40</b>	<b>\$20,478.00</b>	<b>\$14,302.20</b>

# March 2014

# April 2014

# Totals For Y

Comm Care Medical Home	Comm Care Clinical Care Mgmt	Total for Month	MassHealth Medical Home	MassHealth Clinical Care Mgmt	Comm Care Medical Home	Comm Care Clinical Care Mgmt	Total for Month	MassHealth Medical Home	MassHealth Clinical Care Mgmt	Comm Care Medical Home
\$18.00	\$18.00	\$151.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$540.00	\$432.00	\$208.50
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.50	\$25.50	\$4.50
\$37.50	\$37.50	\$303.90	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$525.00	\$350.40	\$159.00
\$202.50	\$211.50	\$1,661.10	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,576.00	\$4,874.10	\$2,575.50
\$1.50	\$1.50	\$146.10	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$762.00	\$339.90	\$30.00
\$15.00	\$15.00	\$69.30	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$192.00	\$159.60	\$295.50
\$39.00	\$43.50	\$183.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$498.00	\$392.70	\$504.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$73.50	\$73.50	\$1,239.90	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,505.00	\$4,120.80	\$1,539.00
\$49.50	\$54.00	\$342.60	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,036.50	\$1,027.50	\$613.50
\$96.00	\$96.00	\$557.70	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,133.00	\$1,773.00	\$1,536.00
\$315.00	\$324.00	\$2,612.10	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,237.50	\$7,604.10	\$3,933.00
\$124.50	\$133.50	\$1,083.90	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,850.50	\$2,965.80	\$1,782.00
\$3.00	\$3.00	\$3,710.70	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,205.00	\$8,942.40	\$171.00
\$268.50	\$268.50	\$3,582.30	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$14,988.00	\$12,362.70	\$4,432.50
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$472.50	\$477.00	\$5,436.90	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$21,898.50	\$16,499.40	\$5,841.00
\$540.00	\$549.00	\$5,432.10	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$18,525.00	\$13,027.80	\$6,198.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$103.50	\$72.90	\$132.00
\$196.50	\$201.00	\$2,335.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,782.00	\$10,021.80	\$2,989.50
\$204.00	\$208.50	\$1,827.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,414.50	\$4,757.70	\$2,563.50
\$360.00	\$378.00	\$1,758.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,320.50	\$4,026.30	\$4,840.50
\$81.00	\$81.00	\$394.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,050.00	\$776.40	\$969.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$3.00	\$3.00	\$84.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$457.50	\$457.50	\$111.00
\$1,623.00	\$1,641.00	\$9,433.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$28,224.00	\$20,803.50	\$19,089.00
\$144.00	\$144.00	\$2,042.70	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,136.50	\$6,147.60	\$2,017.50

\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00
\$81.00	\$81.00	<b>\$384.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$1,410.00	\$1,410.00	\$1,626.00
\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	\$0.00	\$0.00	\$0.00
<b>\$4,948.50</b>	<b>\$5,043.00</b>	<b>\$44,771.70</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$174,372.00</b>	<b>\$123,371.40</b>	<b>\$64,161.00</b>

ear

Comm Care Clinical Care Mgmt	Total for Year
\$208.50	<b>\$1,389.00</b>
\$76.50	<b>\$108.00</b>
\$159.00	<b>\$1,193.40</b>
\$2,593.50	<b>\$16,619.10</b>
\$30.00	<b>\$1,161.90</b>
\$295.50	<b>\$942.60</b>
\$513.00	<b>\$1,907.70</b>
\$0.00	<b>\$0.00</b>
\$1,543.50	<b>\$12,708.30</b>
\$649.50	<b>\$3,327.00</b>
\$1,545.00	<b>\$6,987.00</b>
\$4,005.00	<b>\$25,779.60</b>
\$1,845.00	<b>\$10,443.30</b>
\$171.00	<b>\$29,489.40</b>
\$4,441.50	<b>\$36,224.70</b>
\$0.00	<b>\$0.00</b>
\$0.00	<b>\$0.00</b>
\$5,908.50	<b>\$50,147.40</b>
\$6,288.00	<b>\$44,038.80</b>
\$132.00	<b>\$440.40</b>
\$2,998.50	<b>\$29,791.80</b>
\$2,608.50	<b>\$17,344.20</b>
\$4,993.50	<b>\$19,180.80</b>
\$969.00	<b>\$3,764.40</b>
\$0.00	<b>\$0.00</b>
\$111.00	<b>\$1,137.00</b>
\$19,259.10	<b>\$87,375.60</b>
\$2,026.50	<b>\$19,328.10</b>

\$0.00	<b>\$0.00</b>
\$1,630.50	<b>\$6,076.50</b>
\$0.00	<b>\$0.00</b>
<b>\$65,001.60</b>	<b>\$426,906.00</b>

Payee   Group Name   Tax ID		MassHealth Medical Home	MassHealth Clinical Care Mgmt		
V36785	Foley Family Practice PC - FFP   205221618	\$540.00	\$432.00		
V38975	Cambridge Public Health Comm - RFHC   043320571	\$1.50	\$25.50		
V38975	Cambridge Public Health Comm - USFH   043320571	\$525.00	\$350.40		
V39255	Whittier Street Health Center - WSHC   042619517	\$6,576.00	\$4,874.10		
V40912	Fairview Pediatrics - FAIR   043115224	\$762.00	\$339.90		
V41231	Hilltown Community Hlth Ctrs - HILL   042161484	\$192.00	\$159.60		
V42358	Family Practice Group - FPG   042585070	\$498.00	\$392.70		
V43828	Harvard Street Nhc (Medical) - HSTD   042600042	\$0.00	\$0.00		
V44182	Holyoke Health Center, Inc - HHC   042492730	\$5,505.00	\$4,120.80		
V44210	Drum Hill Primary Care LLC - DRUM   043487623	\$1,036.50	\$1,027.50		
V44988	Harbor Health Services Inc - MIDU   237100550	\$2,133.00	\$1,773.00		
V44988	Harbor Health Services Inc - NEPO   237100550	\$10,237.50	\$7,604.10		
V45052	Umass Memorial Medical Group - BARE   042911067	\$3,850.50	\$2,965.80		
V45052	Umass Memorial Medical Group - UMPP   042911067	\$20,205.00	\$8,942.40		
V45567	Community Health Connections Fitchburg - FICH   043452697	\$14,988.00	\$12,362.70		
V46048	Edward M Kennedy Community Health Center Inc - EMKI   042513817	\$0.00	\$0.00		
V46048	Edward M Kennedy Community Health Center Inc - EMKW   0425138	\$0.00	\$0.00		
V46111	Family Health Center of Worcester Inc - FHOW   042485308	\$21,898.50	\$16,499.40		
V46351	Brockton Neighborhood Health Center - BROCC   043165044	\$18,525.00	\$13,027.80		
V47237	Lynn Community, Health Center - GLFH   042525066	\$103.50	\$72.90		
V47237	Lynn Community, Health Center - LYNN   042525066	\$13,782.00	\$10,021.80	\$13,885.50	\$10,094.70
V47490	Dorchester House - DORH   237125970	\$7,414.50	\$4,757.70		
V47830	Joseph Smith Community Health Center - JS/A   237221597	\$5,320.50	\$4,026.30		
V47830	Joseph Smith Community Health Center - JS/W   237221597	\$1,050.00	\$776.40		
V47849	North End Community Hlth Ctr - NEND   237089746	\$0.00	\$0.00		
V48654	Boston Healthcare f/t Homeless - BHH   043160480	\$457.50	\$457.50		
V49222	Greater Lawrence Family Health - GLFH   042708824	\$28,224.00	\$20,803.50		
V49278	Codman Square Health Ctr - CODM   042678774	\$9,136.50	\$6,147.60		
V49459	Fenway Community Health Center - FENW   042510564	\$1,410.00	\$1,410.00		
V49474	South Cove Community Hlth Ctr - SCOV   042501818	\$0.00	\$0.00		
Total		\$174,372.00	\$123,371.40		



Payee   Group Name   Tax ID		Comm Care Medical Home	Comm Care Clinical Care Mgmt		
V36785	Foley Family Practice PC - FFP   205221618	\$208.50	\$208.50		
V38975	Cambridge Public Health Comm - RFHC   043320571	\$4.50	\$76.50		
V38975	Cambridge Public Health Comm - USFH   043320571	\$159.00	\$159.00		
V39255	Whittier Street Health Center - WSHC   042619517	\$2,575.50	\$2,593.50		
V40912	Fairview Pediatrics - FAIR   043115224	\$30.00	\$30.00		
V41231	Hilltown Community Hlth Ctrs - HILL   042161484	\$295.50	\$295.50		
V42358	Family Practice Group - FPG   042585070	\$504.00	\$513.00		
V43828	Harvard Street Nhc (Medical) - HSTD   042600042	\$0.00	\$0.00		
V44182	Holyoke Health Center, Inc - HHC   042492730	\$1,539.00	\$1,543.50		
V44210	Drum Hill Primary Care LLC - DRUM   043487623	\$613.50	\$649.50		
V44988	Harbor Health Services Inc - MIDU   237100550	\$1,536.00	\$1,545.00		
V44988	Harbor Health Services Inc - NEPO   237100550	\$3,933.00	\$4,005.00		
V45052	Umass Memorial Medical Group - BARE   042911067	\$1,782.00	\$1,845.00		
V45052	Umass Memorial Medical Group - UMPP   042911067	\$171.00	\$171.00		
V45567	Community Health Connections Fitchburg - FICH   043452697	\$4,432.50	\$4,441.50		
V46048	Edward M Kennedy Community Health Center Inc - EMKI   042513817	\$0.00	\$0.00		
V46048	Edward M Kennedy Community Health Center Inc - EMKW   0425138	\$0.00	\$0.00		
V46111	Family Health Center of Worcester Inc - FHOW   042485308	\$5,841.00	\$5,908.50		
V46351	Brockton Neighborhood Health Center - BROK   043165044	\$6,198.00	\$6,288.00		
V47237	Lynn Community, Health Center - GLFH   042525066	\$132.00	\$132.00		
V47237	Lynn Community, Health Center - LYNN   042525066	\$2,989.50	\$2,998.50	\$3,121.50	\$3,130.50
V47490	Dorchester House - DORH   237125970	\$2,563.50	\$2,608.50		
V47830	Joseph Smith Community Health Center - JS/A   237221597	\$4,840.50	\$4,993.50		
V47830	Joseph Smith Community Health Center - JS/W   237221597	\$969.00	\$969.00		
V47849	North End Community Hlth Ctr - NEND   237089746	\$0.00	\$0.00		
V48654	Boston Healthcare f/t Homeless - BHH   043160480	\$111.00	\$111.00		
V49222	Greater Lawrence Family Health - GLFH   042708824	\$19,089.00	\$19,259.10		
V49278	Codman Square Health Ctr - CODM   042678774	\$2,017.50	\$2,026.50		
V49459	Fenway Community Health Center - FENW   042510564	\$1,626.00	\$1,630.50		
V49474	South Cove Community Hlth Ctr - SCOV   042501818	\$0.00	\$0.00		
Total		\$64,161.00	\$65,001.60		

## Exhibit C1 AGO Questions to Payers

**\*\*All cells shaded in BLUE should be completed by carrier\*\***

**Response:** The pricing for Network Health products is established through state contracts and the associated rate-setting process. As such, we do not use population demographics or the health status of the population for pricing purposes. Benefit buy down does not apply to our products. As described in Question 12, hospital rate increases were one of the primary drivers in the increase in unit costs during CY2013.

**Actual Observed Total Allowed Medical Expenditure Trend by Year**

*Fully-insured and self-insured product lines*

	Unit Cost	Utilization	Provider Mix	Service Mix	Total
CY 2011	-2.2%	4.7%	Unable to Determine	Unable to Determine	2.4%
CY 2012	-5.3%	3.6%	Unable to Determine	Unable to Determine	-1.9%
CY 2013	4.1%	3.3%	Unable to Determine	Unable to Determine	7.6%

### Notes:

1. ACTUAL OBSERVED TOTAL ALLOWED MEDICAL EXPENDITURE TREND should reflect the best estimate of historical actual allowed trend for each year separated by utilization, cost, service mix, and provider mix. These trends should not be adjusted for any changes in product, provider or demographic mix changes. In other words, these allowed trends should be actual observed trend. **These trends should reflect total medical expenditures which will include claims based and non claims based expenditures.**
2. PROVIDER MIX is defined as the impact on trend due to the change in the types of providers. This item should not be included in utilization or cost trends.
3. SERVICE MIX is defined as the impact on trend due to the change in the types of services. This item should not be included in utilization or cost trends.
4. Trend in non-fee for service claims (actual or estimated) paid by the carrier to providers (including, but not limited to, items such as capitation, incentive pools, withholds, bonuses, management fees, infrastructure payments) should be reflected in Unit Cost trend as well as Total trend.

AGO Payer Exhibit # 2, Question #2

Total In-State Membership (for members living in Massachusetts)

**a. In-State Membership by Market Segment**

Market Segment	Dec-13	Dec-12	Dec-11	Dec-10
Commercial Individual	363	N/A	N/A	N/A
Commercial Small Group	70	N/A	N/A	N/A
Commercial Large Group	N/A	N/A	N/A	N/A
Medicare	411*	N/A	N/A	N/A
Medicaid MCO	135,184	134,186	122,312	129,202
MassHealth	see above	see above	see above	see above
Commonwealth Care	75,402	71,540	56,733	45,916
Other Government**	8,665	12,868	0	0
Total	219,684	218,594	179,045	175,118

\*Reflects Unify (OneCare) population for CY2013

\*\* Reflects MSP population for CY2012 and CY2013

**b. In-State Membership Whose Care Is Reimbursed Through a Risk Contract by Market Segment**

Market Segment	Dec-13	Dec-12	Dec-11	Dec-10
Commercial Individual	87	N/A	N/A	N/A
Commercial Small Group	21	N/A	N/A	N/A
Commercial Large Group	N/A	N/A	N/A	N/A
Medicare*	N/A	N/A	N/A	N/A
Medicaid MCO	42,430	28,258	24,969	N/A
MassHealth	see above	see above	see above	see above
Commonwealth Care	19,221	8,937	6,851	N/A
Other Government**	1,489	208	N/A	N/A
Total	63,248	37,403	31,820	N/A

**c. In-State Membership by Commercial Market Segment and Product Line**

Market Segment	Product Line		Dec-13	Dec-12	Dec-11	Dec-10
Commercial Individual	HMO/POS	Fully-Insured	363	N/A	N/A	N/A
		Self-Insured	N/A	N/A	N/A	N/A
	PPO/Indemnity	Fully-Insured	N/A	N/A	N/A	N/A
		Self-Insured	N/A	N/A	N/A	N/A
Commercial Small Group	HMO/POS	Fully-Insured	70	N/A	N/A	N/A
		Self-Insured	N/A	N/A	N/A	N/A
	PPO/Indemnity	Fully-Insured	N/A	N/A	N/A	N/A
		Self-Insured	N/A	N/A	N/A	N/A
Commercial Large Group	HMO/POS	Fully-Insured	N/A	N/A	N/A	N/A
		Self-Insured	N/A	N/A	N/A	N/A
	PPO/Indemnity	Fully-Insured	N/A	N/A	N/A	N/A
		Self-Insured	N/A	N/A	N/A	N/A

**d. In-State Membership in Tiered Network Product by Market Segment**

Market Segment	Dec-13	Dec-12	Dec-11	Dec-10
Commercial Individual	N/A	N/A	N/A	N/A
Commercial Small Group	N/A	N/A	N/A	N/A
Commercial Large Group	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A

**e. In-State Membership in Limited Network Product by Market Segment**

Market Segment	Dec-13	Dec-12	Dec-11	Dec-10
Commercial Individual	N/A	N/A	N/A	N/A
Commercial Small Group	N/A	N/A	N/A	N/A
Commercial Large Group	N/A	N/A	N/A	N/A

Total	N/A	N/A	N/A	N/A
-------	-----	-----	-----	-----

**f. In-State Membership in High Cost Sharing Plan by Market Segment**

Market Segment	Dec-13	Dec-12	Dec-11	Dec-10
Commercial Individual	N/A	N/A	N/A	N/A
Commercial Small Group	N/A	N/A	N/A	N/A
Commercial Large Group	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A

Attached please find Network Health's written testimony for the 2014 Cost Trends Hearing. I am legally authorized and empowered to represent Network Health and this testimony is signed under the pains and penalties of perjury.

Subscribed and sworn to, this eighth of September, 2014.

A handwritten signature in black ink, appearing to read 'cg + C', enclosed within a thin black rectangular border.

Christopher Gorton  
President  
Public Plans  
Tufts Health Plan