Deb Wilson President & CEO, Lawrence General Hospital
Remarks HPC Cost Growth Benchmark Hearing March 25, 2021

Good afternoon David, HPC Board Members, and the House and Senate Health Care Chairs. Thank you for all the work you do.

My name is Deb Wilson, President and CEO of Lawrence General Hospital, a hospital experiencing significant shortfalls in adequate reimbursement and a dramatic negative financial impact from COVID-19.

In the past 12 months our hospital has met the outsized demand for COVID hospital care in the City of Lawrence – the community that has the highest per capita rate of COVID-19 in the Commonwealth. ONE IN FOUR Lawrence residents in our city of more than 80,000 has had COVID.

The City's mortality rate is among the highest, reflecting the findings of epidemiologists who found color, poverty and crowding caused substantially higher COVID mortality.

While we understand the importance of a cost growth benchmark, there is no sustainable plan forward for us without a higher growth rate than the cost growth benchmark you are going to set today.

I would respectfully suggest that you ask a different question today. Rather than asking what statewide growth should be. Ask…. How should you look at the cost growth benchmark with a health equity lens?

Lawrence General has among the highest proportions of MassHealth patients – we are paid 74% of our costs for those patients. Additionally, current CHIA data says we are paid 77% of average for commercial patients.

And we serve a city that has the highest concentration of people of color of any community in the Commonwealth. 88% of Lawrence residents are of color.

We can't escape the impact of years of low rates driven by a multitude of factors, including the cost growth benchmark.

That we are a critically important hospital for this community and the Merrimack Valley is indisputable. But our sustainability and ability to continue key services is on the line.

What does having fewer resources mean for health care delivery for the community we serve?

Let me share a few examples:

We hired obstetrical hospitalists to have an Obstetrician in the hospital 24/7 to improve maternal child health outcomes for a complex population. If we can't afford to fund this enhanced level of care, the sad reality is that mothers and babies and families will suffer the consequences.

We hired BH nurse practitioners for the ER and inpatient units, but if we can't afford to fund this enhanced level of care, the sad reality is that our behavioral health patients and their families will suffer the consequences.

There is no sustainable plan to support a hospital with Medicaid shortfalls and with this cost growth benchmark.

The health policy commission, I believe, needs to make sure that access to hospital care in underserved communities is preserved.

To do that you need to allow for growth in reimbursement. Please look at the cost growth benchmark with a health equity lens.

By not applying that lens you are perpetuating the weakness of hospitals like Lawrence General that are paid the least. With all the great work you are doing around health equity, I know you all agree that these patients deserve the access to quality care.

2020 tested our hospital's resilience and showcased our capacity. Some weeks, it was not unusual to have 75% of our adult inpatient capacity dedicated to recovering COVID patients. To meet community need we expanded our ICU capacity, raced to buy ventilators, staff up, stand up an 8-lane drive through testing site and mobile testing units to serve the city. We are now vaccinating more than 1,000 patients a day in Lawrence in partnership with the City and the State. We are still recovering as a community and we don't know when health care delivery will return to normal.

I ask you to consider applying a health equity lens to your decision today, and acknowledge that this policy should not apply to providers like Lawrence General.