MASSACHUSETTS
HEALTH POLICY COMMISSION

2022 Pre-Filed Testimony
PROVIDERS

As part of the
Annual Health Care Cost Trends Hearing

Massachusetts Health Policy Commission
50 Milk Street, 8th Floor
Boston, MA 02109

INSTRUCTIONS FOR WRITTEN TESTIMONY

If you are receiving this, you are hereby required under M.G.L. c. 6D, § 8 to submit written pre-filed testimony for the 2022 Annual Health Care Cost Trends Hearing.

On or before the close of business on **Monday, October 24, 2022**, please electronically submit testimony to: HPC-Testimony@mass.gov. Please complete relevant responses to the questions posed in the provided template. 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.

We encourage you to refer to and build upon your organization's pre-filed testimony responses from 2013 to 2021, if applicable. If a question is not applicable to your organization, please indicate that in your response.

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

You are receiving questions from both the HPC and the Attorney General's Office (AGO). If you have any difficulty with the templates or have any other questions regarding the pre-filed testimony process or the questions, please contact either HPC or AGO staff at the information below.

HPC CONTACT INFORMATION

For any inquiries regarding HPC questions, please contact:
General Counsel Lois Johnson at HPC-Testimony@mass.gov or lois.johnson@mass.gov.

AGO CONTACT INFORMATION

For any inquiries regarding AGO questions, please contact:
Assistant Attorney General Sandra Wolitzky at sandra.wolitzky@mass.gov or (617) 963-2021.

INTRODUCTION

This year marks a milestone anniversary in the Commonwealth's ambitious journey of health care reform. Ten years ago, through the advocacy of a broad coalition of stakeholders, Massachusetts adopted an innovative approach to slowing the rate of health care cost growth by establishing an annual cost growth benchmark and providing oversight authority to the newly established HPC.

In the first several years of benchmark oversight, the Commonwealth made notable progress in driving down health care spending growth. In recent years, however, spending growth has exceeded the benchmark (with the exception of 2020) and appears likely to continue that upward trajectory.

This trend is driven largely by persistent challenges and market failures that have not been adequately addressed in the past ten years. These challenges, which have been consistently identified by the HPC and others, include:

- Excessive provider price growth and unwarranted variation,
- Increased market consolidation and expansion of high-cost sites of care,
- High, rising, and non-transparent pharmaceutical prices, which may not reflect value,
- Steadily increasing health insurance premiums, deductibles, and cost-sharing, resulting in increased costs to businesses and consumers,
- Stalled uptake of value-based payment models and innovative plan offerings, and
- Systemic and persistent disparities in health care access, affordability, and outcomes.

The ongoing impact of the COVID-19 pandemic has only exacerbated many of these dynamics, contributing to greater health disparities, while adding to inflationary headwinds in the form of increasing labor and supply costs.

These challenges are not unique to Massachusetts, and many other states are evolving their cost containment strategies accordingly to respond to them. In order for Massachusetts to continue to be the national leader on health care cost containment, it must similarly adapt. Unless the state's health care cost containment approach is strengthened and expanded by policymakers, the result will be a health care system that is increasingly unaffordable for Massachusetts residents and businesses with growing health inequities.

ASSESSING EFFORTS TO REDUCE HEALTH CARE COST GROWTH, PROMOTE AFFORDABLE, HIGH-QUALITY CARE, AND ADVANCE EQUITY

a. Reflecting on the past ten years of the Massachusetts health care cost containment effort, and the additional context of ongoing COVID-19 impacts, please identify and briefly describe the top (2-3) concerns of your organization in reducing health care cost growth, promoting affordability, and advancing health equity in future years.

Several areas of top concern for Cambridge Health Alliance (CHA) include:

1. Persistent Provider Price Variation and Inadequate Reimbursement for Safety Net Hospitals and Health Systems

Despite our critical regional role and care for vulnerable populations, CHA is the 7th lowest paid acute hospital in the state by commercial payers at 77% of the statewide average, according to the most recent CHIA Relative Price and Provider Price Variation data and report.

This has not changed over the past decade of state reports. This deprives our communities of local resources for their health. It is clearly a health equity issue for our patients and communities.

The pandemic showed us that the very safety net hospitals at its epicenter and serving the most disproportionately impacted communities and diverse patient populations are paid the lowest commercial rates. The Attorney General, in the recent "Building Toward Racial Justice and Equity in Health" report, found that the disproportionate impact of COVID-19 on communities of color amplifies the longstanding need to change how health care resources are allocated, starting with payments to providers who care for underserved populations."

The lens of the pandemic has sharply brought into focus the health consequences of inadequate resources including those stemming from pervasive commercial rate inequities. These persistent inequities through inadequate commercial rates have a profound impact in under-resourcing the neediest populations and their safety net providers, with a cascade effect on patient care resources and infrastructure.
This is at a time when there are significant industry and inflationary cost drivers outside of provider control, such as in increased supply costs (prescriptions drugs) and greater workforce expenses. Underpaid hospitals have less resilience to respond to these forces.

2. Greater Focus on Primary Care and Behavioral Health

Massachusetts has seen a growing need and intensified patient acuity requiring hospital-level psychiatric care as well as outpatient care, a problem exacerbated by the COVID-19

pandemic. This is consistent with national trends that show a sharp increase in behavioral health conditions. Patients with acute mental health needs often spend days or weeks in emergency departments or other hospital settings waiting for an available inpatient placement, resulting in an unprecedented level of behavioral health "boarding."

There are greater needs for primary care and behavioral health investments and re-orientation of our health care system to more of a wellness system. Workforce shortages are contributing to and exacerbating pre-existing gaps in this essential continuum of care.

There has been a post-COVID increase in demand: more complex and sicker patient populations with comorbidities, delayed care, an intense need for behavioral health services at higher acuity levels, and greater health-related social needs and factors for vulnerable populations.

3. Workforce Challenges and Needs

Amid increasing demand for health and behavioral health services, there are critical staff shortages and corresponding premium costs. Staff burnout is also at a heightened level due to a variety of factors, including the long-term impact of the pandemic, patient violence, and administrative burdens. More must be done to support clinicians and staff and improve the attractiveness of health care for a career.

b. Please identify and briefly describe the top strategies your organization is pursuing to address those concerns.

As part of CHA's strategic plan, we are pursuing strategies to address priority areas of concern such as:

1. Persistent Provider Price Variation and Inadequate Reimbursement for Safety Net Hospitals and Health Systems

CHA continues to advocate for urgent policy and legislative action on price variation and being paid fairly for the essential care we provide. In the meantime, we are grateful that some (but not all) pandemic relief payments recognized the special plight of the highest Medicaid hospitals and factored in low relative price to payment methodologies. A durable policy solution is needed.

CHA also seeks improved and sustainable reimbursement in contract renewals from payers. Yet, as the Center for Health Information and Analysis statewide relative price data reveals, this has not yielded improvements in CHA's commercial reimbursement relative to the statewide average. If given policy direction and oversight, commercial payers can target necessary rate increases to the lowest paid and high Medicaid hospitals within the annual cost growth parameters. For instance, CHA's commercial payments are 0.67% of all such

statewide payments, and achieving equitable rates are within reach if there are requirements to do so.

A key part of our organizational strategy is our collaboration through the Beth Israel Lahey Health Performance Network, a clinically integrated network of physicians, clinicians, and hospitals committed to providing high-quality, cost-effective care to the patients and communities they serve. As an independent public hospital, this collaboration on certain commercial and other value-based care arrangements is important for a number of reasons. It is important because it is an extension of our clinical affiliations, our preferred referral relationships to coordinate patient care, and for population health and value-based care delivery. CHA individually participates as a Medicaid ACO. However, these value-based care models have largely cemented the payment rate inequities into their methodologies.

2. Greater Focus on Primary Care and Behavioral Health

In response to the urgent behavioral health needs identified and prioritized in partnership with the Massachusetts Executive Office of Health and Human Services, the Massachusetts Department of Mental Health, and MassHealth, CHA has stepped forward to expand inpatient psychiatric services for youth and adults and will participate as a Community Behavioral health Center.

Through our new Center for Inpatient Child & Adolescent Psychiatry, CHA has added 42 new child, adolescent and specialized youth autism/ neurodevelopmental beds at its Somerville Campus, more than doubling CHA's capacity to 69 youth beds as they are phased in.

The Center for Inpatient Child & Adolescent Psychiatry includes:

- A 24-bed Child Psychiatry Unit for children ages 3-12 (11 new beds)
- A 21-bed Adolescent Psychiatry Unit for youth ages 13-17 (opened in June 2021 to expedite 7 new beds)
- A new 24-bed Neurodevelopmental Unit which will provide multidisciplinary and specialized care to children and adolescents with a variety of clinical needs. It is designed for patients with a primary diagnosis of autism spectrum disorder, intellectual disability, or a related neurodevelopmental disorder, who are also experiencing serious behavioral or mental health concerns.

Later this year, CHA will convert two units at its Cambridge Hospital campus to adult inpatient psychiatry units, resulting in:

- 24 new adult psychiatry beds.

CHA's major expansion will make it the Commonwealth's largest provider of child and adolescent inpatient mental health services and will complement the Commonwealth's Behavioral Health Roadmap.

In total, CHA will add 66 inpatient psychiatry beds to meet regional and state needs, adding to its current 89-bed inpatient behavioral health services (for a total of 155 inpatient beds) for patients of all ages from youth to older adults.

In addition, CHA has been designated as one of 25 Community Behavioral Health Centers (CBHCs), which aims to expand access to routine, urgent, and crisis treatment for mental health conditions and substance use disorders starting in January 2023.

CHA is actively redesigning outpatient behavioral health services, training in evidence-based practices, care team innovation, and maximizing primary care and behavioral health integration. CHA is also prioritizing access and improvements in its primary care and ambulatory care system. This includes patient engagement, ambulatory service redesign and operational standardization to make it easier to deliver and access care. Advancing population health and health equity are strategic priorities for our organization.

3. Workforce Challenges and Needs

CHA is working on the workforce pipeline including leveraging training programs, mid-level providers, and team supports.

We are partnering with various municipalities in our catchment area to host on-site and remote career development programs for immigrants and candidates of color. We are also piloting a 6-week Medical Assistant program in collaboration with Bunker Hill Community College and Lincoln Tech to train essential job skills to community members. We plan to implement Chase, an AI system to support talent acquisition during non-business hours. Our Human Resources team is partnering with key staff, such as patient resource coordinators and community health workers to serve as ambassadors in promoting CHA career opportunities to our patients and in the community.

c. Please describe your progress in the past year on efforts to collect data to advance health equity (i.e., data capturing race, ethnicity, language, disability status, and sexual orientation/gender identity, see 2021 Cost Trends Testimony), including specific metrics and results. Please also describe measurable results in other activities your organization has undertaken to advance health equity.

CHA created a new Health Equity Steering Committee to oversee institutional efforts to advance health equity and implementation. It endeavors to integrate our approach to advancing equity for our patients, in the community, and for our workforce. CHA is also partnering on the promising health equity components of the Medicaid Waiver.

Building on our concerted efforts to collect and work with race, ethnicity, and language data, we are in the midst of preliminary analysis and stratification of a subset of initial metrics with a health equity lens. We are synthesizing data from our eight-community geographic service area, our patient panels, and our staff and providers. Our Board of Trustees is actively engaged as part of the process of generating our planned health equity-focused strategic plan (which will relate to the promising Medicaid Waiver health equity program and our foundational data).

We anticipate expanding our capacity to describe our patient population not only by race, ethnicity, and language but also by sexual orientation, gender identity, and disability status as statewide standards and processes move forward.

CHA is implementing several initiatives to address health equity in patient care. For instance, several initiatives within our MassHealth ACO population focus on improving rates of screening for social determinants of health, good control of blood pressure, and telehealth access. The ongoing recovery from the COVID-19 pandemic has underscored the need to innovate in care practices to reach diverse patients and address barriers and complex care needs including for patients who may experience gaps in care.

d. Please identify and briefly describe the top state health policy changes your organization would recommend to support your efforts to address those concerns.

1. Persistent Provider Price Variation and Inadequate Reimbursement for Safety Net Hospitals and Health Systems

Sustainable reimbursement for Safety Net Hospital and Health Systems: Among the most pressing state health policy changes includes legislation to require commercial insurers to pay the lowest paid, high Medicaid safety net hospitals a minimum of the Average Commercial Rate. This perpetual rate inequity will not change without policy action.

- Swift legislative action toward equitable commercial insurance rates for high Medicaid safety net hospitals is now more imperative and urgent than ever.
    - Support enactment of H1299/S760: An Act to reduce racial and ethnic health disparities through commercial rate equity for safety net hospitals.
    - This legislation would require commercial health plans, within their existing budgets, to prioritize paying high Medicaid safety net hospitals a minimum of the statewide average relative price. This would be overseen annually by the Division of Insurance. This legislative remedy targets rate resources where they are needed most - to the lowest commercially-paid hospitals that are not consolidated in large Massachusetts systems.
- Continued Medicaid support for high Medicaid safety net and public hospitals, including through the Medicaid Waiver.

- Infrastructure support for high Medicaid safety net and public hospitals.
- Adequate reimbursement for all services (including virtual care and home-based services).

2. Policies on Primary Care, Behavioral Health and Telehealth

We are eager to partner on future state health policies and implementation of the new Mental Health ABC law and new funding toward:

- Workforce development (additional detail in subsection 3 below).
- Increased primary care and behavioral health reimbursement and investment such as:
    - enhanced primary care reimbursement, which must incorporate population health management,
    - requiring coverage and reimbursement for patients who are boarding in emergency departments pending an available inpatient behavioral health level of care;
    - all payers providing enhanced reimbursement for the CBHC model, which is what is planned for MassHealth members;
    - improved reimbursement for outpatient and inpatient behavioral health services, which is currently below the cost of care.

- Clear policies on telehealth, digital and virtual care parameters and reimbursement including:
    - We are grateful for MassHealth's recent bulletin that extends payment parity between services delivered via telehealth and their in-person counterparts through September 30, 2023. We believe that this policy should be made permanent and apply across all payers.
    - A vital provision of the Massachusetts telehealth law makes permanent reimbursement equity for behavioral health services provided via telehealth compared to in-person visits.
    - The law also provided such payment parity for two-years for primary care and chronic disease telehealth services, which we believe should be extended/be made permanent. We support policy and insurer action to address the January 1, 2023 cliff that the provider community will face when the telehealth payments they receive for primary care and chronic disease management services to patients will no longer be equal to the payments they receive for providing in-person care.
    - We encourage coverage for remote patient monitoring for ongoing health conditions and e-consults.
    - Building on the state's telehealth law (Chapter 260 of the Acts of 2020), support enactment of H1101 / S678, An Act relative to telehealth and digital equity for patients.

- Remove administrative burdens and barriers (such as for continuity of Medicaid coverage, prior authorizations, etc.) both for the workforce and for patients.
    - Recommend the permanence of the COVID-19 flexibility for 90-day retroactive coverage of MassHealth for all beneficiaries. This is consistent with federal law.

3. Workforce Challenges and Needs

We are eager to partner on future state health policies and implementation of new laws, funding, programs, and pilot initiatives toward:

- Workforce initiatives to expand, strengthen, and diversify the health care workforce, with emphasis on primary care and behavioral health and other health professions shortage areas.
- Efforts to retain graduates of Massachusetts health care training programs to stay and work in Massachusetts
- Increasing the workforce pipeline through innovative approaches including:
    - loan repayment as part of a commitment to work in Massachusetts underserved areas, providers, and professions,
    - health-care related scholarships,
    - facilitation of out-of-state equivalence and expedited processing of reciprocal licensing (support enactment of H.1284/S.163, An Act relative to the nurse licensure compact in Massachusetts and similar measures to support interstate licensure for physicians and additional healthcare professions),
    - accelerated licensing of physicians educated in foreign medical schools, and
    - facilitating a path for health care professionals graduating from foreign training programs while ensuring equivalence (today, people have to get training all over again).

Another critical area for the behavioral health and primary care teams is to enable Physician Assistants to function similar to the role of Nurse Practitioners.

- We support state legislation that would enable Physician Assistants to admit behavioral health patients and authorize restraints and seclusion, like it was afforded to APRNs in Chapter 260 of the Acts of 2020.
- This would codify into state law a Baker Administration pandemic executive order providing the ability and standards for physician assistants to serve in this behavioral health capacity.

QUESTION FROM THE OFFICE OF THE ATTORNEY GENERAL

Chapter 224 requires providers to make price information on admissions, procedures, and services available to patients and prospective patients upon request. In the table below, please provide available data regarding the number of individuals that sought this information.

Health Care Service Price Inquiries Calendar Years (CY) 2020-2022			
Year		Aggregate Number of Phone Inquiries	Aggregate Number of Inquiries via Telephone or In-Person
CY2020	Q1	85	All Phone
	Q2	16	All Phone
	Q3	58	All Phone
	Q4	102	All Phone
CY2021	Q1	65	All Phone
	Q2	83	All Phone
	Q3	57	All Phone
	Q4	49	All Phone
CY2022	Q1	144	All Phone
	Q2	124	All Phone
	TOTAL:	783	