MASSACHUSETTS
HEALTH POLICY COMMISSION

HPC Board Meeting

April 12, 2023

Agenda

CALL TO ORDER

Approval of Minutes **(VOTE)**

Market Oversight and Transparency

Care Delivery Transformation

Health Care Workforce Event (March 29, 2023) Recap and Discussion

Executive Director's Report

Schedule of Upcoming Meetings

Agenda

Call to Order

APPROVAL OF MINUTES (VOTE)

Market Oversight and Transparency

Care Delivery Transformation

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Schedule of Upcoming Meetings

VOTE

Approval of Minutes from the January 25 Board Meeting

MOTION

That the Commission hereby approves the minutes of the Commission meeting held on January 25, 2023, as presented.

Agenda

Call to Order

Approval of Minutes **(VOTE)**

MARKET OVERSIGHT AND TRANSPARENCY

- 2024 Health Care Cost Growth Benchmark (**VOTE**)
- Final Office of Patient Protection (OPP) Regulation (**VOTE**)

Care Delivery Transformation

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Market Oversight and Transparency

2024 HEALTH CARE COST GROWTH BENCHMARK (VOTE)

- Final Office of Patient Protection (OPP) Regulation **(VOTE)**

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MASSACHUSETTS
HEALTH POLICY COMMISSION

HEARING TO DETERMINE THE 2024

HEALTH CARE COST GROWTH BENCHMARK

Benchmark Modification Process: 2023 Timeline

January 24, 2023
3.6% potential gross state product (PGSP) for 2024 established in consensus revenue process; this is the statutory health care benchmark rate for 2024

March 15, 2023
Public hearing of HPC Board and Joint Committee on potential modification of benchmark

April 12, 2023
HPC Board votes whether to establish the benchmark; if HPC Board votes to modify, it submits notice of intent to modify to Joint Committee on Health Care Financing

April 15, 2023
Statutory deadline for HPC Board to set benchmark

April/May 2023
Joint Committee may hold a hearing within 30 days of notice

May/June 2023
Joint Committee may report findings and recommended legislation to General Court within 30 days of hearing; the HPC Board's vote to modify takes effect unless the General Court rejects the proposed modification and enacts legislation establishing the benchmark within 45 days of the hearing.

The HPC's authority to modify the benchmark is prescribed by law and subject to potential legislative review.

1-5 years

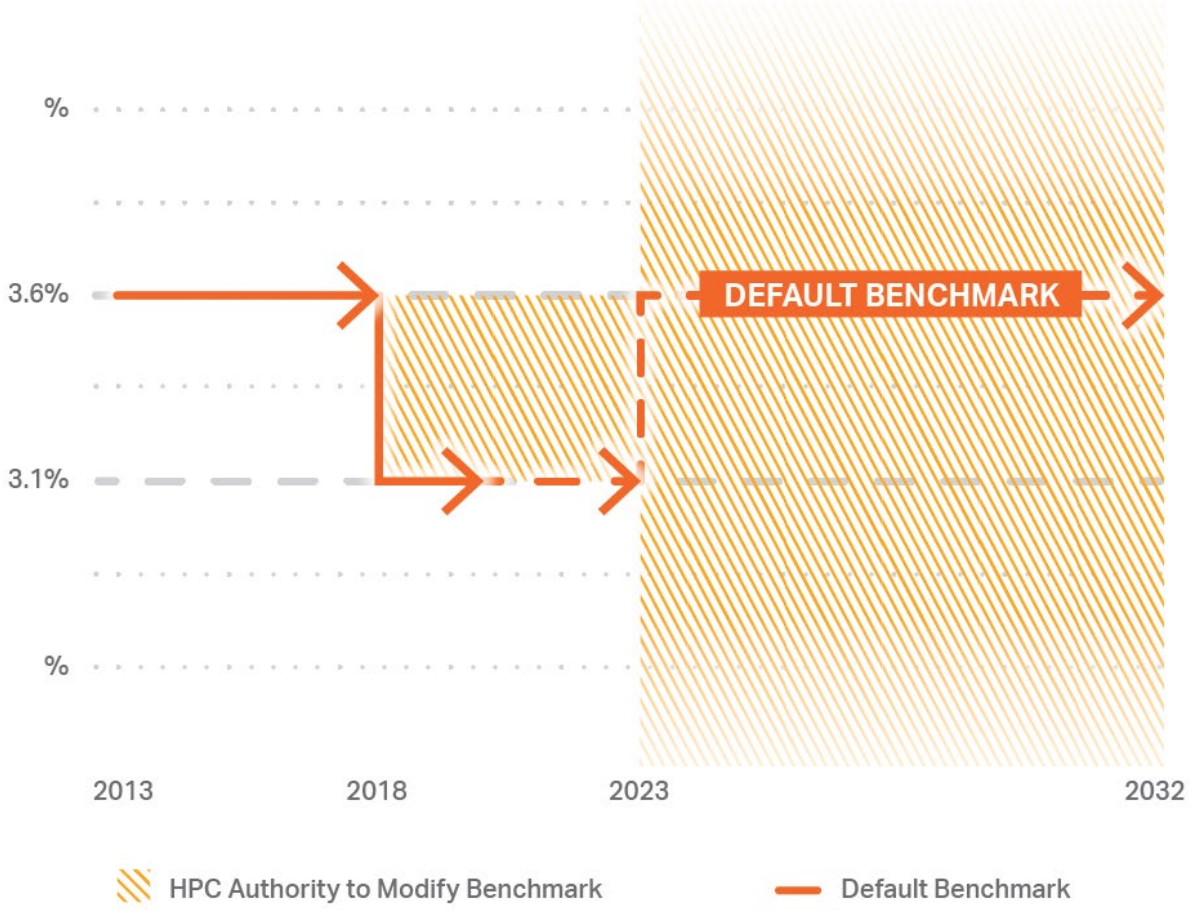
Benchmark established by law at PGSP (3.6%)

6-10 years

Benchmark established by law at the statutory rate of PGSP minus 0.5% (3.1%); HPC can modify the benchmark up to 3.6%, subject to legislative review.

10-20 years

Benchmark established by law at the statutory rate of PGSP; HPC can modify to any amount by a two-thirds vote of the Board, subject to legislative review.



Key Findings from Center for Health Information and Analysis (CHIA) and HPC Data Presentations

Spending Trends

- From 2019 to 2021, total health care expenditures (THCE) increased at an **annualized rate of 3.2% in Massachusetts**.
- In the commercial market, **prescription drugs and hospital outpatient services were leading drivers** of spending growth from 2019 to 2021.
  - The annual per-member growth rate in spending between 2019 to 2021 was **7.7% for retail pharmacy** spending (net of rebates) and **5.4% for hospital outpatient spending.**
- **Average commercial spending (gross) per branded prescription increased 15% in 2021** to over $1,000 per prescription, with 6% of prescriptions exceeding $5,000.
- Massachusetts has the **6th highest rate** of avoidable hospital use in the U.S.

Affordability Implications

- The percentage of **U.S. residents putting off medical care due to cost reached an all-time high of 38%** in 2022. Most put off care for serious conditions.
- In 2021, high deductible health plan (HDHP) enrollment increased from **38.6%** to **42.7%** of the private commercial market.
- Average out of pocket spending for a 30-day supply of prescription drugs for several common chronic conditions **grew more than 60%** from 2017 to 2021.
- Average **annual health care spending for a Massachusetts family** with commercial insurance (total premium and out of pocket spending) **approached $25,000** in 2021.

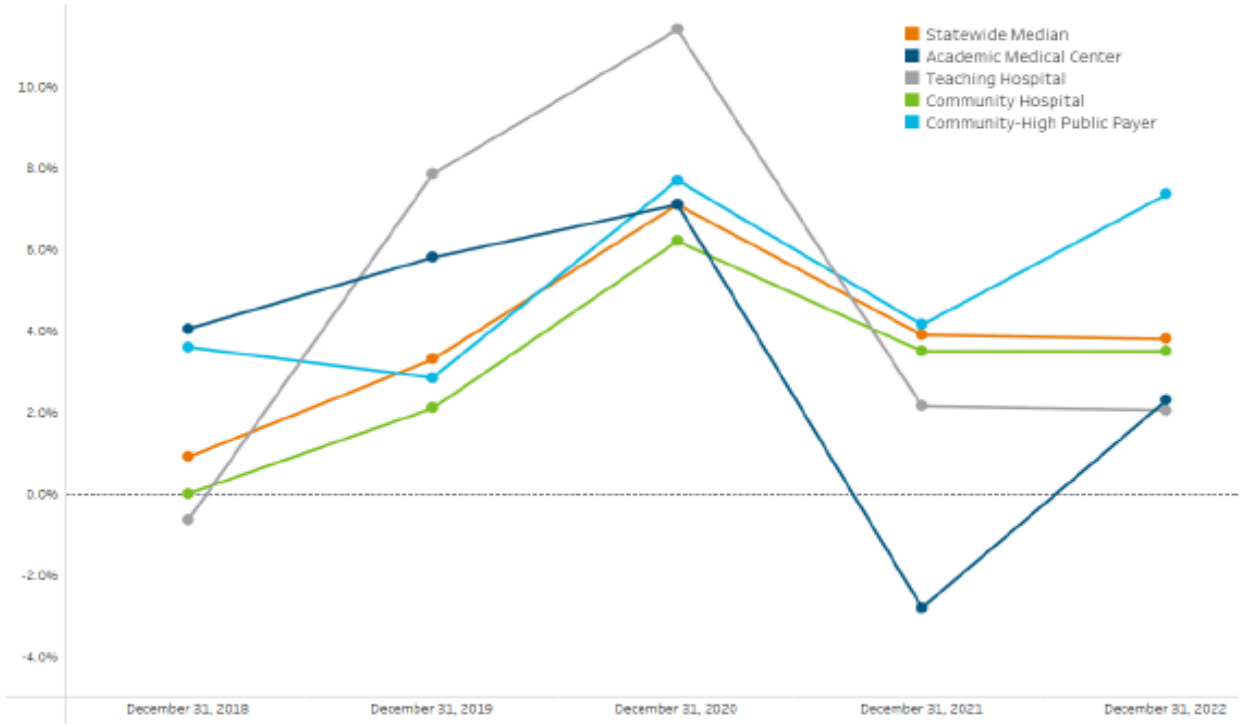
CHIA's latest hospital financial report finds positive hospital average margins for the last quarter of 2022, across all hospital cohorts.

Two cohorts[2] experienced an increase in median profitability when compared to the same period last year.

The AMC cohort increased 5.1 percentage points and the community-HPP cohort increased 3.2 percentage points.

The teaching hospital cohort decreased slightly in profitability while the community hospital cohort saw no change in profitability compared to the same period last year.

Figure 2: Median Total Margin by Hospital Cohort

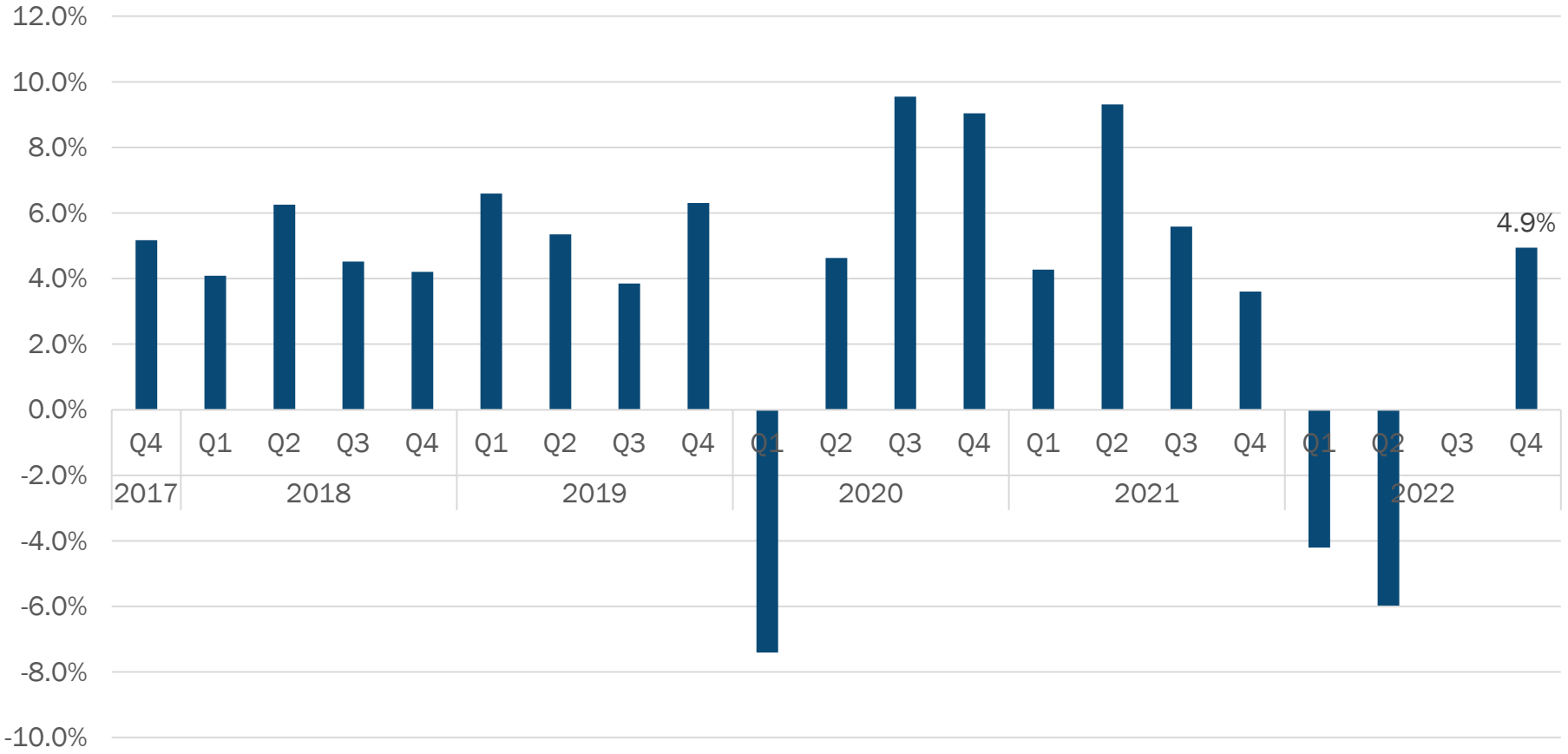


	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
Statewide Median	**0.9%**	**3.3%**	**7.1%**	**3.9%**	**3.8%**
AMC (6 of 6 Reporting)	4.1%	5.8%	7.1%	-2.6%	2.3%
Teaching Hospital (4 of 7 Reporting)	-0.7%	7.9%	11.4%	2.2%	2.1%
Community Hospital (11 of 11 Reporting)	0.0%	2.1%	6.2%	3.5%	3.5%
Community-HPP (24 of 31 Reporting)	3.6%	2.9%	7.7%	4.2%	7.4%

[2] Acute hospital cohort designations are Academic Medical Center (AMC), Teaching Hospital, Community Hospital, and Community-High Public Payer (HPP). Specialty Hospitals are not considered a cohort.

The Q4 2022 aggregate positive total margin for hospitals suggests recovery from the negative first half of 2022, with variation by individual hospital.

Total aggregate hospital margin (%) by quarter, 2017-2022



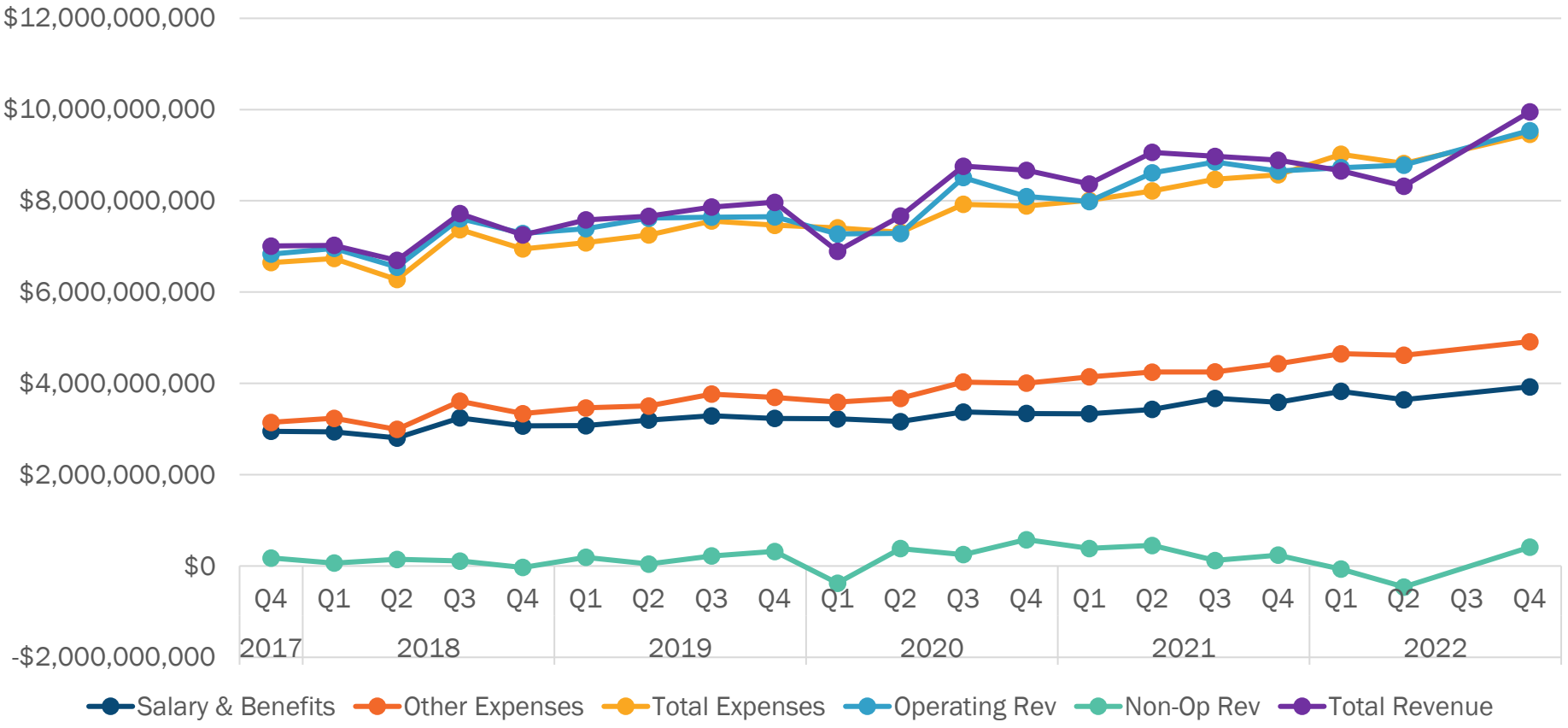
Note: Data reflect aggregate margins across 47 acute hospitals with a fiscal year-end date of September 30th, excluding Cambridge Health Alliance, Mercy Medical Center, MetroWest Medical Center, Saint Vincent Hospital, Shriners Hospitals for Children, and Steward Healthcare System. Fourteen hospitals had missing data in a single quarter including Lawrence General Hospital (2019 Q2), Beth Israel Lahey Health (2019 Q3), Heywood Healthcare (2021 Q3), and Marlborough Hospital (2022 Q4). In these cases, data were interpolated based on adjacent values for non-missing quarters. Data are unavailable for Q3 2022. Investment revenue was not included in financial data until FY 2020.

Source: HPC analysis of CHIA Acute Hospital & Health System Financial Performance Data, 2017-2022.

- The Q4 2022 aggregate positive margin represents $491 million.
- 14 hospitals had negative total margins in Q4, 2022, with the lowest at -15.7%
- 33 hospitals had positive total margins in Q4; 13 had margins exceeding 10%.

Operating and non-operating revenue each increased by roughly $800m from Q2 2022 to Q4 2022 while expenses grew more slowly.

Major components of hospital margins over time.

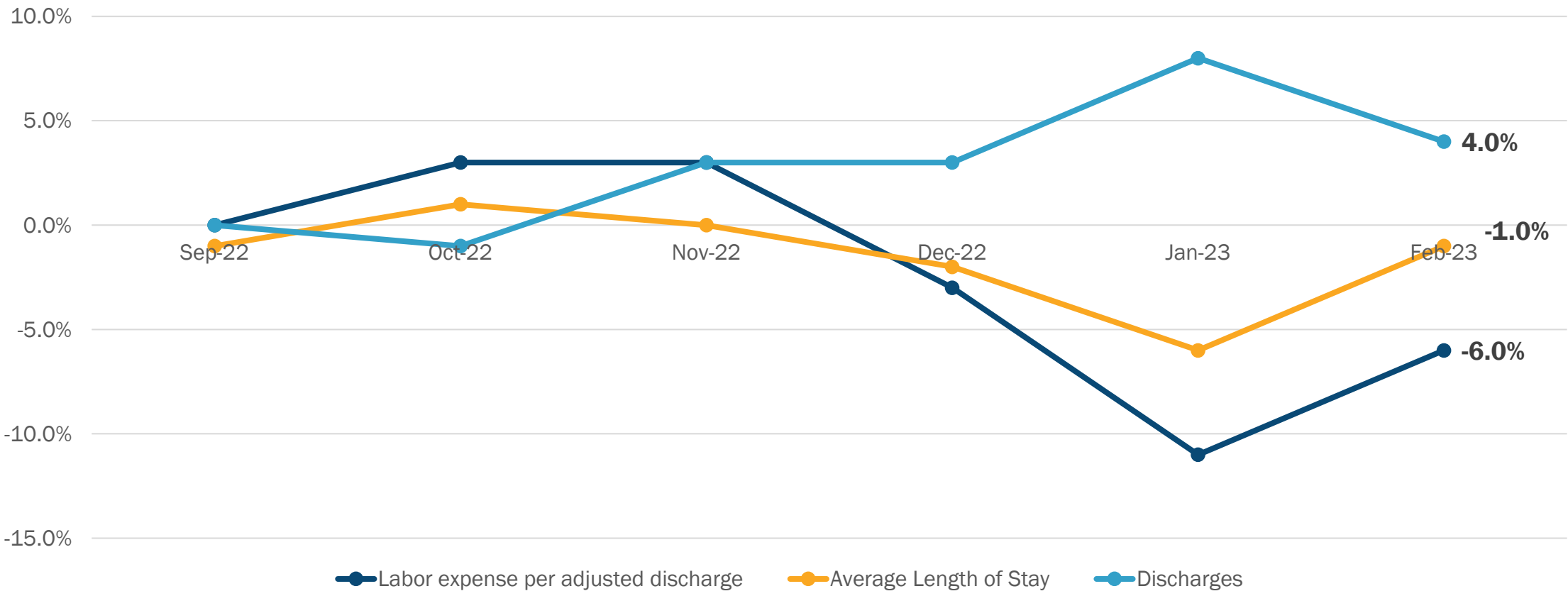


- The CBO projects that inflation (CPI-U), which was 8.1% in 2022, will moderate to 4.8% in 2023 and **3.0% in 2024**.

Note: Data reflect aggregate margins across 47 acute hospitals with a fiscal year-end date of September 30th, excluding Cambridge Health Alliance, Mercy Medical Center, MetroWest Medical Center, Saint Vincent Hospital, Shriners Hospitals for Children, and Steward Healthcare System. Fourteen hospitals had missing data in a single quarter including Lawrence General Hospital (2019 Q2), Beth Israel Lahey Health (2019 Q3), Heywood Healthcare (2021 Q3), and Marlborough Hospital (2022 Q4). In these cases, data were interpolated based on adjacent values for non-missing quarters. Operating revenue includes revenue from patient care, research activities, cafeterias, etc. Non operating revenue includes revenue from investments, asset sales, charity, and business activities. Investment revenue was not included in financial data until FY 2020.
Source: HPC analysis of CHIA Acute Hospital & Health System Financial Performance Data, 2017-2022; https://www.cbo.gov/data/budget-economic-data#4

External data sources find that inpatient length of stay and labor expenses per discharge were lower in Q1 2023 compared to a year prior, while total discharges were higher.

Percent change in number of discharges, average length of stay (days), and labor expenses per discharge for the given month relative to a year earlier for hospitals in the Northeast/MidAtlantic region.



Notes: Massachusetts hospital changes in discharges, revenue, expenses, and LOS were very highly correlated with those reported by Kaufmann hall for Jan-Sept 2021 versus Jan-Sept 2022.
Source: https://www.kaufmanhall.com/insights/research-report/national-hospital-flash-report-march-2023

Summary of Public Testimony

ORGANIZATION	POSITION
Blue Cross Blue Shield of Massachusetts	Do not increase above 3.6%
Conference of Boston Teaching Hospitals	Not specified
Health Care for All	Consistent with prior benchmarks (3.1% - 3.6%)
Lawrence General Hospital	Not specified
Massachusetts Association of Health Plans	3.6%
Massachusetts Health and Hospital Association	Not specified
Massachusetts Medical Society	Not specified
National Federation of Independent Businesses	3.1%
Retailers Association of Massachusetts	3.1%

Benchmark FAQs

QUESTION **What is the health care cost growth benchmark, and how does it relate to prices?**

ANSWER The benchmark is a statewide target for the rate of *growth* of total health care expenditures (THCE) that is indexed to a projection of the Commonwealth's long-term economic growth. THCE is defined as the annual per capita sum of all health care expenditures in the Commonwealth from public and private sources. The benchmark **does not cap price or spending growth,** but is designed as a measurable goal to track our state's progress and to motivate collective action to moderate health care spending growth over time.

QUESTION **How has the Commonwealth performed against the growth benchmark over time?**

ANSWER Massachusetts has averaged annual THCE growth of 3.52% over the last nine years. This is **lower than PGSP**, which has been set at 3.6% in every year of the process, but slightly above the average annual benchmark of 3.37%.

QUESTION **What is the relationship between the growth benchmark and inflation?**

ANSWER The law defines the default benchmark growth rate in relation to Potential Gross State Product (PGSP), defined as the "long-run average growth rate of the Commonwealth's economy, excluding fluctuations due to the business cycle." By design, **PGSP takes inflation over time into account**. In January 2023, PGSP was once again set at 3.6% through the consensus revenue process.

Benchmark FAQs

QUESTION

How are individual providers and health plans held accountable for their spending growth in relation to the benchmark?

ANSWER

- Each year, CHIA confidentially refers health plans and managing physician organizations to the HPC based on their attributed spending growth. CHIA's referral methodology[1] employs two bright-line numerical tests based on health status adjusted (HSA) total medical expense (TME) growth. However, spending in excess of CHIA thresholds **simply triggers referral and further review by the HPC**; *referred entities are not subject to any automatic actions or a PIP based on these bright-line thresholds*.
- The HPC then performs a **multi-factor review** of each referred entity and provides opportunities for entities to confidentially provide data and insights into their performance. The HPC can require an entity to file a PIP if, taking all factors into account, it finds that its cost growth was excessive and that the entity threatens the ability of the Commonwealth to meet the benchmark.

QUESTION

Are acute care hospitals, specialists, nursing homes, and other providers referred to the HPC for their spending performance?

ANSWER

No. Under existing law, CHIA is required to base its referral on entities' growth in HSA TME. The TME metric reflects "the total cost of care for the patient population associated with a provider group based on allowed claims…" and can therefore only be attributed to **primary care providers**, rather than other providers such as hospitals or ambulatory surgery centers. Therefore, other provider types cannot be individually referred by CHIA.

[1]https://www.chiamass.gov/methodology-for-referring-health-care-entities-to-the-hpc/

Benchmark FAQs

QUESTION

Are pharmaceutical manufacturers, pharmacy benefit managers, and other market participants held accountable for their performance against the benchmark?

ANSWER

- No. Under existing law, CHIA cannot refer pharmaceutical manufacturers or pharmacy benefit managers to the HPC because these entities do not constitute providers or provider organizations, nor do they have TME.
- The HPC has separate authority to review the value and pricing of high-cost drugs referred to it by MassHealth.

QUESTION

Can the HPC set differential growth benchmarks for different types of entities?

ANSWER

- **No.** State law requires that the HPC set a single, statewide target for THCE growth. This year, the HPC must decide whether to set the 2024 benchmark at the default statutory rate, which is 3.6%, or modify the benchmark rate to be higher or lower.
- At the same time, the HPC must take differential factors into account in the application of the benchmark in the PIPs process. In assessing provider and payer performance and determining which entities may be required to file and implement a PIP, the **HPC evaluates multiple factors**, including **baseline levels and growth in size, spending, pricing, utilization, financial measures, populations served, payer mix, and factors outside an entity's control.**

Benchmark FAQs

QUESTION

Has HPC's review evolved to account for changing market dynamics?

ANSWER

- **Yes.** The HPC's review **process is flexible** and accounts for market disruptions and other circumstances outside of individual entities' control that may impact their performance. Past examples of such circumstances that the HPC sought to account for in its process include the launch of the MassHealth ACO program, the introduction of high-cost Hepatitis C drugs, and the COVID-19 pandemic. In future review cycles, the HPC anticipates examining ongoing impact of the COVID-19 pandemic, including rebounding utilization and price increases, as well as enrollment changes (e.g. MassHealth Redetermination).
- Further, the PIPs process requires the HPC to give entities an **opportunity to provide their own data** and explanation for spending trends before voting to require a PIP.

QUESTION

Has the HPC made recommendations to update and evolve the underlying statute and the Commonwealth's approach to advancing affordability?

ANSWER

Yes. The HPC has recommended several legislative changes in its annual cost trends reports, including updating CHIA's statutory referral standard, incorporating accountability for the pharmaceutical sector, establishing affordably standards for health plans, and increasing investment in primary care and behavioral health care over time.

The HPC recommends legislative action to improve state oversight and accountability necessary to moderate health care cost growth, promote affordability, and advance equity.

- **Target Above Benchmark Spending Growth.** The Commonwealth should take action to strengthen the benchmark and the HPC's Performance Improvement Plan (PIP) process. Specifically, the statute should be updated to expand the metrics used by CHIA to identify and refer organizations to the HPC, including measures that account for the underlying variation in provider pricing and baseline spending, and by establishing escalating financial penalties to deter excessive spending.
- **Enhance Oversight of Pharmaceutical Spending.** The Commonwealth should take action to increase both transparency of drug price growth and spending and oversight of the key stakeholders responsible for setting drug prices and establishing the policies and financial incentives that influence how patients access critical medications.
- **Make Health Plans Accountable for Affordability.** The Commonwealth should take action to strengthen the annual premium rate review process review, including by setting affordability targets and standards, and ensure that any savings that accrue to health plans are passed along to businesses and consumers. Additionally, the state should consider establishing an affordability benchmark to complement the cost benchmark.
- **Advance Health Equity for All.** The Commonwealth should undertake a coordinated effort across state agencies and sectors to identify a list of high-priority areas of documented disparities in health outcomes that are rooted in inequities, set measurable goals for improvement, and report annually on progress (e.g. establish a health equity benchmark).

Many other states that are building on the Massachusetts model are adopting these and additional strategies to promote transparency, oversight, and accountability.

VOTE

2024 Health Care Cost Growth Benchmark

MOTION

That, pursuant to G.L. c. 6D, § 9, the Commission hereby establishes the health care cost benchmark for calendar year 2024 as _____, subject to the further process set forth in G.L. c. 6D, § 9 (e).

Agenda

Call to Order

Approval of Minutes **(VOTE)**

Market Oversight and Transparency

- 2024 Health Care Cost Growth Benchmark (**VOTE**)

FINAL OFFICE OF PATIENT PROTECTION (OPP) REGULATION (VOTE)

Care Delivery Transformation

Health Care Workforce Event (March 29, 2023) Recap and Discussion

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Office of Patient Protection (OPP) Responsibilities

OPEN ENROLLMENT WAIVERS

Administering waivers to allow purchase of non-group health insurance outside of open enrollment

HEALTH INSURANCE APPEALS

Regulating internal grievances and administering external reviews for members of fully-insured health plans

RISK-BEARING PROVIDER ORGANIZATION APPEALS

Regulating internal appeals and administering external reviews for patients of risk-bearing provider organizations

CONSUMER ASSISTANCE AND INFORMATION

Serving as a resource for consumers through our hotline, website, and outreach efforts

Chapter 177 of the Acts of 2022, *An Act Addressing Barriers to Care for Mental Health*, effective November 8, 2022

BILL SECTIONS	CHANGES FROM CURRENT LAW	OPP Implementation
SECTIONS 64-65, 71 **(related to internal grievance process)**	▪ Amends the internal grievance process in several ways, including mandating that health plans send final adverse determination letters with proof of delivery ▪ Creates additional obligations on health plans related to implementing new medical necessity criteria	▪ Regulatory changes required
SECTIONS 66-69 **(related to external review process)**	▪ Amends OPP's external review process, including allowing requests for continuation of coverage in non-expedited reviews and deems that health plan noncompliance with internal grievance timelines result in an external review ruled in favor of the patient	▪ Regulatory changes required ▪ Released interim guidance to address OPP compliance prior to final regulation
SECTIONS 22, 70 **(related to mental health parity enforcement)**	• Mandates that OPP monitor denials, identify trends, and refer complaints about mental health parity to the DOI, AGO, and GIC and that the DOI consult with OPP on mental health parity market conduct examinations	• Ongoing communication with the DOI regarding duties related to Mental Health Parity

Regulatory Promulgation Timeline, 958 CMR 3.000

October 25, 2022

Interim Guidance Issued

November 8, 2022

Chapter 177 Effective Date

January 25, 2023

HPC Board Votes on Release of Proposed Regulation

March 2, 2023

Public Hearing on Proposed Regulation

March 9, 2023

Public Comment Period Closes

April 12, 2023

HPC Board Votes to Issue Final Regulation

Public Notice and Comment Period

- The public notice and comment period ran from **January 25, 2023 through March 9, 2023.**
- OPP held a **public hearing on March 2, 2023.**
- OPP received comments from two organizations:
  - Massachusetts Association of Health Plans
  - Point32Health

Public Comments Received

SECTION	COMMENT	RECOMMENDATION
958 CMR 3.302(2)	▪ Change “and” to “or” requiring plans to deliver and accept medical release forms by email address *or* online portal	▪ Staff recommends making this change to align with the statutory language.
958 CMR 3.309(1)(b)	▪ Extend timeframe and/or allow plans to send only electronic notice to the patient following resolution of an expedited internal grievance	▪ Staff does not recommend changing existing requirements for plans to send written notice within 72 hours of receiving a request for an expedited internal grievance.
958 CMR 3.310	▪ Clarify the timeframe for sending notice of the right to request a conference in those expedited internal appeals that uphold the plan’s denial	▪ Staff recommends clarifying the notice requirements for plans when insureds have a right to request a conference.

VOTE

Office of Patient Protection Final Regulation

MOTION

That the Commission hereby authorizes the issuance of the final regulation on Health Insurance Consumer Protection,958 CMR 3.000, pursuant to MGL c. 6D § 16 and MGL c. 1760 §§ 13 through 16.

Agenda

Call to Order

Approval of Minutes **(VOTE)**

Market Oversight and Transparency

CARE DELIVERY TRANSFORMATION

- Evaluation Results: SHIFT-Care Challenge Track 1 Initiatives

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Approval of Minutes **(VOTE)**

Market Oversight and Transparency

Care Delivery Transformation

EVALUATION RESULTS: SHIFT-CARE CHALLENGE TRACK 1 INITIATIVES

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In January 2018, the HPC launched the SHIFT-Care Challenge investment program to fund interventions addressing the whole-person needs of patients through two innovative care models.

SHIFT-Care Challenge

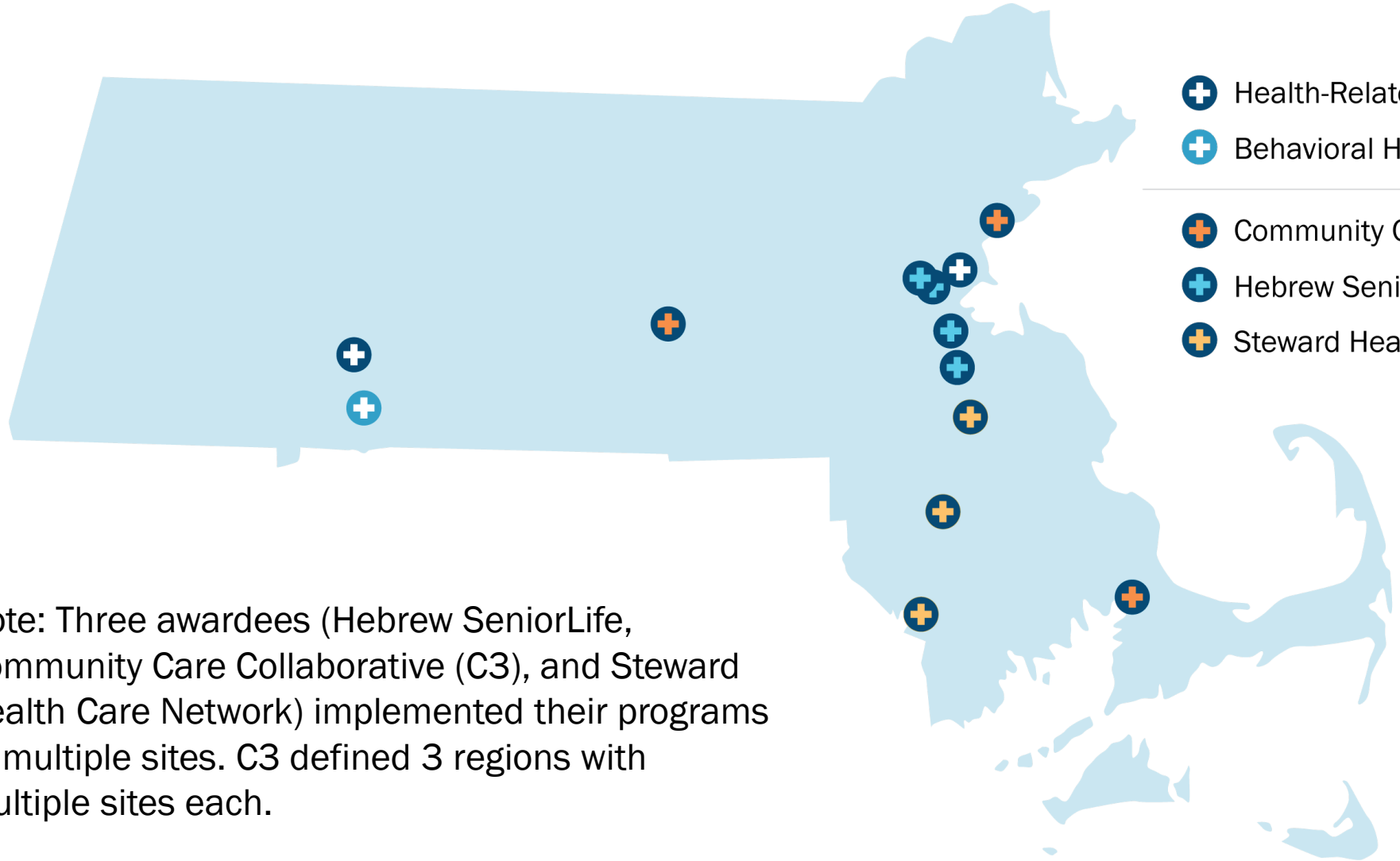
Track 1:
Addressing Health-Related Social Needs (HRSN)

Track 2:
Addressing Behavioral Health Needs

Track 2a
Provide behavioral health access for patients with complex needs to prevent unnecessary acute care utilization.

Track 2b
Expand access to opioid use disorder treatment by medication for addiction treatment in the ED and connecting patients to community-based BH services.

In July 2018, the Board awarded SHIFT-Care funding to six health care organizations with sites across Massachusetts.



- Health-Related Social Needs (Track 1)
- Behavioral Health (Track 2a)

- Community Care Cooperative (C3) Site
- Hebrew SeniorLife Site
- Steward Health Care Network Site

Note: Three awardees (Hebrew SeniorLife, Community Care Collaborative (C3), and Steward Health Care Network) implemented their programs at multiple sites. C3 defined 3 regions with multiple sites each.

SHIFT-Care Challenge HRSN/BH Investment Program Overview

PREVENTING AVOIDABLE ACUTE CARE UTILIZATION

The SHIFT-Care Challenge ("SHIFT-Care") funded promising innovations that aimed to address participants' HRSNs and behavioral health needs, with the goal of decreasing the use of costly and avoidable hospital care.

AREAS OF FOCUS

- Address participant HRSNs and behavioral health needs
- Align staff and services to participant needs
- Partner with community-based organizations
- Improve the care experience for participants

$3.85M, 24 PROGRAM MONTHS

The HPC awarded six grants up to $750,000; in-kind contributions of 25% were required.

Funding engagement included 3 months of Planning Period, 21 months of Implementation, 6 months of Evaluation.

Programs were funded through the Payment Reform Trust Fund.

SIX AWARDEES

Baystate Health Care Alliance, Boston Medical Center, Community Care Cooperative, Hebrew SeniorLife, Steward Health Care Network, Holyoke Health Center*

SHIFT-Care HRSN/BH Track: Awardees and Funding Amounts

AWARDEE ENTITY	AWARDEE CONTRIBUTION	HPC FUNDING	IMPLEMENTATION START
Baystate Health Care Alliance ("Baystate")	$350,000	$750,000	April 2019
Boston Medical Center (BMC)	$182,900	$542,884	June 2019
Community Care Cooperative (C3)	$250,000	$750,000	May 2019
Hebrew SeniorLife (HSL)	$700,000	$500,000	January 2019
Steward Health Care Network ("Steward")	$555,000	$745,351	February 2019
Holyoke Health Center (HHC)	$322,000	$565,422	May 2019
TOTAL	**$2,359,900**	**$3,853,657**	

SHIFT-Care HRSN/BH Track: Awardee Care Models

- **Baystate Health Care Alliance** ("Baystate"), developed the **Springfield Healthy Homes Asthma Program** to address social and home remediation needs of participants with asthma and their families.
- **Boston Medical Center** (BMC) developed **THRIVE+**, a program that enhanced pharmacy staff training and services to systematically screen for and address HRSNs among patients at risk of high acute care utilization.
- **Community Care Cooperative** (C3), developed **Healthy Connections**, a community-based, integrated care management program for ACO members with complex social and medical needs.
- **Hebrew SeniorLife** (HSL) expanded its integrated housing and care model—Right Care, Right Place, Right Time (R3)—to focus on additional social and health risk categories in a new iteration of the program they called **R3²**.
- **Holyoke Health Center** (HHC), in collaboration with Behavioral Health Network, developed a program to integrate treatment for mild to moderate mental health issues into primary care settings.
- **Steward Health Care Network** ("Steward"), developed **Care to Community,** a program to more effectively coordinate the medical, behavioral health, and HRSNs of ACO-attributed patients with substance use disorders.

SHIFT-Care HRSN/BH Track: The Impact of Covid-19

- The onset of the public health state of emergency in March 2020 occurred when awardees had between 3 and 8 months remaining in their implementation period
- The HPC put a temporary pause on awardee outreach to allow for health care settings to respond to the emergency, then reached out to assess the operation impacts on programs.
- Awardees reported significant operational challenges
  - All awardees had to make rapid changes to their care model and contend with the unpredictable nature of the situation
  - Pivoting to telehealth or telephone contact with participants was the most common care model change

Awardee	Care Model Impacted	Partner Support Impacted	Personnel Scope of Work Changed	Ability to Collect/Report Data is Impacted	Use of Telehealth /Telecommunications
Baystate	Y	Y	N	Y	Y
BMC	N	Y	N	Y	Y
C3	Y	Y	Y	N	Y
HSL	Y	Y	Y	Y	Y
HHC	Y	N	N	Y	Y
Steward	Y	Y	Y	Y	Y

SHIFT-Care HRSN/BH Track: Evaluation Process

HPC

- Determined parameters and required components for evaluation
- Required awardee-led evaluation as part of Request for Proposals

AWARDEES

- Conducted evaluations with designated internal teams or external subcontract, meeting HPC required elements.

HPC

- Reviewed and approve deliverables
- Analyzed and synthesized awardee quantitative and qualitative deliverables for key findings
- Synthesized key themes and findings from awardee evaluations

HPC

- Author report featuring awardee findings and thematic synthesis

SHIFT-Care Challenge HRSN/BH Evaluation: Outcomes

- Most awardees saw downward trends in utilization in at least one area
  - Confounding impacts of pandemic utilization reductions and small sample size limited analyses
- Intermediate measures demonstrated the program's positive impacts
  - Multiple awardees saw improvements in health-related social needs and indicators of health status
- Strong patient experience performance
  - The majority of programs had over 80% of participants report satisfaction

SHIFT-Care HRSN/BH Track: Awardee Highlights

HSL

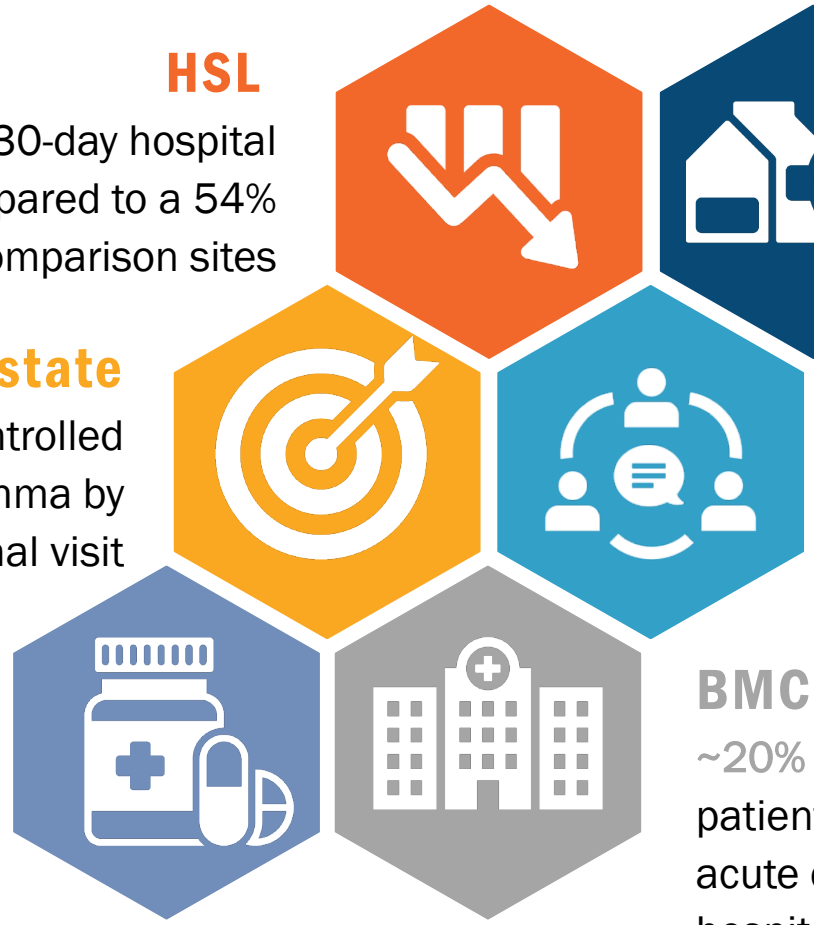
22% reduction in 30-day hospital readmission rates compared to a 54% increase at comparison sites

C3

54.3% increase in food security among graduates of the program

Baystate

82% of children with uncontrolled asthma had controlled asthma by the final visit



Steward

84% of participants were satisfied with the amount of support they received

Holyoke

54% of patients had a kept psychiatric medication management appointment within 90 days of enrollment

BMC

~20% reduction in the number of patients with at least one instance of acute care utilization (i.e., inpatient hospital admission or ED visit)

1,238 PATIENTS SERVED

SHIFT-Care Challenge HRSN/BH Evaluation: Cohort Themes

Unique Value of Community Health Workers and other Non-Clinical Staff

- Most SHIFT-Care Challenge awardees employed community health workers (CHWs) or other non-clinical staff and found substantial value in their ability to build relationships with participants and devote considerable time and resources to addressing participants' HRSNs.

Tailoring Efforts to Address Health-Related Social Needs

- All awardees made efforts to tailor their processes for addressing HRSNs both to their target populations and to the social resources available to meet those needs.

Understanding the Impact of Inequities on the Target Population

- Awardees confronted the impact of longstanding issues such as housing segregation, inter-generational poverty, and racism on their participants' health and HRSNs, and calibrated both their efforts and their expectations to the reality of those challenges.

SHIFT-Care Challenge HRSN/BH Evaluation: Cohort Themes

Expanded Expertise through Intentionally Structured Community Partnerships

- Partnerships with community-based organizations brought valuable knowledge and expertise to awardees and played an important part in addressing participants' needs.
- Awardees collaborated in both integrated and referral-based partnerships and developed strategies to bridge between health care and community organizations to deliver services efficiently and effectively.

Facing Obstacles and Opportunities posed by the COVID-19 pandemic

- The onset of the COVID-19 pandemic occurred during the implementation of SHIFT-Care Challenge programs, posing significant obstacles to the delivery of programs and the well-being of participants.
- Programs were largely able to adapt, transitioning to remote service delivery and often providing key supports that responded specifically to the effects of the pandemic on their participants.

SHIFT-Care Challenge HRSN/BH Track: Sustainability

PROGRAM ELEMENTS

- Baystate transitioned the asthma supplies portion of their program into the Flexible Services program of the BeHealthy MassHealth ACO
- HSL continued their efforts to secure contracts with payers to sustain and expand the R3^2 program

PARTNERSHIPS

- Baystate's partner, Revitalize CDC, remains involved in supporting asthma patients in the BeHealthy MassHealth ACO, and has hired CHWs to provide asthma education to clients
- Steward planned to continue partnerships with their medical-legal partner and organizations providing peer recovery coaches

STAFF ROLES

- C3 incorporated CHWs into a new care management program based on their experience with their SHIFT-Care program
- HHC added CHWs to their care management department based on their experience with the SHIFT-Care program

SHIFT-Care Challenge HRSN/BH: Publications

Published

Medical-Legal Partnerships

A practical guide to the benefits of medical-legal partnerships and lessons learned from HPC investment program awardees who implemented such partnerships.

EMS Partnerships

Highlighting the care delivery partnership models between HPC investment program awardees and emergency medical service (EMS) providers.

Spotlight: HSL

Interviews with staff from **Hebrew SeniorLife**, focused on how they quickly adapted and expanded their program during the COVID-19 pandemic.

Upcoming

Evaluation Report

Findings from the SHIFT-Care Challenge HRSN/BH cohort, including program implementation themes, intermediate measures, utilization, and patient experience.

Spotlight: Baystate

Showcasing how **Baystate Medical Center**, creatively adapted their approach to a program for patients with asthma in light of practical challenges and the Covid-19 pandemic.

Impact Brief

A snapshot of the SHIFT HRSN/BH Investment Program with data highlights and key themes including building community partnerships and integrating non-clinical staff.

Agenda

Call to Order

Approval of Minutes **(VOTE)**

Market Oversight and Transparency

Care Delivery Transformation

HEALTH CARE WORKFORCE EVENT (MARCH 29, 2023) RECAP AND DISCUSSION

Executive Director's Report

Schedule of Upcoming Meetings

SPECIAL EVENT

BUILDING A ROBUST HEALTH CARE WORKFORCE IN MASSACHUSETTS

FINDINGS, CHALLENGES, AND OPPORTUNITIES

MASSACHUSETTS
HEALTH POLICY COMMISSION

MARCH 29, 2023

Health Care Workforce Trends and Challenges in the Era of COVID-19: Current Outlook and Policy Considerations for Massachusetts – Special Focus on Registered Nurses, Direct Care Workers, and Behavioral Health Providers

- This report takes a high-level perspective on **system-wide** trends and challenges **throughout the workforce life cycle,** as well as contextual factors such as cost of living.
- The report also examines three priority workforces who provide care in multiple sectors and settings of the health system, and which together make up about two-thirds of the Commonwealth's health care workforce: **registered nurses, direct care workers, and behavioral health care providers.**
- Recognizing that there are important workforce pressures and trends in additional health care sectors, the HPC anticipates **future reports** that will more closely examine additional professions (**e.g. primary care providers) and settings of care (e.g. community health centers, ambulatory care**).

Elements explored for each stage of the workforce life cycle include:

HPC Shorts: Health Care Workforce Trends and Challenges in the Era of COVID-19

PANEL 1

Reactions from the Frontline: Unique Challenges and Solutions Across Health Care Workforce Sectors

Moderator: Commissioner Matilde Castiel

- **Andrea Bresnahan**, Executive Director, Nursing Council on Workforce Sustainability
- **Dr. Carlos Cappas**, Chief Behavioral Health Officer, Lynn Community Health Center
- **Filaine Deronnette**, Vice President at Large, 1199SEIU United Health Workers
- **Tara Gregorio**, President and CEO, Mass Senior Care Association
- **Jake Krilovich**, Executive Director, Home Care Alliance of Massachusetts
- **Sharon Stemm**, Associate Chief Nursing Officer for Professional Development, South Shore Health

PANEL 2

What Does the Future Hold for the Health Care Workforce? Recommendations to Promote Resiliency and Innovation

Moderator: Commissioner Tim Foley

- **Lydia Conley**, President and CEO, Association for Behavioral Healthcare
- **Michael Curry**, President and CEO, Massachusetts League of Community Health Centers
- **Julie Pinkham**, Executive Director, Massachusetts Nurses Association
- **Dr. Ellana Stinson**, Emergency Medicine Physician, Massachusetts Medical Society
- **Steve Walsh**, President and CEO, Massachusetts Health and Hospital Association

Takeaways: Panel Discussions

Recurring Themes

- Urgent action needed to reduce labor shortages
- Use of contracted and temporary staff is disruptive and affects morale of employed staff
- Frontline essential workers must be included in the conversation
- Developing and supporting a diverse workforce must be prioritized – racially, culturally, and linguistically – at every level from front line workers to leadership
- Need for continued funding and investment, but also for re-evaluation of how funding is spent
- Collaboration and partnership across the care continuum
- Bold rethinking to break the cycle

Potential Solutions

- Boosting investment in workforce development and wages
- Developing enhanced mentoring and onboarding support
- Promoting innovations in scheduling and work environments
- Establishing clear and accessible career ladders
- Innovative policy changes to support essential workers' lives, needs, and sources of stress
- Enhanced data, evidence, and continuous research and reporting
- Both public and private solutions and cross-collaboration

HPC Next Steps on Workforce Issues

- Collaborate with CHIA on enhanced **data collection and analysis**, especially utilizing their new, upcoming *Massachusetts Healthcare Workforce Survey* to examine staffing, turnover, and workforce diversity.
- Examine other sectors of the health care workforce in future research, including **primary and specialty care, community health centers** and **physician burnout and shortages.**
- Collaborate with legislative, agency, and industry partners on ways to **strengthen existing workforce programs** and **streamline public resources** supporting training, recruitment, retention, and advancement for health care workers.
- Work to **address administrative burden** to alleviate workforce pressures.
- Hold future convenings to **continue discussions** and planning for policy solutions to support the health care workforce, including statewide health planning efforts.

Agenda

Call to Order

Approval of Minutes **(VOTE)**

Market Oversight and Transparency

Care Delivery Transformation

Health Care Workforce Event (March 29, 2023) Recap and Discussion

EXECUTIVE DIRECTOR'S REPORT

Schedule of Upcoming Meetings

The 2023 – 2024 HPC Advisory Council

Lissette Blondet, Executive Director, Massachusetts Association of Community Health Workers

Aimee Brewer, President and CEO, Sturdy Memorial Hospital

Michael Caljouw, Vice President of Government & Regulatory Affairs, Blue Cross Blue Shield of Massachusetts

Dr. Jeanette Callahan, Pediatrician, Cambridge Health Alliance; Medical Director, Department of Youth Services Northeast Region Health Services, Justice Resource Institute

Christopher Carlozzi, State Director, National Federation of Independent Business (NFIB)

JD Chesloff, Executive Director, Massachusetts Business Roundtable

Dr. Cheryl Clark, Associate Chief, Division of General Internal Medicine and Primary Care, Brigham and Women's Hospital

Michael Curry, President and CEO, Massachusetts League of Community Health Centers

Dr. Ronald Dunlap, Cardiologist and Past President , Massachusetts Medical Society

Dr. Tarek Elsawy, President, Optum Northeast and Midwest, Optum

Audrey Gasteier, Executive Director, Massachusetts Health Connector

Tara Gregorio, President and CEO, Mass Senior Care Association

Eric Gulko, President, Innovo Benefits; Legislative Chair and Vice President, National Association of Brokers and Insurance Professionals

Susan J. Hernandez, CNM, MSN, FACNM, Mass General Brigham; MA ACNM Legislative Co-Chair

Jon Hurst, President, Retailers Association of Massachusetts

Colin Killick, Executive Director, Disability Policy Consortium

Jake Krilovich, Executive Director, Home Care Alliance of Massachusetts

Ellen LaPointe, CEO, Fenway Health

Juan Fernando Lopera, Chief Diversity, Equity, and Inclusion Officer, Beth Israel Lahey Health

David Matteodo, Executive Director, Massachusetts Association of Behavioral Health Systems

Dr. Danna Mauch, President and CEO, Massachusetts Association for Mental Health

Patricia McMullin, Executive Director, Conference of Boston Teaching Hospitals

Nicole Obi, President and CEO, Black Economic Council of Massachusetts

Carlene Pavlos, Executive Director, Massachusetts Public Health Association

Krina Patel, Head of U.S. State and Local Government Affairs, Biogen

Lora Pellegrini, President and CEO, Massachusetts Association of Health Plans

Julie Pinkham, Executive Director, Massachusetts Nurses Association

Dr. Myisha Rodrigues, Executive Director, NAMI Massachusetts

Amy Rosenthal, Executive Director, Health Care For All

Christine Schuster, President and CEO, Emerson Hospital

Zach Stanley, Executive Vice President, MassBio

Matthew Veno, Executive Director, Group Insurance Commission

Steven Walsh, President and CEO, Massachusetts Health and Hospital Association and previously Massachusetts Council of Community Hospitals

Elizabeth Wills-O'Gilvie, Chair, Springfield Food Policy Council

The current HPC Advisory Council term runs from January 1, 2023 – December 31, 2024. Highlights denote new members.

Publications

RECENTLY RELEASED

- **HPC Shorts:** Health Care Workforce Trends and Challenges in the Era of COVID-19 (March 2023)
- **Chartpack:** Health Care Workforce Trends and Challenges in the Era of COVID-19: Current Outlook and Policy Considerations for Massachusetts (March 2023)
- **Chartpack**: Emergency Ground Ambulance Utilization and Payment Rates in Massachusetts (March 2023)
- **Report to the Legislature:** Telehealth Use in the Commonwealth and Policy Recommendations (January 2023)
- **DataPoints Issues 22 and 23:** Update on Trends in Urgent Care Centers and Retail Clinics (September 2022)

UPCOMING

- **Evaluation Report:** SHIFT-Care Challenge Investment Program
- **Profiles:** HPC-Certified Accountable Care Organizations
- **Spotlight:** ACO Program Strategy Summaries
- **DataPoints:** Persistent Cost-sharing for Contraception in Massachusetts, 2017-2020
- **Profiles:** Birth Equity and Support through the Inclusion of Doula Expertise (BESIDE) Investment Program Awardee Initiatives
- **Chartpack:** Opioid-Related Acute Hospital Utilization in Massachusetts

Health Equity Spotlight: Accountable Care Organization Certification

SPOTLIGHT ON

Integrating health equity into **Accountable Care Organization (ACO) Certification.**

WHY IT'S IMPORTANT

ACO Certification offers an opportunity both to **gather information** about ACOs' efforts to integrate health equity into their work and to **set expectations and create accountability** via payer-agnostic standards.

HOW WE ARE DOING IT

By **reviewing** prior ACO Certification submissions related to health equity, **researching** the health equity landscape (e.g., among payers, accreditation bodies, thought leaders), and **engaging** with key stakeholders on relevant priorities and capabilities.

Health Equity Spotlight: Accountable Care Organization Certification

WHAT WE ARE DOING

Updating our ACO Certification requirements to enable the HPC to **track progress on ACO capacity** to design, implement, and refine interventions, programs, and/or processes to advance health equity for their patients.

These updates emphasize specific ACO progress and commitments to improving health equity via three broad categories of activity:
(1) making organization-wide **strategic commitments** to improving health equity, (2) **harnessing data** to identify and address health inequities, and (3) **engaging patients** in the design of interventions to close these inequities.

Health Equity Spotlight: Accountable Care Organization Certification

Example of how the HPC will track progress on ACOs' capacity to engage patients in the design of interventions to close health inequities

ACOs identify their current **status** on the activity and provide a short description or example to illustrate progress in the past two years, if applicable, and plans or commitments for progress in the next two years

ACTIVITY

To inform design and implementation of care delivery interventions and/or population health management programs with an equity focus, the ACO **meaningfully engages with patients experiencing the targeted health inequity.**

STATUS *(Dropdown menu options)*

Patients SHARE IN DECISION-MAKING with the ACO on design and implementation

ACO has CONSULTED patients on design and implementation

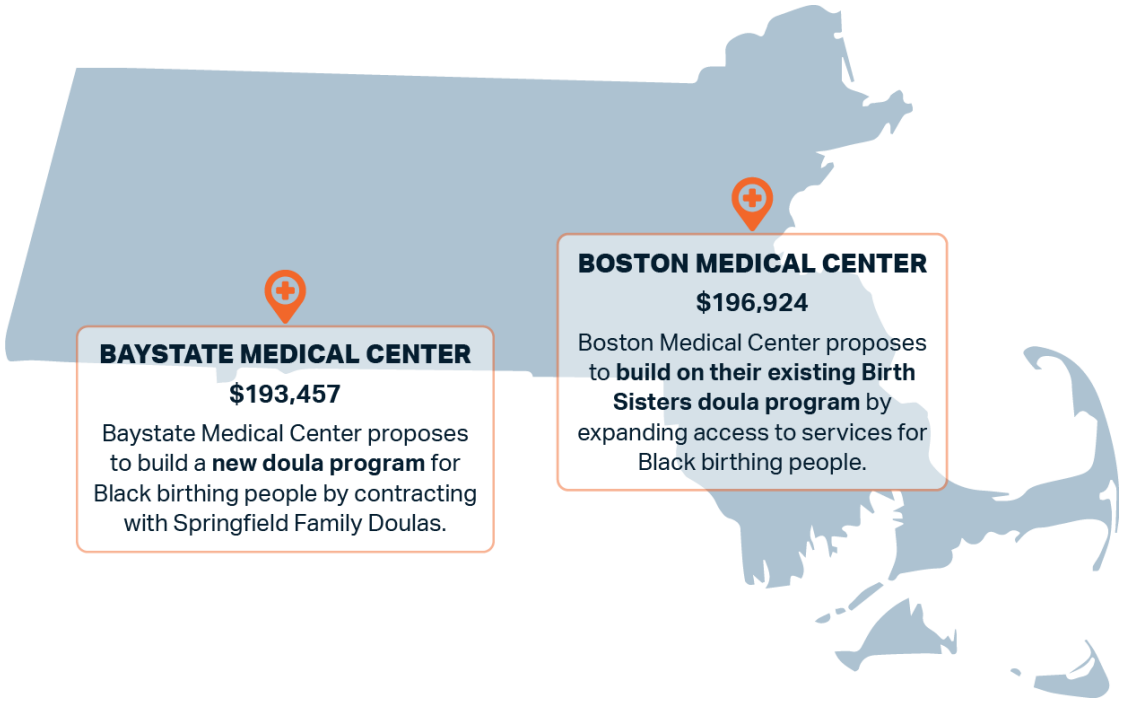
ACO has INFORMED patients about design and implementation

ACO has not engaged patients in design and implementation

N/A, no equity-focused interventions designed or implemented

Baystate Medical Center BESIDE Award Increase

- As directed by the legislature (Section 88, Chapter 41 of the Acts of 2019), the HPC designed the Birth Equity and Support through the Inclusion of Doula Expertise (BESIDE) Investment Program to address inequities in maternal health outcomes and improve the care and patient experience of Black birthing people by increasing access to and use of doula services.
- On September 15, 2021, the HPC Board approved funds to two Massachusetts hospitals to support their proposed BESIDE programs.
- Baystate Medical Center has met its patient enrollment target and is projected to expend the funds currently budgeted for the provision of doula services, with nearly a year left in the grant period.
- To allow more Black birthing people the opportunity to receive these services, the HPC has increased the Baystate Medical Center BESIDE award total to **$243,457**.



The HPC received its maintenance funding request in Governor Healey's H1 budget.

January 24, 2023

Consensus Revenue Hearing

March 1, 2023

Governor Healey files her FY 2023 Budget Proposal
HPC Appropriation: 1450-1200..... $11,436,606

April 2023

House Ways and Means Budget Proposal

May 2023

Senate Ways and Means Budget Proposal

June 2023

Ways and Means Conference Committee Budget

July 2023

Fiscal Year 2024 Begins

Since 2013, the HPC has reviewed 148 market changes.

TYPE OF TRANSACTION	NUMBER	FREQUENCY
Formation of a contracting entity	35	24%
Clinical affiliation	31	21%
Physician group merger, acquisition, or network affiliation	28	19%
Acute hospital merger, acquisition, or network affiliation	25	17%
Merger, acquisition, or network affiliation of other provider type (e.g., post-acute)	22	15%
Change in ownership or merger of corporately affiliated entities	6	4%
Affiliation between a provider and a carrier	1	1%

Elected Not to Proceed

- The proposed purchase of **LHC Group**, a national provider of post-acute care services with several home health locations in Massachusetts, by **UnitedHealth Group**, a national diversified health care company that includes Atrius Health and Reliant Medical Group in Massachusetts. Under the transaction, LHC Group became part of Optum Health, a subsidiary of United.
- A proposed clinical affiliation between **Tufts Medical Center** and **Commonwealth Radiology Associates (CRA)**, a large radiology physician group practicing in multiple locations in northeastern Massachusetts, including in two other Tufts Medicine hospitals, Lowell General Hospital and Melrose-Wakefield Hospital. Under the affiliation, CRA became the exclusive provider of professional radiology services at Tufts Medical Center.

The HPC has no notices of material change currently under review.

Agenda

Call to Order

Approval of Minutes **(VOTE)**

Market Oversight and Transparency

Care Delivery Transformation

Health Care Workforce Event (March 29, 2023) Recap and Discussion

Executive Director's Report

SCHEDULE OF UPCOMING MEETINGS

2023 Public Meeting Calendar

HPC

– JANUARY –

S	M	T	W	T	F	S
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– FEBRUARY –

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– MARCH –

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– APRIL –

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– MAY –

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– JUNE –

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– JULY –

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– AUGUST –

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– SEPTEMBER –

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– OCTOBER –

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– NOVEMBER –

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– DECEMBER –

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BOARD MEETINGS

Wednesday, January 25
Wednesday, April 12
Wednesday, June 7
Wednesday, July 12
Wednesday, September 13
Wednesday, December 13

COMMITTEE MEETINGS

Tuesday, January 24 (ANF, 2:00 PM)
Wednesday, February 15
Wednesday, May 10
Monday, July 10 (ANF, 2:00 PM)
Wednesday, October 4

ADVISORY COUNCIL

Wednesday, February 8
Wednesday, May 24
Wednesday, September 20
Wednesday, December 6

SPECIAL EVENTS

Thursday, March 2 – OPP Regulation Hearing
Wednesday, March 15 – Benchmark Hearing
Wednesday, March 29 – Health Care Workforce Event
Wednesday, November 1 – Cost Trends Hearing

All meetings will be held virtually unless otherwise noted. This schedule is subject to change, and additional meetings and hearings may be added.

Schedule of Upcoming Meetings

BOARD

June 7

July 12

September 13

December 13

COMMITTEE

May 10

July 10 – ANF

October 4

ADVISORY COUNCIL

May 24

September 20

December 6

SPECIAL EVENTS

November 1
Cost Trends Hearing

Mass.gov/HPC

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