
Date of Meeting: April 12, 2023

Start Time: 12:00 PM

End Time: 2:45 PM

	Present?	Vote 1: Approval of Minutes (April 12, 2023)	Vote 2: 2024 Health Care Cost Growth Benchmark	Vote 3: Final Office of Patient Protection Regulation
Deborah Devaux*	X	X	M	M
Don Berwick	X	X	X	X
Barbara Blakeney	X	X	A	X
Matilde Castiel	X	X	X	X
Martin Cohen	X	X	X	X
David Cutler	X	X	X	X
Timothy Foley	X	M	X	X
Patty Houpt	X	X	X	2 nd
Ron Mastrogiovanni	X	2 nd	2 nd	X
Karen Tseng (Designee)	X	X	X	X
Martha Kwasnik (Designee)	X	ab	X	X
Summary	11 Members Attended	Approved with 10 votes in the affirmative	Approved with 8 votes in the affirmative	Approved with 11 votes in the affirmative

Presented below is a summary of the meeting, including time-keeping, attendance, and votes.

*Chairman

(M): Made motion; (2nd): Seconded motion; (ab): Abstained from Vote; (A): Absent from Meeting

Proceedings

A hybrid meeting of the Health Policy Commission (HPC) was held on April, 12 2023, at 12 PM. Commissioners attended both in-person at the HPC office (50 Milk St. 8th Floor) and via Zoom. A recording of the meeting is available [here](#). Meeting materials are available on the Board meetings page [here](#).

Participating commissioners who attended in-person at the HPC office were: Ms. Deborah Devaux (Chair), Mr. Timothy Foley; and Mr. Ron Mastrogiovanni.

Participating commissioners who attended virtually were: Mr. Martin Cohen (Vice Chair); Dr. Don Berwick; Ms. Barbara Blakeney; Ms. Patricia Houpt; Dr. Matilde Castiel; Dr. David Cutler; Ms. Karen Tseng, Acting Secretary of Health Policy, Executive Office of Health and Human Services; and Ms. Martha Kwasnik, designee for Sec. Matthew Gorkowicz, Executive Office of Administration and Finance.

Ms. Devaux began the meeting at 12 PM and welcomed the commissioners, staff, and members of the public viewing the meeting live on the HPC's YouTube channel.

ITEM 1: Approval of Minutes

Ms. Devaux turned the meeting over to Ms. Coleen Elstermeyer, Deputy Executive Director, to call for a vote to approve the minutes from the January 25, 2023, Board meeting. Mr. Foley made the motion to approve the minutes and Mr. Mastrogiovanni seconded it. The vote was taken by roll call. The motion was approved with 10 votes in favor and one abstention.

ITEM 2: Market Oversight and Transparency – 2024 Health Care Cost Growth Benchmark

Ms. Devaux introduced the portion of the meeting on the 2024 Health Care Cost Growth Benchmark. She introduced Mr. David Seltz, Executive Director, who presented on the benchmark process. For more information, see slides 8 -10.

Mr. Seltz introduced Dr. David Auerbach, Senior Director for Research and Cost Trends, to present the latest data from the Center for Health Information and Analysis' (CHIA's) hospital financial performance report. For more information see slides 11-14.

Mr. Mastrogiovanni asked if the margins cited in the presentation could be broken down further by the types of hospitals and care settings. Dr. Auerbach referenced the cohort breakdown in the graph on slide 11.

Dr. Berwick noted that the Health Care Cost Growth benchmark is not a specific spending target for all hospitals and instead a statewide target for health care spending growth. Mr. Seltz agreed and added that the mechanism for more individual accountability is the HPC's Performance Improvement Plan (PIP) process.

Mr. Seltz a summary of public testimony recommendations from the benchmark hearing. For more information, see slide 15.

Mr. Seltz introduced Ms. Kara Vidal, Director of Health System Planning & Performance. Ms. Vidal and Mr. Seltz provided an overview of some frequently asked questions regarding the health care cost growth benchmark and the process. For more information see slides 16-20.

Ms. Devaux expressed support for maintaining the statutory 3.6% benchmark. She cited the HPC's flexibility to evaluate performance in the PIPs process and affordability concerns as reasons not to raise the benchmark above 3.6%.

Dr. Cutler discussed the role that inflation will play in payer and provider performance against the benchmark. He noted that the Commonwealth will most likely miss the benchmark in 2022 and 2023 due to price increases that providers sought in the face of inflation. He also noted, however, that the CBO's inflation forecast shows inflation moderating down to 2.5% by 2024. Dr. Cutler said that if this prediction proves accurate, providers should not need to seek additional above-average rate increases in 2024, and therefore keeping the benchmark at past levels, as Chair Devaux proposed, is appropriate.

Dr. Berwick said that he supported lowering the benchmark to 3.1% for 2024. He said it was important to use the benchmark as a prescriptive tool for the health care market rather than a predictive one. He noted that Massachusetts continues to be an outlier in costs and that residents of the Commonwealth continue to struggle due to the burden of health care costs and said setting the benchmark provides an opportunity to send a signal to the system that constraining cost should be a priority.

Mr. Cohen said that payers and providers continue to face strong headwinds as a result of the COVID-19 pandemic and ongoing inflation and workforce constraints. He said that he supported maintaining the 3.6% benchmark.

Mr. Mastrogiovanni said that he was concerned that being overly aggressive with the benchmark given the current climate could negatively impact quality of care. He said he supported a 3.6% benchmark.

Undersecretary Tseng noted that the benchmark is not the only tool the state can use to address excessive health care spending. She noted that many market participants end up using the health care benchmark as a blanket number despite the HPC's commitment to analyzing individual entities based on their specific circumstances and that it was important to strike the right balance in setting a prescription for the market that did not further entrench existing resource disparities across the Commonwealth.

Dr. Castiel said that, from her perspective in Worcester, she saw individuals, families, and small businesses struggling with high costs of health care and insurance. She said that she agreed with Dr. Berwick's point about using the benchmark to send a message to the system about reducing health care spending. She added that, despite the dramatic rate of growth in health care spending in the state, inequities in access and outcomes persist in the system.

Mr. Foley said that the benchmark serves as a quantitative goal to track the system's progress against. He recommended changes to the PIPs process that would bring more stakeholders into the conversation to better regulate the rising costs of care and voiced support for setting the benchmark at 3.6%.

Ms. Devaux made a motion to establish the health care cost growth benchmark at the statutory rate of 3.6% for 2024. Mr. Mastrogiovanni seconded the motion. The vote was taken by roll call. The motion passed with 8 votes in the affirmative and 2 votes in the negative.

ITEM 3: Market Oversight and Transparency – Final Office of Patient Protection Regulation Changes

Ms. Devaux introduced Ms. Nancy Ryan, Director of the Office of Patient Protection, to present on the final regulation for the Office of Patient Protection (OPP). For more information, see slides 23-27.

Ms. Devaux made a motion to approve the final regulation. Ms. Houpt seconded the motion. The vote was taken by roll call. The motion was approved unanimously.

ITEM 4: Care Delivery Transformation – Evaluation Result: SHIFT-Care Challenge Track 1 Initiative

Ms. Devaux turned the presentation over to Ms. Kelly Hall, Senior Director for Health Care Transformation Innovation (HCTI). Ms. Hall introduced Ms. Tayler Bungo, Associate Director, HCTI, and Ms. Catherine MacLean, Manager, HCTI, who presented on the evaluation results of the SHIFT-Care Challenge Track 1 Initiatives. For more information, see slides 31-43.

Dr. Castiel asked Ms. MacLean if race and ethnicity had been taken into account in the patient experience surveys. Ms. McClean said that the data provided by the awardees did not include information regarding race and ethnicity, but that staff hoped to include it in future patient experience work in other investment programs.

Acting Secretary Tseng said that she would love to learn more about future steps to apply and disseminate lessons from this program. Ms. Hall said that staff routinely produces outputs for that purpose and would welcome the opportunity to share learnings from this or any of the HPC's other investment programs.

Mr. Foley asked how direct care staff were integrated into the care teams in these programs and whether the programs were staffed using existing personnel or new hires. He also asked if there was a focus in these programs around language capacity, particularly in regards to community health workers. Ms. MacLean said a majority of staff were new hires with their salaries funded by the grant money, but they were often integrated into teams supervised by personnel who had been members of the organization previous to the programs. She said that staff did notice efforts made by organizations to focus their hiring to respond to the language needs of their patient

populations, noting that CHWs often came from the same communities as the patients served. Mr. Foley asked if the funding for the programs was complete. Ms. Maclean confirmed that it was.

Item 5: Health Care Workforce Event Recap & Discussion

Ms. Devaux turned the meeting over to Mr. Seltz who provided a presentation recapping the HPC's special event, [*Building a Robust Health Care Workforce in Massachusetts*](#), and introduced the latest issue of HPC Shorts focused on health care workforce trends in Massachusetts. The HPC Short can be viewed [here](#). The full report can be found [here](#).

Mr. Seltz gave an overview of the two panels from the event as well as themes from the discussion. For more information, see slides 47-49.

Mr. Foley said that he was pleased to have the various stakeholders all together to discuss this critical issue. He said that keeping the focus on solutions was crucial moving forward and that it was important to find ways to improve working conditions for direct care workers. He said that the HPC's report had added crucial context to this conversation.

Dr. Castiel gave an overview of the key themes that she identified being raised at the event including the health care workforce pipeline and retention, administrative complexity, and burnout, especially among nurses, community health workers, and behavioral health care workers. She said that some of the pilot programs mentioned during the panels sounded promising but noted that there were still questions on the implementation end when it comes to addressing these issues.

Dr. Cutler said that the workforce issues facing the market had been created both by the pandemic and preexisting problems in health care and that next steps to address these issues should include both short and longer-term solutions.

Mr. Cohen agreed with Dr. Cutler that workforce issues, particularly in behavioral health, have existed for a long time in Massachusetts and were exacerbated by the pandemic. He said it was important to reevaluate the care model in Massachusetts and apply innovative solutions. He recommended focusing on discussions with institutions of higher education to help address workforce pipeline issues.

Ms. Blakeney agreed with Mr. Cohen on the importance of innovation and applying new models to care delivery. She noted that this was a recurring theme from panelists at the event as well. She also echoed his call to engage higher education to improve pipeline opportunities.

Ms. Devaux said that she had received a lot of positive feedback on the HPC's efforts in this area.

Mr. Seltz presented on proposed next steps to continue addressing the workforce crisis. For more information, see slide 51.

Mr. Foley asked if the workforce report had been sent to the legislature. Mr. Seltz confirmed that it had. Mr. Foley added that the HPC's Advisory Council might be a good resource for further feedback on solutions to the workforce issue. Mr. Seltz noted that the Advisory Council had expressed tremendous interest in addressing the workforce issue.

Dr. Berwick said that there was a great deal of work being done at the federal level and noted that he serves on the steering committee for the National Academy of Medicine's "Action Collaborative on Workforce Wellbeing" which has developed a framework for action on this topic. He offered to make a connection between the HPC and the Collaborative. Mr. Seltz agreed with this point and noted that staffers from Massachusetts' congressional delegation had been in attendance at the workforce event.

Dr. Cutler said that a recurring theme from the panels had been the issue of burnout among health care workers. He said that it was important to think about ways to address the work environment to improve the conditions to facilitate staff retention. He also suggested that the HPC, beyond its annual cost trends report recommendations, provide a set of workforce-specific recommendations to the legislature. Mr. Seltz noted that this was a topic that was top-of-mind to the legislature.

Ms. Blakeney stated pursuing incremental improvement and innovation in a number of areas would be crucial to addressing the larger workforce issue.

Ms. Devaux said that administrative complexity and the burden it places on health care workers was a recurring theme from the panels and that this was an issue that the HPC should continue to work to address.

Mr. Seltz added that there was tremendous opportunity for collaboration with the Health Equity Compact particularly with regard to improving diversity in the workforce.

Item 6: Executive Director Report

Ms. Devaux turned the meeting over to Ms. Elstermeyer. Ms. Elstermeyer and Mr. Seltz presented the Executive Director's report portion of the meeting. For more information, see slides 53-61.

Ms. Devaux reviewed the schedule of upcoming public meetings for the Board members.

The meeting adjourned at 2:45 PM.