



Mass General Brigham Performance Improvement Plan

July 12, 2023

Mass General Brigham Performance Improvement Plan



- Mass General Brigham (MGB) is currently implementing a [Performance Improvement Plan](#) (PIP). The Health Policy Commission required the plan after finding that MGB's spending growth presented significant concern and that a PIP could result in meaningful, cost-saving reforms.
- The HPC approved MGB's PIP in September of 2022. Implementation will run from October 2022 through March 2024.
- MGB's PIP includes 10 interventions across four categories, which MGB estimates will save a total of \$176.3M over the 18-month PIP.
- MGB is required under the PIP regulation and the terms of its [Approval Notice](#) to provide confidential and public reports on progress toward its savings target every six months.
 - The first such report, covering October 2022 – March 2023, is available on the [HPC's website](#).

MGB SAVINGS ESTIMATES	
CATEGORY	TOTAL SAVINGS ESTIMATE (M)
Price Reductions	\$124.9
Reducing Utilization	\$44.4
Shifting Care to Lower Cost Sites	\$7.0
Accountability Through Value-Based Care	Not quantified
Total Savings Estimate	\$176.3

REGULATORY FACTORS THE HPC MAY CONSIDER WHEN DETERMINING WHETHER A PIP WAS SUCCESSFUL

A. Whether and to what extent the Entity has addressed significant concerns about its costs, i.e., by achieving the target outcomes as specified in the PIP, in accordance with the Commonwealth's policy goals, including those concerning the cost, quality and accessibility of care;

B. Whether the Entity has fully implemented, in good faith, the strategies, adjustments and action steps of the PIP;

C. The sustainability of the efficiencies and cost savings of the PIP;

D. The impact of events outside of the Entity's control on implementation or cost growth; and

E. Other factors the Commission determines to be relevant.

- At the conclusion of the PIP, the HPC must determine whether it was successful.
- The *Performance Improvement Plan regulation* identifies several factors that the HPC may consider in making this determination.
- MGB is required to provide data and documents, as specified from time to time by the HPC, which will help inform the evaluation.

MGB Report on Progress to Date



- Overall, **MGB reported \$45.3M in savings** during the first six months of implementation and reports being **on track to meet its total savings target** of \$176.3M over the 18 months of the PIP.
- MGB reported savings slightly ahead of expectations for some strategies, and slightly behind expectations for others.
 - Savings associated with its Integrated Care Management Program and its pricing adjustments were ahead of schedule.
 - Savings associated with its Imaging Utilization and Home Hospital strategies were slightly behind schedule.
- MGB has **not proposed any amendments** to its approved PIP.

6-Month Progress as Reported by MGB: Price Concessions



INTERVENTION	TOTAL SAVINGS TARGET	EXPECTED SAVINGS THROUGH 3/2023	SAVINGS THROUGH 3/2023	VARIANCE
Outpatient Rates	\$86.4M	\$15.6M	\$16.0M	+\$0.4M
Mass General Waltham Rates	\$19.1M	\$3.8M	\$5.3M	+\$1.5M
ConnectorCare Rates	\$17.9M	\$6.0M	\$6.3M	+\$0.3M
Other Insurance Product	\$1.5M	Starting 7/1/2023	Starting 7/1/2023	N/A
Total	\$124.9M	\$25.4M	\$27.6M	+\$2.2M

KEY PROGRESS NOTES

- MGB reports that it exceeded anticipated savings for this slate of interventions by approximately \$2.2M through March 2023.
- MGB reports that, due to a data lag, the reported \$6.3M in ConnectorCare savings only includes savings generated from 10/1/2022-12/31/2022.
- MGB estimates that savings from these pricing interventions will account for approximately 70% of total savings, giving these strategies an outsized impact on the overall success of the PIP.

6-Month Progress as Reported by MGB: Reducing Utilization



INTERVENTION	TOTAL SAVINGS TARGET	EXPECTED SAVINGS THROUGH 3/2023	SAVINGS THROUGH 3/2023	VARIANCE
Integrated Care Management	\$23.0M	\$13.2M	\$16.1M	+\$2.9
SNF Utilization Reduction	\$13.4M	\$2.7M	Data lag	N/A
MGB Health Plan Utilization Management	\$1.5M	\$0.3M	Data lag	N/A
Imaging Utilization	\$6.5M	\$1.3M	\$0.2M	-\$1.1M
Total	\$44.4	\$17.5	–	–

KEY PROGRESS NOTES

- MGB reported that its integrated care management program generated \$2.9M more in savings than it had anticipated through March 2023.
- MGB reported that its imaging utilization intervention experienced some delays in launch, resulting in actual savings trailing estimated savings by \$1.1M. The initial set of interventions is now in place.

6-Month Progress as Reported by MGB: Shifting Care to Lower Cost Sites



INTERVENTION	TOTAL SAVINGS TARGET	EXPECTED SAVINGS THROUGH 3/2023	SAVINGS THROUGH 3/2023	VARIANCE
Home Hospital	\$1.9M	\$0.3M	\$0.2M	-\$0.1M
Virtual Care	\$5.1M	\$1.0M	\$1.2M	+\$0.2M
Total	\$7.0M	\$1.3M	\$1.4M	+\$0.1M

KEY PROGRESS NOTES

- MGB reports being generally on track with its strategies to shift care to lower cost settings.
- MGB reported that Home Hospital savings are behind target due to lower than anticipated admissions, driven by staffing challenges. MGB reports that it has been increasing staffing to meet the PIP goal and to address shortages in hospital beds across its system.
- MGB reported that Virtual Care savings are ahead of target, due to higher levels of utilization of virtual care for specialty visits than had been forecasted.

Next Steps



- HPC and MGB staff have met regularly throughout the implementation period, including for both quarterly check-ins and as needed to discuss measurement and evaluation.
- The next quarterly meeting will occur in August of 2023.
- MGB's next public report will be due after the conclusion of the fourth implementation quarter, which ends on September 30, 2023. The HPC anticipates providing a public update subsequently.