2024 PRE-FILED TESTIMONY

TOP AREAS OF CONCERN FOR MEETING THE BENCHMARK

Workforce shortages

Rising **pharmaceutical** costs

Hospital **closures**

Behavioral and primary health care demand outpacing supply

67%

highlighted the widespread impacts of hospital closures and ongoing pandemic response

IMPACTS OF RECENT MARKET DISRUPTIONS

1. Delays of care
2. Increased strain on workforce
3. Care shifting to higher-cost facilities
4. Increased travel times for patients

TOP STRATEGIC PRIORITIES FOR PAYERS

Comprehensive **health planning** and enhanced collection of **patient demographic data** to better assess health care inventory and need in the Commonwealth

TOP STRATEGIC PRIORITIES FOR PROVIDERS

Payment reforms that increase reimbursements for **primary care** and ensure **equitable parity** between entities statewide, particularly community and safety net providers

PAYERS

55%

made changes to **shift more care to low-cost sites** and reduce inpatient stays

78%

cited **high-cost drugs**, including GLP-1 medications, as a main area of concern for cost growth

55%

made changes to plan design and data collection to **address health inequities**

PROVIDERS

50%

raised **workforce challenges**, including high labor costs, burnout, and competition

33%

recommended action to reduce **administrative burden** on providers

46%

called for reimbursement of **innovative care strategies** that address population health

MASSACHUSETTS
HEALTH POLICY COMMISSION

This includes pre-filed testimony submissions from 9 payers and 24 providers and hospitals. Testimony can be found on the HPC's website at MassHPC.gov.

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HEALTH EQUITY

- 56% of payers mentioned using member demographic data and plan design to **address health inequities** and 42% of providers have **strengthened their demographic data collection capabilities** to better identify and address health disparities among their patients.
- 21% of providers cited their work to recruit and retain a **diverse and culturally competent staff** to be better suited to address the social needs of their patient populations.
- 33% of payers expressed strong support for shifting towards **value-based care** and expanding access to care through innovative models, such as increased care screenings and **health equity programming**.

HEALTH CARE AFFORDABILITY

- 67% of payers cited **high provider prices** as a key area of concern for their organization.
- 54% of providers called for **equitable reimbursement rates**, such as ensuring appropriate reimbursement structures for high public-payer providers.
- 44% of payers cited **increased utilization of behavioral health services** as a potential driver of cost growth.

MARKET OVERSIGHT

- 56% of payers and 16% of providers recommended **statewide health planning** to have an inventory available health care resources and health care needs.
- 44% of payers recommended **prohibition on facility fees** and adoption of **site neutral payments**.
- 33% of payers recommended expansion of – and **better enforcement policies** for – the health care cost-growth benchmark and the HPC's Performance Improvement Plan (PIP) process.

PHARMACEUTICAL COSTS

- 78% of payers cited **high-cost drugs**, including GLP-1 medications, as a main area of concern for cost growth.
- 56% of payers recommended **enhanced authority for the HPC to monitor and regulate pharmaceutical costs**.
- 33% of payers identified lowering **pharmaceutical costs** as a primary goal.
- 25% of providers recommended ensuring protections for **340B and affordable prescription drug costs**.

WORKFORCE CHALLENGES

- 50% of providers raised **workforce challenges** in their testimony, including higher labor and supply costs, provider burnout, and demand/competition for new talent.
- 33% of payers recommended **policies that support healthcare workforce expansion**, such as investment in primary care and behavioral health training.
- 38% of providers support **primary care and behavioral health workforce pipeline** strategies such as tuition-free medical school, loan forgiveness, scholarships, programs for clinicians from other countries, programs that don't require a four-year degree, and subsidized malpractice insurance premiums.
- 25% of providers recommended that Massachusetts join the **Nurse Licensure Compact** to address workforce challenges

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