

Boston Medical Center HEALTH SYSTEM

October 31, 2025

David Seltz
Executive Director
Health Policy Commission
The Commonwealth of Massachusetts
50 Milk Street, 8th Floor
Boston, MA 02109

RE: 2025 Written Testimony for Cost Trend Hearings

Dear Director Seltz:

On behalf of Boston Medical Center Health System (BMCHS), attached please find the required pre-filed testimony in advance of the Health Care Cost Trends Hearing.

I am legally authorized and empowered to represent BMCHS for the purposes of this testimony. This testimony is signed under the pains and penalties of perjury.

Should you have questions about this testimony, please reach out to Andrea Pessolano at Andrea.Pessolano@bmc.org.

Sincerely,



Alastair Bell, MD, MBA
President & CEO

2025 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 [2025 Annual Health Care Cost Trends Hearing](#).

On or before the close of business on **Friday, October 31, 2025**, please electronically submit testimony as a Word document 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 2024, 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. All submissions are public record and will be posted to the [HPC's website](#).

You may receive questions from both the HPC and the Office of the Attorney General (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 relevant 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.

THE 2025 HEALTH CARE COST TRENDS HEARING: PRE-FILED TESTIMONY

The Massachusetts Health Policy Commission (HPC), along with the Office of the Attorney General (AGO), holds the Health Care Cost Trends Hearing each year to examine the drivers of health care costs and consider the challenges and opportunities for improving the Massachusetts health care system.

The 2025 Health Care Cost Trends Hearing offers a critical opportunity to discuss the pressing issues challenging the stability and sustainability of the Commonwealth's health care system. These include mounting affordability issues, workforce constraints, financial volatility, increasing prescription drug costs, and threats to health care access and coverage – and the ongoing efforts to address them.

Recent federal action has created uncertainties about the health care landscape in Massachusetts. It will require a renewed commitment among stakeholders and policymakers to work together towards a health care system that is more affordable, accessible, and equitable for all residents. The 2025 Health Care Cost Trends Hearing will convene industry leaders, clinicians, and community members to reflect on recent policy actions and invite further collaborative action in Massachusetts, advancing the Commonwealth's health care goals and values.

Amid the federal activity, Massachusetts is still contending with existing affordability hardships facing the Commonwealth's residents. Massachusetts now has the highest family health insurance premiums in the country. In 2024, the average annual cost of health care for a family exceeded \$31,000 (including out-of-pocket spending). As health care spending grows as a portion of household income, more and more families incur medical debt and avoid using needed care. These rates become particularly dire when health care premiums and out-of-pocket spending reach 25% of total income – a reality that 41% of Hispanic families and 26% of Black families in Massachusetts faced in 2023 compared to 9% of white families. Furthermore, the average annual cost sharing per person grew from \$849 in 2019 to \$1,049 in 2023 (a 29% increase), and residents paying \$5,000 or more annually in cost sharing doubled from 2019 (1.5%) to 2023 (3.1%).

This is the first cost trends hearing since the enactment of two significant health care laws earlier this year (Chapters 342 and 343 of the Acts of 2024), which strengthen the health care market, address rising prescription drug costs, and enhance the public transparency and accountability of the Commonwealth's health care system – including requiring additional health care market participants to provide public testimony. As the HPC, the AGO, and other state agency partners continue implementation of these new laws, the 2025 Health Care Cost Trends Hearing will focus on working together to safeguard the Commonwealth's commitment to health care affordability, access, and equity.

The pre-filed written testimony affords the HPC and the AGO, on behalf of the public, an opportunity to engage with a broad range of Massachusetts health care market participants. In addition to pre-filed written testimony, the public hearing features in-person testimony from leading health care industry executives, stakeholders, and consumers, with questions posed by the HPC's Board of Commissioners about the state's performance under the [Health Care Cost Growth Benchmark](#) and the status of public and industry-led health care policy reform efforts.

1. Recent and ongoing federal policy actions are changing health care in Massachusetts. What do you anticipate will be the most significant implications of these federal actions on your organization's strategies to address health care affordability, quality, access, and equity? How is your organization working to ensure stability and mitigate any negative impacts on health care workers, patients, and patient care? What specific actions should health care market participants, policymakers, and the public consider to safeguard the Massachusetts health care system against potential risks from federal policy shifts?

Actions being taken by the current federal administration and taken by this Congress in the One Big Beautiful Bill Act (HR. 1) pose significant threats to Boston Medical Center (BMC) Health System and our patients. The barriers to Medicaid eligibility mandated by HR 1, combined with the restraints on federally-funded payments that currently help subsidize low Medicaid rates and a corresponding loss in state revenue pose an existential threat to BMC Health System. At a time when hundreds of thousands of Massachusetts residents (a great deal of whom are our patients) are losing Medicaid eligibility, we are also facing more limited means to fund their care. Additionally, Massachusetts must renew its 1115 Waiver authority, which is currently centered around equity, during this administration, and under these new funding constraints. The combination of these factors poses the greatest threat in a generation to the BMC Health System and the health of the patients who rely on us.

BMC is carefully tracking the federal changes and working actively with the Executive Office of Health and Human Services and our hospital and health center colleagues to devise ways to mitigate the losses and lessen the impact on patients. BMC is more vigilant than ever about reducing administrative and operating costs in our health system. We are brainstorming ways to help keep Medicaid members enrolled through work requirements and more frequent redeterminations. All of these things are necessary. In addition, the Commonwealth's policy makers and all health care stakeholders are going to need to consider carefully the value of the health and social safety nets in creating the kind of Commonwealth we want our children to inherit. Some type of redistribution of resources across health care stakeholders and among government priorities is going to be necessary if we want all residents of Massachusetts,

regardless of income or assets, to have the ability to thrive and contribute to our collective society. The need for health care will not disappear with federal funding.

- 2. Many Massachusetts health care providers continue to face significant workforce challenges. What strategies has your organization successfully implemented to improve recruitment and retention of clinical and/or non-clinical workers? What policy, payment, or health care system reforms does your organization recommend to better sustain, strengthen, and diversify the health care workforce more broadly in Massachusetts?*

Boston Medical Center Health System has a long history of supporting best practices for successful clinician recruitment and retention. In 2019, Boston University Medical Group (BUMG) established the Office of Equity, Vitality and Inclusion (EVI) to further advance this work. The Office works in close partnership with department and hospital leaders to implement systemic, data-driven solutions that improve recruitment and retention, and strengthen occupational well-being. BMC serves as a leading member of the [Healthcare Professional Well-being Academic Consortium](#) (PWAC), consistently achieving one of the nation's highest clinician response rates to the Clinician Vitality Survey, which uses well-validated measures to assess professional vitality and burnout. In 2024 our clinicians' burnout and professional fulfillment rates were both better than national PWAC benchmarks BMC has received the [AMA Joy in Medicine recognition](#) multiple times for our continued commitment to improving clinician occupational well-being (Bronze in 2019, Gold in 2021, and Bronze in 2023). To reduce turnover and improve clinician occupational well-being, the EVI team has implemented a comprehensive, data-driven approach across 28 clinical departments. This includes an annual Action Planning process that identifies department-specific goals with measurable clinician occupational well-being outcomes, as well as new customized technical assistance support program for departments at higher risk of turnover. Three clinician-led networks (Racial Equity Champions, Vitality Champions, and Gender Equity Lab) further spread equitable recruitment, retention and well-being practices on the ground, while fostering belonging and inclusion among workgroup members.

Drawing from these successes, BMCHS recommends the following statewide policy and system reforms to strengthen and diversify the healthcare workforce:

- 1. Require routine measurement of health care employee professional vitality and burnout, as well as quality metrics that address these outcomes*
- 2. Establish a statewide data-sharing and learning collaborative to advance clinician occupational well-being across Massachusetts*
- 3. Incentivize health systems to offer robust supports (lactation support; back up day care; generous HR policies for caregiving needs) for caregiving clinicians and staff*

In the nursing department, BMC has adopted a shared governance approach for nursing leadership that provides opportunities for staff to have input into how they do their work. Our nursing department has several councils that are designed to promote employee engagement including unit-based councils, Nursing DEI Council, Nursing Retention and Recruitment Council and the Patient Care Technician (PCT) Council. BMC has also created an experienced nurse transition program to allow experienced nurses already working at BMC the ability to enter a new specialty with extended training during the onboarding period. In addition, BMCHS initiates frequent market and pay equity analyses to support fair and equitable pay and make subsequent adjustments as needed.

Promoting a culture of workplace safety is one of the most important things we can do to support staff. BMC is committed to creating a safe, inclusive work environment, where all members of our hospital community can focus on providing expert patient care. BMC's interdisciplinary Workplace Safety Steering Committee partners with teams across the hospital to enhance workplace safety and make BMC a safer environment to work. In addition, BMC created a Behavioral Response Team (BRT) to address the needs of agitated patients and mitigate the potential for escalation. The BRT consult service and response team responds to incidents in real-time and ensures appropriate follow-up care with team members. Further, BMC's employee resilience team helps support staff after workplace violence incidents.

Mitigating incidents of workplace violence remains an area of focus for BMC as there is always more work to be done to address this difficult issue. Passing H.2655/S.1718, An Act Requiring Health Care Employers to Develop and Implement Programs to Prevent Workplace Violence would provide our hospital with additional tools to build upon existing workplace safety initiatives. This legislation requires hospitals to annually assess hospital security risks using newly developed statewide standards from DPH. Further, this bill establishes an interagency task force to address the lack of safe placement options for behavioral health patients in crisis, state-agency involved patients, and criminal justice-involved individuals with a behavioral health diagnosis.

BMCHS focuses on internal mobility to help retain workers within our health system, recruit for open positions, and maintain a diverse workforce. We are continuously working to connect existing employees to open positions, identify employees who are ready to grow, and provide employees upskilling opportunities. For example, Pathways, our program aimed at creating a diverse group of emerging leaders, offers participants an intensive six-month leadership and management curriculum to accelerate professional development and career advancement. Further, we have examined our college partnership programs to ensure they match the needs of our workforce.

Additionally, BMC has created a customized ESL program tailored for job duties in healthcare settings. The curriculum specifically focuses on the vocabulary needed for patient interactions, office work, and medical terminology. The integration of BMC Brighton and BMC South has also created the opportunity to match workers with additional internal openings. Our community hospitals offer different work environments and potential growth opportunities, while keeping workers within our health system.

3. Administrative complexity in the health care system can burden clinicians and patients and contribute to burnout, reduce timely and equitable access to care, and add unnecessary costs to the system. What policies or strategies should policymakers and/or other market participants consider to reduce administrative complexity that provides little value in the Massachusetts health care system? How would such changes impact your organization's administrative costs of providing care?

While BMC is not in the habit of criticizing the Government programs that sustain us, minimizing new, burdensome reporting responsibilities would benefit our health system and our patients. If new reporting requirements are being considered, such as in equity or quality, care should be taken to ensure these requirements are not duplicative of data already being reported to a different part of state government. Any new proposed requirements should build upon existing reporting systems or workflows instead of creating new, separate systems. Two of our clinicians authored a piece for Stat News making the case for streamlining quality metrics, which you may find helpful. [Instead of more quality metrics, harness fewer high-quality ones | STAT](#)

Two examples of administrative duplication within the HPC's purview that cost our health system scarce administrative resources are: 1) Hospital projects that both HPC's Cost and Market Impact Review and the DoN's Independent Cost Analysis. Neither agency will allow the other's report to meet its requirements, resulting in duplicative reporting that costs hospitals and healthcare systems significant resources and delays projects. 2) ACO certification by the HPC, in addition to requirements of the MassHealth contract requirements. We know that some improvements have been made in this area. We suggest that that the HPC and its regulatory partners continually assess the overlap between these requirements, and when data or regulatory submissions could be leveraged or shared to support administrative simplification. We welcome the chance to discuss these opportunities to reduce the administrative burden in these areas

4. High-quality, accessible primary care is foundational to an effective and efficient health care system. If your organization includes primary care providers, what activities or investments are you pursuing to enhance access to affordable, high-quality, person-centered primary care (including integrated behavioral health services) for your patients? How are you tracking the impact of these activities or investments? What policy, payment, or health care system reforms does your organization recommend to enhance equitable access to high-quality primary care services?

BMCHS is proud to participate in MassHealth's primary care sub-capitation program and is seeing the benefits of value-based care for patients and providers. Shifting from a fee for service model to a value-based care model allows us to build care plans around a patient's holistic needs rather than what services are billable. The capitated model has created flexibility in care delivery, enabled a team-based model, and allowed us to use resources in a way that better matches individual patient needs. In team-based care, patient navigators provide patients with care navigation and connections to community supports. This helps us better meet the complex needs of our patients. The work of patient navigators also helps free up primary care providers' time, enabling them to see more patients and expand access to primary care services. The team-based model gives providers additional support, reducing burnout and better optimizing care delivery. MassHealth's primary care sub-capitation program has increased investment in primary care and allows us to more sustainably deliver quality care. BMCHS is working on internal analyses on the financial benefits of team-based care in order to further expand this model.

In addition, BMC has built a robust integrated behavioral health (IBH) program which provides behavioral health services to patients in 18 outpatient medical practices, including evaluation and short-term treatment. To expand impact, the IBH team also provides education and training for primary and specialty care providers to increase their comfort in helping manage a patient's behavioral health needs. Additionally, BMC is proud to offer a Family Medicine-Psychiatry Combined Residency Program to help build a pipeline of family medicine doctors with behavioral health expertise.

BMCHS believes value-based care is making a meaningful difference in primary care investment. However, for the benefits of this model to be fully realized, more payers need to participate in the capitated model. In the interim, increasing primary care reimbursement rates in MassHealth as well as providing reimbursement for the care team around primary care providers, such as community health workers, would help to increase investment in primary care. BMCHS supports H.539/S.251, An Act Relative to Health Equity and Community Health Workers, and H.1173/S.692, An Act to facilitate

timely access to quality health care by expanding access to patient navigation, *which would reimburse community health workers for care navigation and other services.*

5. Massachusetts now has the highest family health insurance premiums in the United States. In 2024, the average annual cost of health care for a family exceeded \$31,000 (including out of pocket spending). This reflects the growth in underlying health care costs. As health care spending grows as a portion of household income, more and more families incur medical debt and avoid using needed care. Collaborative, urgent action across market participants is needed to reverse these trends. How can your organization contribute to this effort?

BMCHS continues to serve as a high-quality, lower cost provider within the health care system. Center for Health Information and Analysis (CHIA) data shows that safety net hospitals are often among the lowest when comparing statewide relative price. Safety net providers are generally paid less by commercial insurers than peer hospitals, even if they provide similar quality of care. According to the most recent CHIA data available, as a group, high-Medicaid, low-commercial hospitals are relatively underfunded by both Blue Cross Blue Shield (BCBS) and Harvard Pilgrim Healthcare (HPHC), especially safety net facilities. In addition, the integration of BMC Brighton and BMC South has enabled our system to provide affordable high-quality care to more communities across the state. Our growth has given more patients access to lower-cost, quality care.

BMCHS is working to reduce the overall cost of care and create better health outcomes for patients. For instance, our Complex Care Management program helps patients with complex needs engage in ambulatory care and community-based supports to avoid hospital use. Through this program, a multidisciplinary care team helps patients achieve self-identified goals, improve health-related outcomes, and reduce avoidable hospital utilization. Initial analysis of this model shows that patients enrolled in the program had reduced inpatient hospital utilization, resulting in a total cost of care savings.

Further, BMCHS works to address the health-related social needs that impact our patients' wellbeing. For example, to help address food security, BMC's hospital-based preventive food pantry enables patients and their families to access fresh, healthy foods twice a month. To help address economic security, BMC's StreetCred program embeds assistance with economic resources, such as tax preparation and enrollment in SNAP and WIC, into pediatric primary care. Finally, to help address energy security, BMC's Clean Power Prescription program transfers electric bill credits generated by a solar array on campus to the electric bills of patients who report that they cannot afford their utility payments.

QUESTIONS 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) 2023-2025			
Year		Aggregate Number of Written Inquiries	Aggregate Number of Inquiries via Telephone or In-Person
CY2023	Q1	98	N/A
	Q2	115	N/A
	Q3	142	N/A
	Q4	108	N/A
CY2024	Q1	130	N/A
	Q2	135	N/A
	Q3	266	N/A
	Q4	277	N/A
CY2025	Q1	186	N/A
	Q2	270	N/A
	TOTAL:	1,271	N/A