



MASSACHUSETTS
HEALTH POLICY COMMISSION

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:
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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?

Tufts Medicine is proud to deliver innovative, affordable, and equitable care to all patients, including a high proportion of Medicare and Medicaid patients who rely on us for access to essential services. However, amid historic inflation, persistent workforce shortages, and razor-thin operating margins, we are deeply concerned that certain federal policies could intensify financial pressures on our health system and threaten the sustainability of community-based care. Our concerns include but are not limited to:

Patients' access to care being at risk due to coverage changes. The expected changes to Medicaid (and if Congress doesn't act to renew the enhanced Affordable Care Act subsidies) would cause hundreds of thousands of people in Massachusetts to lose coverage. Our state's health care system, whose Health Safety Net faces growing losses due to uncompensated care, cannot make up for a steep reduction in coverage. The many hospitals and health systems like ours that already operate at a loss would be forced to make difficult decisions to remain viable, including by offering fewer services, considering reductions in force, or investing less in quality and technology improvements. The widespread coverage loss would lead to bad debt and even more uncompensated care, with no means to effectively recover those costs. We are also concerned about other potential changes, if not addressed by Congress soon, including the expired Medicare telehealth flexibilities. If these changes aren't made, this will further restrict patients' access to care and negatively impact hospital operations. For these reasons, we stress the need for the state to enact policies to offset the impacts of the expected changes as much as possible.

Reimbursements being insufficient to cover the increased costs of care. Annual federal and state payment updates are not keeping pace with inflation, restricting our ability to invest in the strategies that provide vital access to care. Insufficient payments during Covid-19 exacerbated the financial burden on hospitals and health systems, but our collective position has only worsened without adequate support since then. For instance, our current rates don't come close to covering the growing costs and the Accountable Care Organization program is increasingly underfunded. We don't have the capital to withstand mounting pressures like these. We urge policymakers to explore sustainable payment policies that account for and offset the economic realities facing hospitals and health systems.

Drug manufacturers' efforts to violate the federal 340B Drug Pricing Program.

Manufacturers are increasingly restricting contract pharmacy arrangements and pushing for a rebate-based model that would replace the upfront discount structure. This will result in significant financial, operational, and administrative burdens for covered entities. Proposed legislation in Massachusetts would help protect access to contract pharmacies, but manufacturers have aggressively challenged similar protections in courts across other states. Federal policies that prohibit manufacturers from refusing to facilitate unlimited contract pharmacy arrangements would provide stronger, more consistent safeguards. We strongly urge state and federal policymakers to counter these attacks on the 340B program. On the federal level, we welcome policies like the 340B PATIENTS Act to ensure the program's continued viability for the benefit of the many vulnerable patients we serve.

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?

At Tufts Medicine, we believe it's essential to build a robust and sustainable healthcare workforce pipeline—one that partners closely with community colleges, feeder schools, and adjacent industries, and that intentionally prioritizes diverse candidates. While hospitals and health systems like ours continue to lead recruitment and retention efforts locally, we urge policymakers to adopt a broader, statewide strategy that unites all healthcare institutions around our shared goal of hiring and retaining talented workers. To strengthen this effort, we encourage the Commonwealth to explore loan repayment and loan pay-down programs, along with grants for continuing education and career ladder initiatives that help workers advance. We also recommend expanded benefits for

working parents and family caregivers, including access to wraparound supports such as childcare assistance, so that those already in the workforce can continue to thrive and grow in their roles.

Increasing awareness of healthcare career pathways is equally important, especially for our youth. While this information is valuable for adults considering a career change, it is vitally important for high school students to understand the full scope of opportunities available to them in healthcare. We encourage the state to invest in statewide awareness campaigns that showcase the variety of roles across the healthcare sector and highlight the many ways to enter and grow in this field. We also recommend continued investment in pre-apprenticeship programs and renewed funding for summer youth employment programs at healthcare institutions, which have been proven to spark early interest and long-term engagement in healthcare careers.

Our sector would also benefit from helping entry-level workers move up into higher-paying, family-sustaining positions. This begins with funding for English language learning, delivered onsite at hospitals and paired with paid backfill time, allowing non-native English speakers to strengthen their skills without sacrificing income or job security. We also encourage the state to support other “earn and learn” models that make it possible for employees to return to school or gain new credentials while continuing to work and receive full pay and benefits. Health care apprenticeships are a powerful way to meet this need. We urge continued investment in apprenticeships, particularly in hard-to-recruit fields such as medical imaging and respiratory therapy. In addition, we encourage the Commonwealth to partner with the Board of Nursing to fast-track nursing-based apprenticeships across all levels, drawing on successful models from other states. These strategies will not only help Massachusetts address current workforce shortages, but also create a more equitable, accessible, and future-ready healthcare workforce that supports both our caregivers and the communities we serve.

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?

Administrative complexities and the current workforce shortage are inextricably linked. In recent years, prior authorization has been responsible for diverting an increasing amount of our clinicians' time and energy toward administrative responsibilities. What began as a tool to monitor and control spending on costly or novel treatments now includes many common services, treatments, and medications. As a result, our clinicians and staff, like those across the state, each spend an average of 14 hours each week submitting paperwork, calling insurers, and appealing denials to try to secure, maintain, or resume medically necessary care. This process occupies vital time they should be able to dedicate to patient care, enhancing patient access. It also delays transfers to post-acute facilities and homes with services directly impacting emergency department overcrowding, thus undermining access to those with acute needs and consuming even more of our staff and clinicians' time. Unsurprisingly, the enormous administrative burden on these workers exacerbates the challenge we face to attract and retain health care workers in Massachusetts. We urge policymakers to take decisive action to address inappropriate claims denials and costly administrative processes and provide certainty and relief for our patients, staff, and clinicians.

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?

In 2021, we formed the Tufts Medicine Integrated Network (TMIN) to enhance access to affordable, high-quality, person-centered primary care, including behavioral health (BH). We define and measure success with timely, appropriate, and convenient access to primary care services to improve health outcomes and reduce avoidable ED and inpatient hospital utilization. We achieve those goals by empowering local primary care teams to

organize services around the needs of the patients, families, and communities that we serve. TMIN is focused on:

1. *Accelerating seamless integration of BH services including memory care programs with primary care.* Through strategic partnerships, TMIN has integrated BH services into our care management teams, provided virtual BH services that are integrated with the primary care provider office, and better resourced the Coordination of Care Model to offer access to those BH needs.
2. *Leading the shift from in-person primary care offices to a virtual and chat-based setting.* We are improving access and addressing labor shortages by integrating an AI-enabled triage and smart-routing platform and chat-based encounters to offer 24/7 access to low-acuity primary care. We also are building a model to improve access to coordinated chronic disease management and appropriate use of virtual care for specialty services.
3. *Continuing to build out our One Care Team,* a multidisciplinary platform that engages six interdisciplinary support pathways serving each practice in a seamless approach to timely, appropriate and longitudinal engagement with patients to reduce avoidable acute care encounters and costs. One Care Team has had a substantial impact on managing and slowing the progression of chronic diseases.

TMIN also has invested in a performance management platform to track Key Performance Indicators on total cost of care, utilization of acute care resources, and patient-centered and patient-reported care outcomes. Our purposeful approach to care model transformation is building momentum that we believe will continue to improve access to primary care in Massachusetts.

Policies and reforms

We support policies to encourage the shift to value in care delivery. These policies should include thoughtful prospective primary care capitation models, developed with clinicians' robust input on what to include or exclude. New models must reimburse entire interdisciplinary care teams, not just physicians, and provide flexibility for technological investments that do not penalize smaller, private practices.

In addition, we support policies to reduce administrative costs and friction in care team innovation and improve affordability. For these reasons, we strongly oppose new quality measures and risk coding requirements that would compound existing burdens. We

suggest attestation-based approaches rather than detailed documentation for new requirements.

In making these changes, we believe it's important for policymakers to consider ecosystems of care holistically, rather than taking a zero-sum approach by shifting funding from one domain to another. We suggest an approach that considers how the consumer-patient is doing and holds all lines of business accountable for improving access, affordability, quality, and equity. Policymakers should not finance primary care reforms with more assessments on hospitals and health systems. Given how we're experiencing financial distress and face thin margins in the best times, neither we nor our patients can afford more assessments or threats of financial penalties.

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?

As a health system serving many vulnerable patients, Tufts Medicine knows that affordable, accessible, and equitable care is vital to our communities. We work to instill these priorities across our continuum of care but don't believe the current fee-for-service payment system is designed to meet these needs. To solve the affordability crisis and improve access to equitable care, we believe the entire health care ecosystem needs to be reformed to more appropriately allocate the dollars we spend on health care each year to be more strategic with how we reward whole-person, patient-centered affordable and equitable health care. We believe the solution is value-based care.

As an early adopter of value-based care, Tufts Medicine has been on a multi-year journey to migrate our system away from fee-for-service, volume-based care and toward total cost of care outcomes. Today, our health system is one of the most cost-effective systems in the state, leveraging value-based care and other alternative payment models. We applaud Massachusetts for its role in incentivizing health systems like ours to transition to value-based care and encouraging cross-payer alignment. But we encourage the state to adopt more policies that are aligned with value-based care and that provide the flexibility required to help the healthcare ecosystem evolve from the traditional delivery model. We envision models that will empower clinicians to deliver the "right care in the right place," free of regulatory constraints that run the risk of wasteful spending.

As part of these reforms, we believe the state has an opportunity to rectify other fundamental issues that contribute to cost growth in Massachusetts. We reiterate the need for the state to increase rates to keep pace with inflation and cover the program's growing utilization. We also restate the need to enact policies that streamline the prior authorization burden, which takes away clinicians' valuable time with their patients and causes emergency room utilization that clinicians could have played a role in avoiding if they weren't preoccupied by the requirements. At Tufts Medicine, we must hire staff to dispute insurers' authorization denials and reverse these claims, a burdensome process that further diverts resources away from direct patient care and toward fighting for patients' right to access to care in the first place. Finally, we urge the state to adopt policies to control the cost of items like high-cost pharmaceuticals. Providers, patients, and health plans have all seen how one innovation can raise the overall cost of care, so we believe now's the time to find a sustainable solution.

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	172
	Q2	102
	Q3	164
	Q4	120
CY2024	Q1	134
	Q2	207
	Q3	176
	Q4	203
CY2025	Q1	234
	Q2	180
TOTAL:	1,692	7,411

Note: The increase in the aggregate number of inquiries via telephone or in-person from CY2024 to CY2025 is because of our ongoing work in creating patient estimate templates, auto-creation functionality, and additional Epic enhancements, as well as patients seeking to understand their financial responsibilities for scheduled services.