

October 29, 2025

To Whom It May Concern:

Please note that I am the President and CEO of Holyoke Medical Center and am legally authorized and empowered to represent Holyoke Medical Center for the purposes of this testimony.

The testimony is signed under the pains and penalties of perjury.



Spiros Hatiras
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?

We do not anticipate any significant implications from the federal actions we have seen so far in terms of either quality, access, or equity. Affordability is a complex issue; one we as a small stand-alone organization cannot readily assess or frankly influence. Holyoke Medical Center is already one of the lowest cost providers, in part, because of unfair private insurance payments. That is a topic which is more suitable for the insurance carriers who continue to hold on to massive reserves, the big academic medical centers with budgets that are 100-fold our budget and for MassHealth in terms of appropriate beneficiary enrollment.

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?

While Holyoke Medical Center has not entirely been spared of workforce challenges, we have been able to successfully navigate them by employing a handful of strategies. First, Holyoke Medical Center has, for the last 12 years, adopted a policy of setting our minimum wage at \$2.50 above the State minimum wage. That has allowed us to remain competitive and socially fair. Holyoke Medical Center achieved the \$15 minimum wage threshold back in 2019.

Second, for our nursing staff, which has been the biggest challenge for most hospitals, we implemented strict staffing ratios back in 2021. Our inpatient nurses

are “capped” at 5-6 patients maximum. In addition, we have implemented a 1:1 ratio of RNs to CNAs on every unit. Finally, we have a charge nurse and an educator nurse for each unit on every shift, including nights, to offer additional support to the front line nurses. While turnover among new grads remains high, we have seen significant improvement in our overall turnover rate as well as in our ability to recruit for open positions.

The biggest and most insurmountable challenge for Holyoke Medical Center, and for every other hospital in the State, is the abuse of the PFMLA. We experienced approximately 25,000 hours of leave annually prior to the enactment of the act, representing 0.82% of our total worked hours. Since 2021, the number of hours of leave has skyrocketed and is steadily increasing year over year. In 2024, that number was 493,000 hours representing 13.32% of our total hours (237 FTEs). Most of these hours are for “intermittent leave” often with poorly defined reasons which is highly unpredictable and puts tremendous strain on the system. Many of these hours have to be replaced with overtime and premium time. We strongly urge an overhaul of the law to curb inappropriate use.

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?

Without question, the prior authorization process and onslaught of denials by insurers are the most challenging for us. Some progress has been made with prior authorizations, but more needs to be done. Insurers are also increasingly using AI to deny claims often resulting in lengthy and costly appeals processes.

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?

1. Expanding Access to Primary Care

We have significantly expanded our primary care footprint with the opening of three new primary care locations in Springfield (including a walk-in clinic), Holyoke, and South Hadley, thereby improving access for patients across our service area. To meet growing demand and to reduce wait times, we have added 13 new primary care physicians and providers.

2. Same-Day and Virtual Care

To reduce barriers to timely care, we have extended clinic hours, including Saturday morning walk-in services, and expanded access through telehealth and same-day appointments. These initiatives help to improve continuity and convenience for our patients.

3. Integrated Behavioral Health

All primary care locations conduct universal screenings for depression and anxiety, with streamlined referral pathways to mental health providers. Each care team includes embedded community navigators and community health workers who work in close collaboration with our Bridge Clinic to ensure coordinated care planning between physical and mental health providers.

4. Data-Driven Patient Engagement

We leverage data analytics to proactively identify and engage patients in need of primary care; particularly those recently discharged from emergency departments or inpatient settings who do not have an established PCP. Our community navigators reach out to these patients to schedule follow-up appointments and confirm attendance, thereby improving continuity of care and reducing unnecessary readmissions and emergency visits.

5. Measuring Impact

We use both quantitative and qualitative measures to evaluate the effectiveness of these initiatives, including:

- Access Metrics: Appointment availability, panel capacity, and patient wait times
- Quality Metrics: Preventive screening rates and chronic disease control (e.g., A1C, blood pressure)
- Patient Experience: CAHPS survey results

Equity Indicators: Stratified quality and utilization data by race, ethnicity, and language

6. Policy, Payment, and System Reform Recommendations

a. Invest in Workforce Development

Provide funding for training, loan repayment, and recruitment programs to strengthen the primary care and behavioral health workforce.

b. Sustain Support for Telehealth

Ensure permanent coverage and reimbursement for telehealth services to maintain flexible, patient-centered access options.

c. Reduce Administrative Burden

Streamline and standardize prior authorization requirements to minimize care delays and clinician burnout and shorten credentialing processes to ensure timely patient access and optimal workforce utilization.

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?

We as a small independent hospital can't secure fair and equitable rates from private insurers and have received no relief on the issue of unwarranted price variance even though it has been discussed for well over a decade. It is unrealistic to expect that Holyoke Medical Center can contribute to the reduction in health care premiums. We need to look beyond the assumption that costs for actual health care services drive the premiums and also look at other drivers such as insurer overhead, surpluses, inappropriate access to public benefits, etc.

Having said that, drugs are one of the most significant drivers of overall health care costs. PBMs continue to game the system at the expense of patients, hospitals and the Commonwealth. The system of drug pricing is set up to maximize the profits of the pharmaceutical industry and the PBMs at the expense of patients and tax payers. There is a glimmer of hope based on some recent federal policies to curb drug costs. We urge the state to follow suit and demand more transparency and fair

pricing. The games of rebates, exorbitant retail pricing and the hidden flow of money needs to end. At the same time, access to 340B pricing needs to be safeguarded as it is a lifeline for safety net hospitals.

As for public payers, we need to assess the appropriateness of covered services. (For example, the HSN fund covered services are more extensive and generous than most private high end health plans). Also, appropriate eligibility for enrollment is critical and strict enforcement of eligibility criteria is very important to avoid collapsing the system. Access to public, taxpayer funded benefits needs to be strictly limited to beneficiaries who are legally eligible.

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	4
	Q2	2
	Q3	4
	Q4	24
CY2024	Q1	26
	Q2	18
	Q3	22
	Q4	17
CY2025	Q1	12
	Q2	21
TOTAL:	150	177