VOTE 1: MEETING MINUTES

Date of Meeting: April 16, 2026
Start Time: 12:00 PM
End Time: 2:15 PM

	Present?	Vote 1: Approval of Minutes	Vote 2: 958 CMR 6.00 Registration of Provider Organizations	Vote 3: 958 CMR 7.00 Notices of Material Change and Cost and Market Impact Reviews	Vote 4: 958 CMR 9.00 Assessment of Certain Heath Care Providers and Pharmacy Benefit Managers	Vote 5: Health Care Cost Growth Benchmark for Calendar Year 2027	Vote 6: Preliminary Report of the Cost and Market Impact Review of Mass General Brigham-CVS MinuteClinic Primary Care	Vote 7: Executive Session
Deborah Devaux*	X	X	X	X	2nd	X	X	X
Martin Cohen	X	X	X	M	M	X	X	X
Sandra Cotterell	X	2nd	X	X	X	2nd	X	X
Keith M Ericson	X	M	X	2nd	X	M	2nd	X
Umesh Kurpad	X	X	X	X	X	X	X	2nd
Christopher Leibman	X	X	2nd	X	X	X	X	X
Alecia McGregor	A	A	A	A	A	A	A	A
Steve Walsh	X	X	X	X	X	X	ab	X
James Willmuth	A	A	A	A	A	A	A	A
Secretary Kiame Mahaniah	X	X	X	X	X	X	X	M
Commissioner Michael Caljouw	X	X	M	X	X	X	M	X
Summary	9 Members Attended	Approved with 9 votes in the affirmative	Approved with 9 votes in the affirmative	Approved with 9 votes in the affirmative	Approved with 9 votes in the affirmative	Approved with 9 votes in the affirmative	Approved with 8 votes in the affirmative	Approved with 9 votes in the affirmative

Presented below is a summary of the meeting, including timekeeping, attendance, and votes.

***Chairperson; **Designee Present**

(M): Made motion; (2nd): Seconded motion; (ab): Abstained from Vote; (A): Absent from Meeting

Proceedings

A meeting of the Health Policy Commission (HPC) was held on April 16, 2026, beginning at 12:00 PM. The meeting was held in person at the HPC Office, 50 Milk St. in Boston. A recording of the meeting and the meeting materials are available on the HPC's website.

Participating commissioners in attendance were Ms. Deborah Devaux (Chair); Mr. Martin Cohen (Vice Chair); Ms. Sandra Cotterell; Dr. Keith Marzilli Ericson; Mr. Umesh Kurpad; Mr. Christopher Leibman; Mr. Steve Walsh; Mr. Michael Caljouw, Commissioner, Division of Insurance (DOI); and Dr. Kiame Mahaniah, Secretary, Executive Office of Health and Human Services (EHS). Commissioners who were absent were Dr. Alecia McGregor and Mr. James Willmuth.

ITEM 1: Approval of Minutes (VOTE)

Ms. Devaux asked for a motion to approve the minutes from the February 5, 2026, Board Meeting, Dr. Ericson made the motion, and Ms. Cotterell seconded it. The motion was approved by voice vote.

ITEM 2: Regulatory Updates: Chapter 342 and Chapter 343 of the Acts of 2024

Ms. Lois Johson, HPC General Counsel, provided an overview of the regulatory amendment processes and used the updates to three HPC regulations.

958 CMR 6.00 Registration of Provider Organizations

Ms. Susan-Flanagan-Cahill, Deputy General Counsel, reviewed the final proposed updates to 958 CMR 6.00 Registration of Provider Organizations, present the public comments received on the updates, and outlined the HPC's response to each comment. For more information, see slides 6-10.

958 CMR 7.00 Notices of Material Change and Cost and Market Impact Reviews

Ms. Johnson reviewed the final proposed updates to 958 CMR 7.00 Notices of Material Change and Cost and Market Impact Reviews, presented the public comments received on the updates, and outlined the HPC's response to each comment. For more information, see slides 12-20.

958 CMR 9.00 Assessment of Certain Heath Care Providers and Pharmacy Benefit Managers

Ms. Johnson reviewed the final proposed updates to 958 CMR 9.00 Assessment on Certain Health Care Providers and Pharmacy Benefit Managers. No comments were received on the proposed updates. For more information, see slides 22-25.

958 CMR 6.00 Registration of Provider Organizations (VOTE)

Commissioner Caljouw made the motion to authorize the issuance of the proposed amendments to 958 CMR 6.00 Registration of Provider Organizations, and Mr. Leibman seconded it. The motion was approved.

958 CMR 7.00 Notices of Material Change and Cost and Market Impact Reviews (VOTE)

Mr. Cohen made the motion to authorize the issuance of the proposed amendments to 958 CMR 7.00 Notices of Material Change and Cost and Market Impact Reviews, and Dr. Ericson seconded it. The motion was approved.

958 CMR 9.00 Assessment of Certain Heath Care Providers and Pharmacy Benefit Managers (VOTE)

Mr. Cohen made the motion to authorize the issuance of the proposed amendments to 958 CMR 9.00 Assessment on Certain Health Care Providers and Pharmacy Benefit Managers, and Ms. Devaux seconded it. The motion was approved.

ITEM 3: Health Care Cost Growth Benchmark for Calendar Year 2027 (VOTE)

Mr. Seltz provided an overview of the Health Care Cost Growth Benchmark modification process and a recap of HPC's Benchmark Hearing held on Wednesday, April 1, 2026 and testimony received by the HPC. For more information, see slides 30-42.

Ms. Devaux initiated the discussion for commissioners to share their reflections on the Benchmark Hearing and the setting of the health care cost growth benchmark for 2027.

Mr. Cohen reflected on the Benchmark Hearing, HPC and CHIA presentations and said hisH biggest takeaway from the hearing was the focus on the $80 billion being spent on health care and unaffordable health care costs. He noted his experience as a CEO of a small employer and that every year he would face double-digit health insurance premiums which would become unaffordable for the organization and the employees. He emphasized the importance of the benchmark and the need for balance in the health care system, especially due to the tension between small businesses, employers, and providers. Mr. Cohen recommended that the Board vote to keep the benchmark at 3.6% for calendar year 2027 and recommended that the Legislature and the HPC continue to look at options that would allow the agency to reframe the benchmark in the future.

Dr. Ericson commented on the benchmark setting process and the intended goals of the benchmark. He reviewed a slide he had put together for commissioner's consideration. Based on his own analysis, he said that health care spending was not growing faster than the state's economic growth and that over the last decade Massachusetts has succeeded in keeping overall health care costs from growing faster than the economy. He said that affordability remains to be a serious problem for families, employers, and residents of the Commonwealth and noted some specific drivers of affordability challenges in the Commonwealth such as rising Health Connector premiums, expiration of federal subsidies, high-deductible and high cost-sharing requirements, and high health care prices by providers with significant market power. Dr. Ericson said that the Commonwealth does need an affordability agenda and there are opportunities for targeted interventions that can help to lower costs. He emphasized that the HPC should not push the benchmark below the rate of economic growth, since it could have negative implications on valuable healthcare. Dr. Ericson supported maintaining the benchmark at 3.6% and suggested that the Commonwealth should improve economic forecasting methods so the benchmark could more accurately reflect the state's ability to pay for health care costs.

Mr. Leibman commented on the Benchmark Hearing and noted that one focus area that stood out to him was the affordability challenges raised during the stakeholder testimony. He said that he was supportive of maintaining the benchmark at 3.6%. He said that the legislator's involvement in the hearing was valuable since their level of engagement in the hearing made it clear that they want to improve this process and better understand investment in the health care system and what components of the system are given more value than others. He said he supports keeping the benchmark at 3.6%, noting that he would struggle to justify increasing or decreasing the benchmark based on the information currently available.

Mr. Kurpad said that he struggles agreeing with the other comments that benchmark should stay at 3.6%. Based on his study of the efficiency of health care system, he said that health care costs could be lower in Massachusetts if the delivery system was structured differently. He also acknowledged macro factors that contribute to economic growth such as job growth in Massachusetts and how other states' economies are growing much faster than Massachusetts. He emphasized the point that costs are out of control in Massachusetts and the impact that has on

families in the state. He said that the benchmark should be lower since the rate of 3.6% feeds a cost structure that is suboptimal.

Mr. Caljouw emphasized the need for commissioners to focus on taking steps to amplify the true value of the health care system for the Commonwealth's families, cities and towns, and employers. He said health care costs and premiums are way too high and affordability issues crowd out other priorities. He said that the HPC and the Commonwealth need to shift the rhetoric around health care affordability and added that the HPC's Board is well primed to tackle issues to focus on more affordable value-based care. He recommended that the benchmark should be maintained at 3.6% and emphasized the need discuss how the Commonwealth can take action on the affordability issue.

Ms. Cotterell noted that this was her first time going through the benchmark setting process and how she has been thinking about the terms of the setting the benchmark at 3.6% would mean in terms of supporting the affordability goals of the HPC and the Commonwealth. She stated her supported for setting the benchmark at 3.6% for the coming year and encouraged the Board to take the opportunity to strengthen the benchmark process. She shared the sentiment of other commissioners that the Board should spend more time and effort considering long term goals and ways that the HPC can drive change towards a more affordable health care system.

Mr. Walsh commented on the discomfort with the current state of the health care system in Massachusetts, in terms of what payer, providers, and patients have been experiencing, and how families are facing double-digit premium increases. He said the law which established the benchmark process was created using the potential gross state product so that it would be predictable. He said that the tools that are currently available are very limited, but he agreed with the previous comments that the HPC should continue the approach of looking at ways to modernize the benchmark. Mr. Walsh said that the Commonwealth should aspire to do better and that he supported maintaining the benchmark at 3.6%. He emphasized that Governor Healey and Healey-Driscoll administration, including Secretary Mahaniah, Commissioner Caljouw, legislative leadership, and Executive Director Seltz are leading the way for increased affordability and over the next several months some concrete changes could be made around affordability and access, but in the meantime, the tools and resources available are limited.

Dr. Mahaniah agreed with Commissioner Walsh's comments that tools are limited right now to adequately address the affordability challenges faced by residents of the Commonwealth. He expressed support for maintaining the health care cost growth benchmark at 3.6% and staying in line with the state's projected state revenue growth. He challenged the Commonwealth and the health care system to maximize efficiency while working toward slowing health care spending growth. He also vocalized his appreciation for the participation of the Joint Committee on Health Care Financing in the benchmark hearing and being able to hear their concerns with the current state of the health care system.

Ms. Devaux thanked the Board for their reflections and comments on the benchmark for calendar year 2027. She reflected on the value of the benchmark and the importance of the public process of setting a statewide target for health care cost growth. She thanked commissioners for raising the idea of modernizing the benchmark framework as a way to ensure that the benchmark process aligns with and reflects any changes in the health care sector since its establishment.

Ms. Devaux asked for a motion to set the health care cost growth benchmark for calendar year 2027 at 3.6%. Dr. Ericson made the motion, and Ms. Cotterell seconded it. The motion was approved by voice vote.

ITEM 4: Market Transactions Reviews

Mr. Seltz introduced the presentation for the Preliminary Cost and Market Impact Review Report for Mass General Brigham and CVS MinuteClinic Primary Care and turned to Ms. Kate Scarborough Mills, Senior Director, Market Oversight and Transparency, and Ms. Megan Wulff, Director of Market Oversight and Monitoring.

Preliminary Cost and Market Impact Review (CMIR) Report: Mass General Brigham–CVS MinuteClinic Primary Care (VOTE)

Ms. Wulff began the presentation on the Preliminary Cost and Market Impact Review (CMIR) Report for Mass General Brigham (MGB) and CVS MinuteClinic Primary Care (CVS). For more information, see slides 44-88.

Ms. Cotterell asked about the immunizations that take place in CVS pharmacies, which would be excluded from this affiliation, and if that service would still continue. Ms. Wulff confirmed that vaccines that were able to be administered by a pharmacist would remain at CVS, for patients five and over.

Dr. Ericson asked about the non-claims expenditures that would be increasing under the first mechanism of spending impacts. Ms. Wulff responded that provider organizations who are responsible for panels of primary care patients receive payments such as infrastructure payments, efficiency payments, and financial and quality incentive payments from payers.

Dr. Ericson asked what could be anticipated to happen to MGB's prices after the expansion, and whether average prices would go down or if prices for other services would go up because of the expected change in market power. Ms. Wulff said that prices for physicians and Advanced Practice Practitioners (APPs) are set concurrently with APP prices usually set at a percentage of the physician rate for each service. She noted that the HPC's estimate of the spending impact is conservative since they are not estimating the potential incremental impact of MGB's increasing primary care footprint overall, which may increase MGB's bargaining leverage for prices for both its primary care physicians and APPs. Mr. Caljouw added that historically price pressures have been inflationary not deflationary.

Dr. Mahaniah asked if the HPC had an idea as to how much of the estimated $27.7 million in combined increases in claims and non-claims spending would be from individuals who would appropriately access care but do not currently have access or what percentage of that increase included patients who did not have a primary care provider before. Ms. Wulff said that the HPC has not yet been able to confirm a specific percentage of spending in this category, but the HPC's modeling accounted for patients who choose to join the MGB network and get a primary care provider. She said that some of the changes in spending may be changes in utilization the patients are anticipating that may be similar to what may happen for MinuteClinic primary care. She noted that the increased per-patient spending is not broken out into price and utilization effects, but that the analysis looked at other patient populations who moved from not having a primary care provider to having a PCP with another large provider organization in the state, which allows comparison of spending changes for patients who chose an MGB PCP as opposed to a PCP with another network, reflecting primarily price. Mr. Seltz said that mechanism number one demonstrates spending impacts of a patient moving from not having a PCP to having a PCP: spending, utilization, and pricing patterns change as they are receiving care in a different way,. In mechanism two, HPC is modeling the same services that Minute Clinic has been providing to patients but repriced at the MGB rates.

Dr. Mahaniah asked about the parties' decision to eliminate pediatric services, if that decision was made in an effort to streamline care for adults and if CVS would later add back in pediatric care. Ms. Wulff said that the HPC did not have information that explained CVS's motivation behind the decision and added that could be an area where the parties provide more information in their response to the preliminary report.

Mr. Kurpad asked whether there were specific types of patients and insurance types that would be particularly impacted by the proposed transaction. He recommended possible guardrails around the transaction that could balance the need to improve access and the cost of care with the spending impacts. He suggested one guardrail could be that the parties have the same fee schedule for the next three to five years, and at the end of that period of time the parties must demonstrate a specific panel size or a high proportion of MassHealth members served before

the parties can increase their fee schedule, in order to ensure access benefits accrue to MassHealth patients and commercial spending impacts are mitigated.

Mr. Seltz stated that some of Mr. Kurpad's interests would be addressed in the access and quality portion of the presentation and be able to share a little bit more about the population served. Ms. Wulff added that the HPC has the authority to require information from the parties for up to five years after the transaction, and the HPC would plan to monitor certain metrics, including payer mix, as MGB and CVS continue to move through the process, if the transaction were to move forward. Ms. Scarborough Mills underscored that the three mechanisms being presented were focused on commercial spending impacts and are based on the anticipated changes for commercial patients.

Mr. Kurpad stated that one of his concerns is ensuring MassHealth members are getting PCPs. Ms. Wulff responded that the parties have said that they hope to expand access to government payer populations as part of this transaction. Ms. Wulff also mentioned that a later part of the presentation includes the HPC's analysis of the current MinuteClinic sites and which of them are in particularly underserved areas. She said the HPC recommends the parties consider prioritizing those sites for transition in order to have the greatest impact on MassHealth patients and other underserved communities.

Ms. Cotterell asked how community health centers were included in the analysis of other convenience care providers patients would use as alternatives to MinuteClinic. Ms. Wulff responded that she would look into those data and follow up.

Dr. Ericson commented that in terms of a decision to refer the report to the Attorney General's Office and the Department of Public Health, it will be important to understand how the transaction would affect MGB's market concentration for APP services or primary care services more generally, given the suspicion that MGB's market share is high and would become higher. He stated that numbers on concentration would be helpful to include in the final report. Ms. Wulff responded that in the future, HPC will have some of the tools necessary to be able to quantify market concentration that includes APPs through the RPO program. She added that the decision of whether the Board refers a CMIR to the AGO or DPH occurs in the final report stage.

Dr. Mahaniah asked about the possibility of MGB and CVS integrating prescription of controlled substances within the primary care practices in the future. He acknowledged that prescribing certain controlled substances may be done incrementally, but noted that it would be valuable for the parties to elaborate on the expected evolution of their prescribing ability overtime. Chair Devaux noted that it would be reasonable to compare the expected prescribing capacity to other MGB practices receiving the same prices. Dr. Mahaniah replied that he understands the parties' planned model would be in some ways novel, so a direct comparison might not be right, but if they're creating something new he would like to see the evolution include some gender-affirming care and behavioral health prescribing, if not all on day one. Ms. Wulff said that the parties noted that they did not plan to hold a Massachusetts controlled substance registration but welcomed more information from the parties.

Mr. Walsh recused himself from both the deliberation of the preliminary report and the vote on the issuance of the preliminary report and said he would rejoin the meeting at the conclusion of the discussion.

Mr. Cohen noted his concerns with the proposed primary care model not fully integrating behavioral health into primary care services, despite evidence that behavioral health integration can help reduce costs. He questioned whether there is a long-term plan to make this new model of primary care more comprehensive, particularly with respect to behavioral health and substance use services. Mr. Cohen expressed some concern about the reduction in pediatric access through MinuteClinic locations and the impact on families. He said that while the parties have suggested that pediatric services could return over time, there is need for greater clarity about how and when that may happen. He acknowledged the parties' efforts to address the primary care shortage through an innovative approach but noted that the model provides a more limited scope of primary care while being reimbursed at rates comparable to full primary care practices. He also said that he would be interested in understanding staff turnover

rates at MinuteClinics and suggested closely monitoring experiences in other states where similar models are already being implemented.

Mr. Caljouw thanked HPC and CHIA staff for their work on the preliminary CMIR report and acknowledged the new ideas proposed by the parties to address the shortage of primary care options in Massachusetts. He said that while this proposed model may not be perfect and there will be other primary care reform options outside of this proposed transaction, he appreciated the parties' attempt to help alleviate burden of the primary care shortage in the Commonwealth. Mr. Caljouw expressed support for the proposal but noted his concerns about the potential impact on commercial health care spending and the possibility of increased spending resulting from greater patient volume at higher-priced sites of care as well as the repricing of convenience care services. He also suggested that if the HPC implements monitoring and reporting requirements following this transaction, it should clearly define the specific metrics and outcomes that will be tracked in the full report. He recommended monitoring total medical expenditures (TME) both before and after implementation, for the affected patient population and surrounding service areas, in addition to implementing some guardrails and yearly accountability metrics and measures for the parties and would support the HPC's broader affordability goals.

Mr. Kurpad said that staff should consider how to frame the report through the lens of what the HPC thinks needs to happen in order for the Commonwealth to benefit from the transaction in the long run. He encouraged the HPC to lay out the conditions and agreed with the previous comments on establishing metrics the HPC could measure over time. He asked HPC staff to consider adding a section into the final report which expands on the HPC's perspective and details what would make the proposed transaction result in value for the Commonwealth.

Mr. Leibman agreed with Mr. Kupad's point that the language used in the report and the presentation could be revised and include some perspective on areas to watch should the transaction move forward. He noted the relative certainty of language describing cost impacts and relative uncertainty of language describing quality and access impacts, and said that the difference in language could be representative of levels of confidence in some of the findings. He emphasized the value of the HPC knowing not just the changes in cost of care over time, but also whether the parties start to achieve the goals that they set out to accomplish with this transaction. He added that the costs associated with the transaction would be reasonable if it expanded primary care in a variety of ways and provided a better access to community.

Ms. Wulff agreed with Mr. Leibman's characterization of the varying levels of confidence the HPC had in its assessment of the potential impacts of the proposed transaction. She added that HPC staff do not intend to balance out the costs and benefits explicitly against one another. She said that the transaction presents a significant opportunity to improve access to primary care, but it is difficult to predict with confidence how it will ultimately affect access because it represents a new model of care.

Ms. Devaux briefly summarized concerns of the commissioners and the recognition of the need for increased primary care capacity in the state and she recognized the effort by CVS MinuteClinic and MGB to bring about a significant increase to the state's capacity. She acknowledged the parties' commitment and expertise on the issue but emphasized that the transaction is not solely focused on intent, but whether the proposed model can successfully achieve its goals. She said that she appreciates how the parties have been clear about what they are not going to do, such as changing the percentage of commercially insured patients served and not intending to have fully integrated behavioral health.

Dr. Ericson said that while the transaction would have its own benefits and tradeoffs in terms of access and costs, a future decision that the HPC would eventually face is, if the parties were referred by CHIA in future, a performance improvement plan would be required, which would be more likely if the transaction were to increase spending. He said having clearer guidance on how the parties would be evaluated in such a case would be valuable for them. Ms. Cotterell echoed the points of Dr. Ericson and the importance of knowing what success would look like and key performance indicators that the parties should be looking at to help inform their future decisions.

Ms. Devaux acknowledged the comments of the other commissioners, noting that it would be helpful for CVS and MGB to crystallize their vision for the fully developed system and what it will look like, while acknowledging that it could take a few years to make possible.

Mr. Seltz commented on the difference between the preliminary CMIR report and the final report and how there will be an opportunity to include some of the points made by commissioners throughout the discussion. He said the final report is typically where the HPC will include more of its point of view about what success may look like or include items about what the agency will be tracking over the next five years and various reporting measures. The preliminary report is more of a presentation of the facts and used as an opportunity for the parties to provide their response and make any commitments, which HPC staff take into consideration before issuing the final report.

Ms. Wulff shared a brief overview of the timeline for the CMIR before Ms. Devaux handled the vote to approve the issuance of the Preliminary CMIR Report for Mass General Brigham and CVS MinuteClinic Primary Care. Mr. Caljouw made the motion, and Dr. Ericson seconded it. The motion was approved with one abstention.

Mr. Seltz acknowledged the cooperation and participation in the intensive CMIR review process and thanked them for their cooperation.

ITEM 5: Executive Director's Report

Ms. Coleen Elstermeyer, Deputy Executive Director, began the Executive Director's Report with an update on the HPC's new investment opportunity, Promoting Appropriate Transitions to Home (PATHways), an update on the Black Maternal Health Week 2026, the HPC's recent and upcoming publications including the upcoming MassUP Investment Program Evaluation Report, and a reminder of the Behavioral Health Workforce Center's upcoming inaugural event "Behavioral Health Care Under Pressure in Massachusetts" on Thursday, May 7. For more information, see slides 101-107.

ITEM 6: Schedule of Upcoming Meetings

Ms. Elstermeyer previewed the HPC's upcoming public meetings noting the next HPC Board meeting on Thursday, June 11 at 12:00 PM via Zoom.

ITEM 7: Executive Session

Ms. Devaux handled the vote for commissioners to enter a confidential Executive Session. Dr. Mahaniah made the motion, and Mr. Kurpad seconded it. The vote was taken by a roll call, and the motion was approved unanimously. The Board did not return to the public meeting upon the conclusion of the Executive Session.

ITEM 8: Adjourn

The public meeting adjourned at 2:15 PM