DRAFT – Not Officially Approved Due to HPC Board Membership Changes per Chapter 343 of the Acts of 2024

NOTE: As of July 1, 2025, Chapter 343 of the Acts of 2024 amended the composition of the Massachusetts Health Policy Commission (HPC) Board and appointment terms for members.

The HPC Board meeting held on June 5, 2025 was the final convening of the HPC Board of Commissioners prior to the effective date of the relevant section of Chapter 343 of the Acts of 2024. The meeting minutes from the June 5, 2025 Board meeting were not approved by commissioners at a subsequent meeting, since following the change in membership there was no longer a quorum of members who had attended and could approve them.

The meeting minutes below are considered to be in draft form and should not be circulated without approval from the HPC.

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VOTE 1: MEETING MINUTES

Date of Meeting: June 5, 2025
Start Time: 12:30 PM
End Time: 2:57 PM

	Present?	Vote 1: Approval of Minutes (April 17, 2025)	Vote 2: Beth Israel Lahey Health: Retrospective Cost and Market Impact Review of Merger
Deborah Devaux*	X	X	X
Martin Cohen	X	X	M
Matilde Castiel	X	M	X
Karen Coughlin	X	X	2nd
David Cutler	X	X	X
Patricia Houpt	X	2nd	X
Ron Mastrogiovanni	X	X	X
Alecia McGregor	A	A	A
James Willmuth	X	X	X
Secretary Kate Walsh or Kiame Mahaniah (Designee)	X	X	X
Secretary Matthew Gorzkowicz or Dana Sullivan (Designee)	X	X	X
Summary	**10 Members Attended**	**Approved with 7 votes in the affirmative**	**Approved with 10 votes in the affirmative**

Presented below is a summary of the meeting, including time-keeping, attendance, and votes.

*Chairman

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

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Proceedings

A meeting of the Health Policy Commission (HPC) was held on June 5, 2025 at 12:30PM. Commissioners attended the meeting in person at the HPC's office (50 Milk St. 8th Floor). A recording of the meeting and the meeting materials are available on the HPC's website.

Participating commissioners who attended virtually were Ms. Deborah Devaux (Chair); Mr. Martin Cohen (Vice Chair); Dr. Matilde Castiel; Ms. Karen Coughlin, Dr. David Cutler; Ms. Patricia Houpt; Mr. Ron Mastrogiovanni; Mr. James Willmuth; Ms. Dana Sullivan, Designee for Secretary Gorzkowicz, Executive Office of Administration and Finance (ANF); and Undersecretary Kiame Mahaniah, Designee for Secretary Walsh, Executive Office of Health and Human Services (EHS).

Ms. Devaux began the meeting and welcomed the commissioners, staff, and members of the public viewing the meeting on the livestream and provided an overview of the topics on the Board meeting agenda.

ITEM 1: Approval of Minutes (VOTE)

Ms. Devaux managed the vote to approve the minutes of the April 17, 2025 Board meeting. Dr. Castiel made the motion to approve the minutes, and Ms. Houpt seconded it. The vote was taken by a voice vote. The motion was approved.

ITEM 2: Recognition of HPC Board Members

Ms. Devaux began the meeting recognizing Dr. Cutler and his retirement from the HPC Board. Ms. Devaux acknowledged Dr. Cutler's tenure on the HPC Board as the appointed member who serves as a health economist and thanked him for over 12 years of service on the HPC Board of Commissioners and to the Commonwealth.

Ms. Devaux also acknowledged the composition changes to the HPC Board effective July 1, 2025. She acknowledged the changes to the Board composition including the three commissioners whose roles are being transitioned off the commission with the new health care laws going into effect. Ms. Devaux acknowledged Dr. Castiel, the appointed member who is a primary care physician, Ms. Houpt, the appointed member with demonstrated expertise as a purchaser of health insurance representing business management, and Ms. Sullivan, designee for Secretary Gorzkowicz, ANF, who serves as an ex-officio member of the Board.

Mr. Seltz provided remarks on the Board composition changes and thanked each of the commissioners, whose terms were ending, for their service to the HPC and the Commonwealth. Mr. Seltz turned to Dr. Cutler who shared remarks reflecting on his time as an HPC Commissioner.

ITEM 3: Implementation Updates: Chapters 342 and 343 of the Acts of 2024

Ms. Devaux turned to Ms. Coleen Elstermeyer who provided a brief overview of the key legislative components of Chapters 342 and 343 of the Acts of 2024 and impact on the HPC. Ms. Elstermeyer introduced the HPC's new Office of Pharmaceutical Policy and Analysis (OPPA and introduced Dr. Matthew Frank as the new Director of OPPA. Ms. Elstermeyer then shared an overview of the HPC's latest DataPoints Issue #29 focused on Polypharmacy Trends in Massachusetts.

Ms. Elstermeyer introduced Ms. Kara Vidal as the new Director of the Office of Health Resource Planning (OHRP). Ms. Elstermeyer turned to Ms. Vidal to present an overview of OHRP, ongoing workstreams, and focus areas for the office. Ms. Vidal also shared an update on the Massachusetts Registration of Provider Organizations (MA-RPO) program and filing updates for 2025. For more information, see slides 8-24.

Mr. Cohen said that there is a considerable amount of health planning done within the state. He noted that the Department of Mental Health (DMH) has a state mental health plan and the Department of Public Health (DPH), through the Bureau of Substance Addiction Services (BSAS), has a state health plan on substance use disorders. He asked how OHRP intends to integrate the ongoing state health planning efforts into the office's workstreams. Ms. Vidal responded that she is aware of these ongoing health planning efforts and that OHRP presents a great opportunity to aggregate and recommunicate some of the health planning work done within the state. She emphasized that OHRP does not want to duplicate those efforts when developing a State Health Resource Plan. Ms. Vidal said that as OHRP is considering various focused assessment areas, the office can examine where the work is already being done within the state and where the HPC could provide additive value that another office could benefit from as well.

Ms. Houpt asked for clarification on how the HPC can act on recommendations made in the State Health Resource Plan. Ms. Vidal responded that the State Health Resource Plan may clearly establish where there is need within the health care system or where there needs to be a redistribution of resources. She said that the office will also consider the tools the state currently has in place that can influence health care supply and potentially try to orient the office's work towards some of those existing tools. Mr. Seltz added that some of the existing tools in place that could be utilized at the state level is the determination of need (DoN) program, which could incorporate the findings of the State Health Resource Plan in determining whether a proposed service is needed, or which would possibly create a streamlined application process for services or geographies with unmet need. He also said that MassHealth, as well as the Group Insurance Commission, are major payors in Massachusetts and can influence provider behavior based on their reimbursement policies. He added that OHRP can utilize the levers of other state agency partners to influence policy. Ms. Houpt followed up with a question regarding state capacity issues. She used the example of the state having a back-up of routine colonoscopy appointments in one area but having capacity for these appointments in a different region; and asked if OHRP could assess where there is need to reallocate supply or reassess how service is delivered. Ms. Vidal responded affirmatively that OHRP will want to assess and ask why some regions are over capacity while others are under capacity. She said that the office will aim to understand the drivers of why that is the case and how to possibly redirect services to a different region in need of a particular service.

ITEM 4: 2025 Health Care Cost Trends Report Preview: Improving Affordability and Predictability in Cost Sharing

Mr. Seltz introduced the topic and shared a brief overview of the 2025 Health Care Cost Trends Report which will have a special focus area around consumer affordability and cost sharing in the commercial market. Mr. Seltz turned to Ms. Sara Sadownik, Deputy Director, Research and Cost Trends, to begin the presentation and shared additional background on the presentation topic. For more information, see slides 26-84.

Ms. Sadownik turned to Ms. Yue Huang, Senior Manager, Research and Cost Trends, to present the HPC's analysis of trends in cost sharing in Massachusetts among patients with commercial insurance and share a spotlight on key settings of care. Ms. Huang turned back to Ms. Sadownik to share an overview of the policy considerations included in the presentation.

Ms. Devaux asked a clarifying question regarding the policy considerations for deductibles and co-insurance; specifically, if a patient's share of total cost sharing ends up being the same as their deductible, the form of the patient's payment is a better fit as co-payment. Ms. Sadownik responded affirmatively that the policy consideration suggests a redistribution of the forms of cost sharing is better for patients, within the same actuarial value. Ms. Devaux acknowledged that while co-payments would not solve the full scope of cost predictability issues, it would

help patients better understand their cost sharing and the value of the services they receive. Ms. Sadownik responded that it would be a dramatic improvement for patients to be aware of the individual costs of service upfront instead of getting billed hundreds of dollars for that same service later on. Ms. Sadownik then shared examples of innovative cost sharing benefit designs in the public and private insurance sector.

Mr. Mastrogiovanni commented that it would be beneficial for payers to be transparent with consumers regarding estimated or approximate out of pocket costs based on a patient's age, gender, and health conditions, dependent on if they have a particular policy, whether it be a PPO, HMO, or HDHP. He said that it could be worth exploring what percentage of consumers have a Health Savings Account (HSA) since that helps people manage how much they will be spending on an annual basis for health care.

Ms. Devaux commented that reducing spending growth is the key to addressing cost sharing for patients and recognized the constructive ideas outlined in the presentation, which could make cost sharing more predictable and affordable for consumers. She commented that it would be helpful to get more feedback on the considerations outlined in the presentation in advance of the Cost Trends Hearing to get a better understanding of the practical realities of how these proposed changes could impact the consumer and have an idea of who would benefit from these changes. Ms. Sadownik acknowledged Ms. Devaux's point and added that the proposed model of consumer-friendly benefit design should be a choice for patients, recognizing that some consumers with a HDHP with an HSA or generous employer contribution may not need this model of benefit design and that the proposed benefits design could be beneficial for people under different circumstances. Ms. Devaux said that it would also be helpful to know the characteristics of a group or individual who would want a particular health care benefit design or who a simplified co-pay design would work for. Mr. Seltz added that the idea that people can have that choice of a consumer friendly benefit design ties to Commissioner Mastrogiovanni's point about how consumers can be supported and receive the right types of information to make informed choices for their health plans. He also said that the modeling scenarios shared in the presentation are to demonstrate how these health plan changes could be possible.

Dr. Cutler commented on the high rate of premium increases for health plans and noted that he is also witnessing similar rate increases at Harvard University. He said that he has been informed that the major reason for those increases comes from GLP-1 agonists, he asked if that could also be the case around the Commonwealth and if there could possibly be an innovative design around GLP-1s and health plans. He also commented that an alternative to insurers publicly having their cost sharing information online, so consumers can access that information before seeking out care, could be use of AI to estimate costs for the consumer. He said the commission could consider pushing insurers to make greater use of AI services so their customers can have an estimate of how much their co-pay or deductible would be given their current health plan and services needed. Ms. Sadownik responded that the use of AI for cost sharing predictability is an interesting idea and could be helpful especially for patients who have longer episodes of care. Mr. Seltz added that he thinks there is a role for providers in using AI to determine the costs of services, especially since providers are often the point of contact for patients to ask about the expected costs of a health care procedure. He added that the legislature has been considering legislation to push the idea forward. Dr. Cutler acknowledged that insurers and providers would need access to the necessary technology to be able to look at a consumer's cost-sharing in a given year and be able to tell the patient how much a given service would cost.

Ms. Houpt commented that another increasing area of cost for the consumer is the percentage that the employee is required to contribute to their premium for an employer sponsored health plan, she added that the increase in employee contribution causes consumers to choose the lowest priced option for them. Ms. Houpt added that increased communication with employees around first dollar benefits, guaranteed under the Affordable Care Act, for preventive care and services is very important. She also acknowledged the recommendation of changing deductibles into co-payments but noted that many health plans are doing both simultaneously, so consumers will

often have a co-pay and a deductible payment. Ms. Houpt said that she is a proponent of first dollar care because enough research has shown that postponed care leads to patients receiving care in higher cost environments like the emergency room and added that $0 copays for primary care services would be significant for consumers.

Ms. Sullivan said she appreciated that the presentation examined income brackets in terms of the differences in cost sharing and that she would be interested to see data based on age range as well. She noted that as a parent of young children, who are high utilizers of various medical services, it would be interesting to see how that ties into cost sharing. She said she would imagine there would be higher cost sharing among younger children, which would put an increased burden of cost sharing onto families, in addition to aging individuals who may require more complex care requiring more imaging or labs. Ms. Sullivan said it would be interesting to see how that could possibly have an impact in the benefit design space.

Mr. Cohen said that he appreciates the various types of services outlined on slide 45 in the presentation and asked if the research could possibly include behavioral health as a service type. He added that given the risk that federal parity laws may disappear as well as the fact that some of the biggest out-of-pocket expenses come from clinical providers opting out of insurance coverage, many people have to pay out-of-pocket for those services. Ms. Huang responded that many behavioral health services are lumped under the E&M category, such as services for psychotherapy, and noted that staff could break down the services in the E&M category further.

Dr. Castiel commented that it is important to take providers into account when looking at cost sharing, noting that different providers will approach care in different ways. She said that some providers may do multiple tests for bacterial vaginosis, for example, but other providers may do just one test. She also said that due to limited time providers have to focus on preventive care, providers are often addressing problems as they arise with patients, since many patients do not come in on an annual basis for preventive care.

Ms. Sadownik turned to Dr. Sasha Albert, Associate Director, Research and Cost Trends, to present on the second part of the presentation focused on cost sharing for ACA preventive services. Mr. Seltz noted that in the interest of time, this part of the presentation would focus primarily on preventive visits and the prevalence of problem-based visits.

Mr. Mastrogiovanni commented that given the complexity of the health care system, some patients who should not be charged for preventive services are still being charged for those services. Dr. Albert acknowledged that is symptom of the larger problem of how complicated the entire health care system is as a whole. Mr. Seltz added that he has heard anecdotally from individuals that they will often receive a bill for a preventive service and when they contact their insurance company they are told to reach out to their provider to update the billing codes, so now patients are at the center of the conversations around transferring and updating billing codes. Dr. Albert added that not only are patients bearing an unexpected financial burden from preventive visits, but they are also bearing an unexpected administrative burden.

Ms. Sullivan asked if there have been any changes to how providers are noticing this issue, adding that she received a note from her child's provider in advance of an appointment stating that if any additional issues were brought up during a preventive visit, she would have a co-pay. Dr. Albert said that the presentation cites a couple of examples of providers doing something similar, since they are aware this is a source of confusion for patients and are trying to mitigate that confusion.

Undersecretary Mahaniah said that from a provider standpoint, some of these issues around unexpected billing stems from the system itself. He said that given the time pressure and constraints that providers face, providers will often utilize incentives within the system that decrease the time it takes for them to test and interpret results for patients, which may not be covered in a preventive service visit.

ITEM 5: Market Transaction Reviews

Notices of Material Change

Ms. Kate Mills, Senior Director, Market Oversight and Transparency, provided an update on the material change notices (MCNs) received since the last Board meeting. For more information, see slides 87-88.

UMass Memorial Health: Proposed Transactions

Ms. Mills presented an in-depth review of the proposed transaction between UMass Memorial Medical Center (UMMHC) and Marlborough Hospital, which the HPC elected not to proceed further with a Cost and Market Impact Review (CMIR), and shared background on the parties. For more information, see slides 90-97.

Mr. Cohen commented that while he understands the logic of not conducting a CMIR for this transaction, he is concerned that the HPC will see similar kinds of transactions by AMCs with community hospitals as a way to raise rates.

Ms. Devaux asked if this type of transaction has occurred before in Massachusetts in terms of a higher cost AMC acquiring a community hospital and merging the license. Ms. Mills responded that the HPC has not seen this exact scenario play out in the past, noting that there have been mergers of different hospital campuses but changing a community hospital to be part of an AMC license is new to the HPC.

Dr. Cutler commented that based on his recollection of the HPC's Cost Trends Hearings, UMass Memorial has stated on multiple occasions that they do not have the scale or resources to do population health management or alternative payment models. He added that regardless of the result of the transaction, that would no longer be the case for UMass. He said that UMass is a sufficiently big health care system and the HPC should pay close attention to what is going on at UMass. He added that staff could possibly consider a retrospective CMIR on their two prior acquisitions and look closer at their payment models since their price increases are significant for those who need health care in central Massachusetts. Ms. Devaux agreed and added that this concern does not stem from individual steps UMass has taken for innovation and restructuring purposes, but it is the cumulative effect that none of the innovations are moving in the direction of decreasing costs or keeping costs stable; instead, they are increasing costs that are already on the high end. She agreed with the commissioners who expressed concern about the overall cost of care at UMass and cost increasing in the future.

Ms. Mills then shared an overview of the other MCNs currently under review by the HPC.

Beth Israel Lahey Health: Retrospective Cost and Market Impact Review of Merger (VOTE)

Ms. Mills shared background on the Department of Public Health's (DPH) request for the HPC to conduct a five-year retrospective CMIR, examining the impacts of the formation of Beth Israel Lahey Health. Ms. Mills noted that this would be the first retrospective CMIR for the HPC and it would examine the health care spending, market dynamics, quality of care and equitable access to care. She also shared a brief overview of the timeline for CMIR review. For more information, see slides 99-101.

Ms. Devaux said that the vote to authorize the initiation of this CMIR is slightly different from past votes to initiate a CMIR, noting that this vote acts as receipt and confirmation of DPH's request. Ms. Devaux managed the vote to authorize the initiation of the CMIR of the creation of Beth Israel Lahey Health. Mr. Cohen made the motion, and Ms. Coughlin seconded it. The vote was taken by a voice vote. The motion was approved.

ITEM 6: Moving Massachusetts Upstream (MassUP) Investment Program: Final Report

Mr. Seltz recognized the limited remainder of time left in the public meeting for the presentation on the Moving Massachusetts Upstream (MassUP) Investment Program Final Report. Mr. Seltz noted that the presentation of the MassUP evaluation results and the completed final report will be shared at a future Board meeting.

ITEM 7: Executive Director's Report

Mr. Seltz began the Executive Director's report with an overview of the first Maternal Health Access and Birthing Patient Safety Task Force (MHTF) meeting held on April 2 and the upcoming workstreams of the MHTF. He also shared an overview of the first Primary Care Access, Delivery, and Payment Task Force (PCTF) meeting held on April 16 and the first PCTF Workgroup meeting held on May 20 as well as the upcoming workstreams for the task force and related workgroups.

Mr. Seltz turned to Ms. Hannah Kloomok, Chief of Staff, to share an update on the HPC's Summer Fellowship program and introduce the 2025 Summer Fellow cohort. Ms. Kloomok also announced the upcoming AcademyHealth 2025 Annual Research Meeting and the HPC's submissions to the research conference.

ITEM 8: Adjourn

Mr. Seltz provided closing remarks, noting the next HPC Board Meeting would be held on July 24, 2025.

The meeting adjourned at 2:57 PM