



2024 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 [2024 Annual Health Care Cost Trends Hearing](#).

On or before the close of business on **Monday, November 4, 2024**, 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 2023, 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.

You are receiving 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 either HPC or AGO 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 2024 HEALTH CARE COST TRENDS HEARING: PRE-FILED TESTIMONY

The Massachusetts Health Policy Commission (HPC), along with 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 2024 Health Care Cost Trends Hearing will take place in a period of significant upheaval and reflection for the Commonwealth's health care system. The bankruptcy and dissolution of Steward Health Care, previously the third largest hospital system in Massachusetts, led to substantial disruptions to the state's health care market and has taken a significant toll on communities, patients, provider organizations, and health care workers across the region. This market instability is occurring while many providers across the health care continuum are still struggling to adapt to a post-pandemic "new normal" state, wrestling with capacity constraints, financial volatility, administrative burdens, and workforce recruitment and retention challenges.

At the same time, an increasing number of Massachusetts residents are struggling with health care affordability and medical debt. Massachusetts has the second highest family health insurance premiums in the country. The average annual cost of health care for a family exceeds \$29,000 (including out of pocket spending). Recently, more than half of residents surveyed cited the cost of health care as the most important health care issue, far surpassing those that identified access or quality. Due to high costs, 40 percent of survey respondents said they are putting off seeing a doctor or going to a hospital. These affordability challenges are disproportionately borne by populations of color, and those in Massachusetts with less resources, contributing to widening disparities in access to care and health outcomes. The annual cost of inequities experienced by populations of color in Massachusetts is estimated to exceed \$5.9 billion and is growing every year. These challenges require bold action to move the health care system from the status quo to a new trajectory.

This year, in the wake of the considerable harm caused by the bankruptcy of Steward Health Care and other recent market disruptions, the HPC is focusing the 2024 Cost Trends Hearing on moving forward, from crisis to stability, and building a health care system that is more affordable, accessible, and equitable for all residents of Massachusetts.

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 annual 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.

QUESTIONS FROM THE HEALTH POLICY COMMISSION

1. Reflecting on the health care market disruptions in Massachusetts in recent years, including the bankruptcy of Steward Health Care and related closures, what have been the most significant impacts of these disruptions on the patients and communities your organization serves, particularly with regard to equitable and affordable access to care? What have been the most significant implications for your organization and workforce?

Recent disruptions are largely the result of financial pressures, although the Steward bankruptcy was the result of many internal issues and decisions made within that organization. Saint Vincent Hospital (SVH) has been successfully able to handle incremental patient care needs from the closure of the OB unit at UMass's Leominster hospital as well as the full closure of Nashoba Valley Hospital. SVH has also successfully collaborated with Heywood / Athol to help them from a transfer standpoint for services that they do not have locally and are unable to find at other Central Mass hospitals.

SVH has reported CHIA data since data was first requested. We have invested in behavioral health, growing from 12 to 20 beds during the pandemic. We have always owned and invested in our own property in Massachusetts, which has given us financial stability. Our increased behavioral health inpatient beds are in addition to our 8-bed behavioral health unit in our Emergency Department as well as our Partial Hospitalization Program, which provides an easy transition for patients who are being discharge from the inpatient beds or serves as an alternative to those who aren't appropriate for inpatient care. In addition, we pay taxes and are the third largest taxpayer for the City of Worcester, supporting many essential city services.

2. Please identify and briefly describe any policy, payment, or health care market reforms your organization would recommend to better protect the Massachusetts health care system from predatory actors, strengthen market oversight and transparency, and ensure greater stability moving forward.

Require all organizations to report to CHIA annually, which we have done since the inception of CHIA. Rate parity between academic hospitals and community hospitals would greatly improve the financial health of community hospitals. Saint Vincent Hospital has always been the value provider in Central Massachusetts, offering high quality at a lower price point, however for many payers SVH is 20-30% below academic medical center rates. Considering SVH provides many of the same high acuity services at similar or better quality of care levels, the gap in payment is too large.

3. Reflecting on consistent HPC findings showing increasing health care affordability challenges, growing difficulties accessing needed care, and widening health disparities based on race, ethnicity, and income among Massachusetts residents, what are your organization's top two to three strategies for addressing these trends? What are the most significant challenges to implementing these strategies?

The 1115 Waiver and its associated ACO have helped ensure hospitals pay more attention to healthcare affordability, access, and equity. Due to the maze of federal and state requirements across programs, we are finding that the requirements of the ACO are becoming more onerous each quarter. While we are proud to serve our diverse community, it is worth considering if hospitals should need to hire additional full-time employees to coordinate the data needed to comply with the ACO requirements, and it certainly adds cost to the healthcare delivery. We are concerned that in future years, we will need even more hours dedicated to comply with the paperwork requirements of this ACO. When there are pay for performance goals with multiple payers already and so much administrative work required to get pre-certs and other requirements to be paid properly, the ACO is yet another layer of administrative complexity that adds cost to hospitals without an equivalent offset in revenue.

4. Please identify and briefly describe any policy, payment, or health care system reforms your organization would recommend to achieve a health care system that is more affordable, accessible, and equitable in Massachusetts.

It is important for healthcare providers, insurers, regulators, and all stakeholders to continue to focus on equitable and sustainable rates for community hospitals to ensure the continuation of affordable quality care, especially for underserved populations. Better rate parity between academic medical centers and community hospitals would allow more community hospitals to offer higher acuity services and services that are low paying but needed by the community, like obstetrics and behavioral health. Keeping healthcare local through the support of community hospitals would help control costs, as patients would not utilize high dollar academic medical centers for care that can easily be done at community hospitals.

As the Legislature considers further reforms, we thank them for past financial support for maintaining hospital staffing and critical services, especially behavioral health, which has a chronic shortage of available beds throughout the Commonwealth. Our affiliated behavioral health facility, Leonard Morse Hospital in Natick, serves patients from across the state despite a continuing shortage of staff

and openings. A lack of behavioral health beds leads to boarding of patients in acute care hospitals as they await placement, placing further strain on resources.

The Legislature has been considering healthcare reform measures, including further financial disclosure to CHIA, expanded review authority by the HPC, and restrictions on private equity investment in health care. We favor any provisions that would promote financial stability of provider institutions and organizations and recognize the common issues facing all hospitals, regardless of taxpaying status.

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) 2022-2024 | | | |
|--|----|---------------------------------------|--|
| Year | | Aggregate Number of Written Inquiries | Aggregate Number of Inquiries via Telephone or In-Person |
| CY2022 | Q1 | | |
| | Q2 | | |
| | Q3 | | |
| | Q4 | | |
| CY2023 | Q1 | | |
| | Q2 | | |
| | Q3 | | |
| | Q4 | | |
| CY2024 | Q1 | | |
| | Q2 | | |

| | | |
|--|---------------|--|
| | TOTAL: | |
|--|---------------|--|

Saint Vincent Hospital complies with federal and state law requirements regarding making pricing information available to patients and prospective patients. Saint Vincent does not track aggregate numbers of written, telephone, or in-person inquiries and focuses instead on providing each response in a way that is useful to the person making the inquiry and compliant with federal and state law.

2. Please describe any steps your organization takes to assist patients who are unable to pay the patient portion of their bill in full.

Our Eligibility & Enrollment Services (EES) work with uninsured and underinsured patients to identify any MassHealth, Mass HSN or other government programs to help provide assistance with a patient's medical bills. Interactions with patients can take place prior to the patient receiving care, at the time of service in the hospital, as well as post discharge. If EES is unable to speak with a patient about potential coverage opportunities, patients are able to request assistance at any time, however MassHealth and Mass HSN have a 10-day retrospective period for coverage.

EES Patient Advocate Processes:

Patients can seek assistance at any time, with no hospital account needed. EES team Patient Advocates are certified MassHealth assisters and work with walk-ins to complete MassHealth applications.

Pre-service accounts: EES will screen pre-service self-pay patients for potential coverage upon referral from Patient Access.

Time of service accounts: There are workflows built into systems that route uninsured patients to the EES Patient Advocates who then screen patients for potential coverage.

Post service accounts: EES Patient Advocates will perform post-discharge outreach to patients they were unable to screen at the time of service to screen patients for potential coverage (outreach continues for 10 days post discharge due to 10 day retro eligibility requirements for MassHealth, Mass HSN programs).

Below is what is posted on the hospital websites under Financial assistance:

[Patients](#) > [Financial Assistance Program](#)

Financial Assistance Program

Financial Help for Hospital Bills

We're here to help before and after your stay with us, and that includes answering questions about your medical bills or helping you apply for financial help. If you don't have insurance or have questions about your insurance, please call our Financial Counseling department at (508) 363-6130.

Our financial counselors can help:

- Answer questions about your coverage
- Explain your deductibles, coinsurance and other terms of payment
- Help you apply for the new Commonwealth Connector Plans

See answers to other commonly asked [billing questions](#).

3. Do any of your commercial global risk arrangements adjust your final settlement for bad debt? Please provide details on any commercial arrangements that make accommodations for uncollectable patient payments.

We do not have any commercial global risk arrangements.

4. For each year **2022 to present**,
 - a. For **HOSPITALS**: please submit a summary table for your hospital showing the hospital's operating margin for each of the following four categories, as well as revenue in each category expressed as both NPSR and GPSR): (a) commercial, (b) Medicare, (c) Medicaid, and (d) all other business. Include in your response a list of the carriers or programs included in each of these margins and explain whether and how your revenue and margins may be different for your HMO business, PPO business, and/or your business reimbursed through contracts that incorporate a per member per month budget against which claims costs are settled.

Click or tap here to enter text.

- b. For **HOSPITAL SYSTEMS**: please submit a summary table for each hospital corporately affiliated with your organization showing the hospital's operating margin for each of the following four categories, as well as revenue in each category expressed as both NPSR and GPSR): (a) commercial, (b) Medicare, (c) Medicaid, and (d) all other business. Include in your response a list of the carriers or programs included in each of these margins and explain whether and how your revenue and margins may be different for your HMO business, PPO business, and/or your business reimbursed through contracts that incorporate a per member per month budget against which claims costs are settled.

[Click or tap here to enter text.](#)

A table is attached. We do not have any capitation arrangements at the hospitals.

St. Vincent and MetroWest Consolidated
 2024 Annual Health Care Cost Trends
 Questions from the Attorney General_Q 4b
 Calendar Year 2022

| | Medicare | Medicaid | Commercial | Other | Total |
|--------------------------------------|---------------|-------------|-------------|------------|---------------|
| Gross Patient Service Revenue (GPSR) | 1,627,924,549 | 638,218,984 | 902,178,501 | 93,747,040 | 3,262,069,074 |
| Net Patient Service Revenue (NPSR) | 293,182,645 | 77,482,127 | 217,936,752 | 54,421,420 | 643,022,944 |

| Programs/Carriers | | | |
|---------------------------------|---|---|--|
| Medicare FFS | Medicaid FFS | Fallon | Liberty Healthshare |
| Medicare Part B IP only | Medicaid FFS Out of State | Mass General Brigham | Beacon Hospice |
| Aetna | Beacon Health Options | Oscar Health Plan | Hospice |
| BCBS-MA | Fallon | Point32Health | Tricare East |
| Beacon Health Options | Point32Health | WellSense Health Plan | Tricare |
| Centene/HN/Wellcare | WellSense Health Plan | Health New England | Veterans Administration |
| Commonwealth Care Alliance | Health New England | Mass General Brigham - AllWays Health I | US Department of Labor |
| Fallon | NC Managed Medicaid | Aetna | Veteran Evaluation Services |
| Humana | Mass General Brigham - AllWays Health I | Coventry | Workers Compensation |
| Molina | Molina | First Health | Auto Insurance |
| Point32Health - Tufts | Affinity Health Plan | Meritain Health | FMC Devens Program |
| Point32Health - Harvard Pilgrim | | Anthem Affiliates | Massachusetts Behavioral Health Partnership (MBHP) |
| United AARP | | BCBS-MA | Umass Correctional Health |
| Health New England | | Beacon Health Options | Victims of Violent Crimes |
| United Evercare | | Beacon Health Strategies | Geico |
| Clover Insurance Co | | Cigna | Mass National Guard |
| AllyAlign Health | | Cigna Local Plus | Mary Ann Morse Nursing and Rehab Center |
| EternalHealth | | Corvel | Worc County House |
| Health New England | | Enlyte/Genex/Coventry | Self-Pay/Uninsured |
| Mass Advantage | | Humana | |
| | | Multiplan | |
| | | PHCS | |
| | | Point32Health - Tufts | |
| | | Point32Health - Harvard Pilgrim | |
| | | Oxford Health Plan | |
| | | United | |
| | | United Behavioral | |
| | | United Med Resources | |
| | | Galaxy | |
| | | HCV | |
| | | NaphCare | |
| | | Workers Comp Broadspire | |
| | | Workers Comp Sedgwick | |
| | | Americas Choice Provider Network | |
| | | Prime Health Services | |
| | | Plotkin And Sons Consulting | |

St. Vincent and MetroWest Consolidated
 2024 Annual Health Care Cost Trends
 Questions from the Attorney General_Q 4b
 Calendar Year 2023

| | Medicare | Medicaid | Commercial | Other | Total |
|--------------------------------------|---------------|-------------|-------------|------------|---------------|
| Gross Patient Service Revenue (GPSR) | 1,729,170,174 | 670,727,361 | 925,483,234 | 98,322,799 | 3,423,703,568 |
| Net Patient Service Revenue (NPSR) | 291,852,898 | 97,085,369 | 204,330,758 | 50,620,432 | 643,889,457 |

| Programs/Carriers | | | |
|---------------------------------|---|---|--|
| Medicare FFS | Medicaid FFS | Fallon | Liberty Healthshare |
| Medicare Part B IP only | Medicaid FFS Out of State | Mass General Brigham | Beacon Hospice |
| Aetna | Beacon Health Options | Oscar Health Plan | Hospice |
| BCBS-MA | Fallon | Point32Health | Tricare East |
| Beacon Health Options | Point32Health | WellSense Health Plan | Tricare |
| Centene/HN/Wellcare | WellSense Health Plan | Health New England | Veterans Administration |
| Commonwealth Care Alliance | Health New England | Mass General Brigham - AllWays Health I | US Department of Labor |
| Fallon | NC Managed Medicaid | Aetna | Veteran Evaluation Services |
| Humana | Mass General Brigham - AllWays Health I | Coventry | Workers Compensation |
| Molina | Molina | First Health | Auto Insurance |
| Point32Health - Tufts | Affinity Health Plan | Meritain Health | FMC Devens Program |
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| EternalHealth | | Corvel | Worc County House |
| Health New England | | Enlyte/Genex/Coventry | MWMC Free Clinic |
| Mass Advantage | | Humana | Self-pay/Uninsured |
| | | Multiplan | |
| | | PHCS | |
| | | Point32Health - Tufts | |
| | | Point32Health - Harvard Pilgrim | |
| | | Oxford Health Plan | |
| | | United | |
| | | United Behavioral | |
| | | United Med Resources | |
| | | Galaxy | |
| | | HCV | |
| | | NaphCare | |
| | | Workers Comp Broadspire | |
| | | Workers Comp Sedgwick | |
| | | Americas Choice Provider Network | |
| | | Prime Health Services | |
| | | Magellan | |
| | | NHSI | |

St. Vincent and MetroWest Consolidated
 2024 Annual Health Care Cost Trends
 Questions from the Attorney General_Q 4b
 YTD September 30, 2024

| | Medicare | Medicaid | Commercial | Other | Total |
|--------------------------------------|---------------|-------------|-------------|------------|---------------|
| Gross Patient Service Revenue (GPSR) | 1,452,879,338 | 530,306,492 | 765,247,318 | 86,170,850 | 2,834,603,998 |
| Net Patient Service Revenue (NPSR) | 216,139,392 | 75,965,067 | 165,115,414 | 37,030,444 | 494,250,317 |

| Programs/Carriers | | | |
|---------------------------------|---|---|--|
| Medicare FFS | Medicaid FFS | Fallon | Liberty Healthshare |
| Medicare Part B IP only | Medicaid FFS Out of State | Mass General Brigham | Beacon Hospice |
| Aetna | Beacon Health Options | Oscar Health Plan | Hospice |
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| Centene/HN/Wellcare | WellSense Health Plan | Health New England | Veterans Administration |
| Commonwealth Care Alliance | Health New England | Mass General Brigham - AllWays Health I | US Department of Labor |
| Fallon | NC Managed Medicaid | Aetna | Veteran Evaluation Services |
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| | | Multiplan | |
| | | PHCS | |
| | | Point32Health - Tufts | |
| | | Point32Health - Harvard Pilgrim | |
| | | Oxford Health Plan | |
| | | United | |
| | | United Behavioral | |
| | | United Med Resources | |
| | | Galaxy | |
| | | HCV | |
| | | NaphCare | |
| | | Workers Comp Broadspire | |
| | | Workers Comp Sedgwick | |
| | | Americas Choice Provider Network | |
| | | Prime Health Services | |
| | | Magellan | |
| | | NHSI | |