

MAKE HEALTHCARE AFFORDABLE
COALITION

September 5, 2018

DELIVERED VIA EMAIL & U.S. MAIL

To: David Seltz
Executive Director, Massachusetts Health Policy Commission
50 Milk Street, 8th Floor
Boston, MA

From: Make Healthcare Affordable Coalition

Re: Formal request for HPC to refer Beth Israel-Lahey merger to AG and DPH

Dear Executive Director Seltz,

Thank you for taking the time to meet with me and members of the Make Healthcare Affordable Coalition regarding the proposed Beth Israel-Lahey merger last month. We are grateful for the critical role that the HPC plays in offering objective, transparent and data-driven analysis of health care costs in Massachusetts.

We appreciate the HPC's thorough analysis of the proposed 13 hospital mega merger led by Beth Israel and Lahey Health. The HPC's preliminary report brought to light the serious impacts the proposed BI-Lahey merger would have on health care costs and access to community based care, especially for our most vulnerable residents.

During our meeting with your team at HPC on August 9, me and my colleagues from 1199 SEIU, Steward Health Care, and Wellforce expressed concerns with the HPC's preliminary CMIR findings; specifically that the merger would:

- **Largely exclude communities of color from its care model**
- **Serve the lowest levels of MassHealth patients of any system in Eastern Massachusetts**
- **Increase health care costs by up to \$250 million, per-year, conservatively**

Other organizations have come forth following the preliminary CMIR to amplify these concerns, including the Greater Boston Interfaith Organization and the Massachusetts Association of Health Plans.

During the HPC Board meeting in July, commissioners gave BI and Lahey a chance to answer the many questions that stakeholders and concerned parties raised and to improve their proposed merger submission. Given BI-Lahey's additional submission, it appears that they have chosen a different path and have failed to address most of the concerns raised.

Rather than offer meaningful solutions to address the HPC's data-driven findings on cost and access, BI-Lahey decided to attack the HPC's reputable and objective data-driven analyses.

In addition, we are deeply troubled that BI and Lahey, in their response to the preliminary CMIR, failed to include any solutions to help communities of color access care. Not once in the 64 page response did BI-

Lahey mention communities of color, even though such communities would be the most harmed by this proposed mega merger.

Request for AG & DPH Referral

Given these circumstances, our Coalition hereby requests that the HPC in its final CMIR report on the merger, issue a formal referral to both Attorney General Maura Healey and the Commissioner of the Department of Public Health Monica Bharel -- recommending that the merger not go into effect based on the CMIR findings.

The DPH referral is critically important. Based on our previous conversations with DPH's Determination of Need program, and based on the below regulations, we understand that the DPH would require a referral from the HPC prior to taking any further action on the proposed merger.

Pursuant to 105 CMR 100.735(D), any Notice of DoN issued shall not go into effect until 30 days after HPC completes the CMIR.

The DoN Regulation further states that the HPC may provide a written recommendation to the Commissioner that the DoN should not go into effect based on the findings of the CMIR. If the information in the CMIR causes the Commissioner to conclude that the Holder would fail to meet one or more of the specified Factors, the Public Health Council can reconsider the matter and may rescind or amend an approved Notice of Determination of Need.

Again, thank you and your team at the HPC for your detailed, objective and data-driven work to ensure our health care system is affordable and accessible to all, including low income patients and communities of color.

We will continue to work with your office, among other regulators to ensure that all residents of our Commonwealth have equal access to high-quality, affordable health care.

Sincerely,

Hanoi Reyes,
Spokeswoman, Make Healthcare Affordable Coalition



cc: Dr. Stuart Altman, HPC Chair
Dr. David Cutler, HPC Market Oversight and Transparency Committee Chair

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