



The Commonwealth of Massachusetts

HEALTH POLICY COMMISSION

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December 17, 2014

Essential Services Task Force
c/o Secretary John Polanowicz
Executive Office of Health and Human Services
One Ashburton Place
Boston, MA 02108

Dear Secretary Polanowicz:

The Health Policy Commission (HPC), by vote of its Commissioners, submits this letter for the consideration of the Essential Services Task Force as the Task Force develops its findings and recommendations pursuant to Section 229 of the FY2015 Budget.

The HPC was established through the Commonwealth's landmark health care cost containment law, Chapter 224 of the Acts of 2012, to advance the Commonwealth's ambitious goal of bringing health care spending growth in line with the growth in the state's overall economy through the development of evidence-based policy and the identification of collaborative solutions. The HPC is engaged in various efforts to support this goal, including through its membership on the Essential Services Task Force, as well as through its responsibilities researching and reporting on drivers of health care cost trends, monitoring the structure of and changes in the health care market, developing certification standards for accountable care organizations and patient centered medical homes, investing in care delivery reforms, and examining the viability and potential for transformation of community health systems. The values of innovation, accountability, and transparency are at the core of Chapter 224 and the HPC's mission.

We recognize that these values are also at the core of the mission of the Essential Services Task Force as it examines the causes and effects of the discontinuation of essential health services by hospitals, assesses options for improving the process by which hospitals notify the Commonwealth and the public of impending service discontinuations and closures, studies ways to ensure continuity of high quality care for patients in the event of essential services discontinuations and closures, and considers how we may better monitor and plan the allocation of health care resources.

To achieve the Task Force's ambitious mission, the HPC encourages it to provide a robust set of recommendations to strengthen the current essential services discontinuation review process and strengthen public commitments to systematic, data-driven health planning and delivery system

reform. In particular, we urge the Task Force to recommend that providers contemplating a closure or discontinuation of essential services be required to provide notification to the HPC, in addition to the Department of Public Health (DPH). We also urge the Task Force to recommend that the HPC have the opportunity to provide comments to DPH concerning the potential impacts of closures and essential services discontinuations. These updates to the essential services review process would enhance the HPC's ability to monitor the impacts of such service changes and increase opportunities for the HPC to support DPH in working together to robustly assess the impacts of service changes on costs, quality, and patient access to care.

Further, providing an opportunity for the HPC to give input to DPH regarding closures and reductions in services is consistent with the HPC's existing statutory authority to comment to DPH regarding other provider changes, such as proposed expansions, which are subject to determinations of need under M.G.L. c. 111 §25C. Playing an active analytic role in these two existing DPH processes will complement the HPC's work monitoring and analyzing changes in the health care market.

We look forward to helping to develop these recommendations through our representation on the Task Force and to working with other policymakers and stakeholders to assess how the HPC can most effectively use its resources and experience to help carry these recommendations into practice.

Sincerely,



Dr. Stuart Altman
Chair



David Seltz
Executive Director