MINUTES OF THE COMMUNITY HEALTH CARE INVESTMENT AND CONSUMER INVOLVEMENT COMMITTEE

Meeting of April 10, 2013

MASSACHUSETTS HEALTH POLICY COMMISSION

THE COMMUNITY HEALTH CARE INVESTMENT AND CONSUMER INVOLVEMENT COMMITTEE OF THE MASSACHUSETTS HEALTH POLICY COMMISSION
Ashburton Café Function Room
One Ashburton Place
Boston, MA 02108

Docket: Wednesday, April 10, 2013, 10:30 AM – 12:00 PM

PROCEEDINGS

The Massachusetts Health Policy Commission's Community Health Care Investment and Consumer Involvement (CHICI) Committee held a meeting on Wednesday, April 10, 2013 at the Ashburton Café Function Room in Boston, MA.

Committee members present were Dr. Paul Hattis, Chair, Mr. Rick Lord, Ms. Veronica Turner, and Ms. Kimberly Haddad, designee for Mr. Glen Shor, Secretary of Administration and Finance.

Ms. Jean Yang was absent.

Chair Hattis called the meeting to order at 10:50 AM.

ITEM 1: Committee Minutes

Mr. Lord moved to accept the committee minutes from February 27, 2013 and Ms. Turner seconded. The committee unanimously accepted the minutes.

ITEM 2: Consumer-Driven Health Plan Report

Mr. Nikhil Sahni, HPC's Policy Director for Cost Trends and Special Projects, informed the committee members that the HPC released a report on consumer-driven health plans on April 1, 2013. The report found a limited amount of Massachusetts-specific data available on the use of consumer-driven health plans. In addition, those studies looked at short-term savings, but did not provide long-term impacts on either long-term health outcomes or total medical expenses.

ITEM 3: Update on One-Time Assessment

Mr. Sahni updated the members on the one-time assessment. The one-time assessment payments are due by June 30, 2013. He informed the committee that 75% of the surcharge payor data has been verified. He expects the surcharge payor verification to be completed soon and that invoices will be sent out the week of April 21, 2013. The acute hospital data is 100% verified and those invoices were sent on April 4, 2013. He noted that any changes

in the calculations will be done in coordination with other state agencies, which use a similar methodology for their assessments.

ITEM 4: Update on Distressed Hospital Program

The committee moved into a discussion about the Distressed Hospital Trust Fund grant program. The grant would be used to help hospitals: 1) improve and enhance services to a hospital's population, 2) advance the use of health information technology, 3) advance the use of health information exchange, 4) support infrastructure investments to transition to alternative payment methodologies, 5) develop care processes, and 6) improve the affordability and quality of care. Mr. Seltz shared the results of a preliminary review of hospital eligibility for this program. The three exclusion criteria are 1) teaching hospitals, 2) for-profit hospitals and 3) hospitals with a relative price above the statewide median relative price. Mr. Sahni then explained that the third criterion is in flux because the data could change from year to year based on new or renewing contracts and that the commission will need to decide what data to use.

ITEM 5: Presentation on the Delivery System Transformation Initiative (DSTI) by Lawrence General Hospital

Ms. Dianne Anderson, President & CEO of Lawrence General Hospital, introduced herself and the hospital to the committee. Lawrence General covers the entire Merrimack Valley and its emergency department is in the state's top five for visits. She presented the community's challenges such as lower socioeconomic population and high rates of obesity. She then illustrated issues within the hospital such as a lack of employment model for physicians, care coordination across independent organizations and hospital wide Electronic Medical Records (EMRs). After receiving the DSTI grants, she stated that Lawrence General has been able to develop an integrated delivery system, prepare for statewide payment system transformation from fee-for-service to alternative payment systems, and advance information system integration. As a result of the these grants, Ms. Anderson believes that Lawrence General made great strides as it became connected to its provider partners, reduced emergency department admission, increased recruitment of primary care providers and added new specialty programs to reduce patient migration to higher cost facilities in the city.

Mr. Lord inquired into the specifics of the DSTI payments. Ms. Anderson responded that they receive multiple payments in installments based on meeting certain criteria set by the grant program. She said that Lawrence General was eligible to receive up to $44 million through this program if it meets all the criteria.

Chair Hattis then inquired about what the commission could do to help support the hospital and the community. Ms. Anderson responded by saying that there is need to recruit more primary care providers in the community and more specialists to keep people in the community.

Mr. Seltz commented that building the Distressed Hospital Grant Program will require flexibility because each hospital faces different challenges, which require different types of solutions.

ITEM 6: CHICI Implementation Timeline for 2013

Mr. Seltz moved into explaining the timeline for the committee and illustrated the goals and their deadlines. The committee then held a discussion on health plan transparency. Mr. Seltz told the commissioners that the HPC plans to work with the other state agencies who have oversight of those issues.

ITEM 6: Public Comments

Ceila Wsiclo, of 1199 SEIU United Healthcare Workers East, mentioned that the Health Connector Authority is working on an out-of-pocket calculator on their website to help consumers make better informed decisions on choosing health plans.

Kathy Keough, of Atrius Health, commented that the HPC should send information through mail and leverage other state mailings by including an insert. Jeff Stone, of the Massachusetts Health Council, agreed with that idea because not everyone has access to computers.

Ellen Murphy-Meehan, consultant to Lawrence General Hospital, commented that there needs to be a push to plan designs that promote using high quality, low cost providers.

Tish McMullin, of Beth Israel Deaconess Medical Center, stated that alternative payment methods have given them every incentive to keep care in the community. She said that a change in philosophy has occurred as the payment incentives align with incentives.

ITEM 7: Adjournment

Chair Hattis announced the date of the next committee meeting.

Chair Hattis, noting that the meeting had exceeded its time, adjourned the meeting at 12:00 PM.