

**MINUTES OF THE COMMUNITY HEALTH CARE INVESTMENT AND
CONSUMER INVOLVEMENT COMMITTEE**

Meeting of August 29, 2013

MASSACHUSETTS HEALTH POLICY COMMISSION

**THE COMMUNITY HEALTH CARE INVESTMENT AND CONSUMER INVOLVEMENT
COMMITTEE OF THE MASSACHUSETTS HEALTH POLICY COMMISSION**

**Charles F. Hurley Building
Minihan Hall, 19 Staniford Street, 6th Floor
Boston, MA 02114**

Docket: Thursday, August 29, 2013, 12:30 PM – 2:00 PM

PROCEEDINGS

The Massachusetts Health Policy Commission's Community Health Care Investment and Consumer Involvement (CHICI) Committee held a meeting on Thursday, August 29, 2013 in Minihan Hall at the Charles F. Hurley Building located at 19 Staniford Street, Boston, MA 02114.

Committee members present were Dr. Paul Hattis (Chair), Mr. Rick Lord, Ms. Jean Yang, Ms. Veronica Turner, and Ms. Candace Reddy, designee for Mr. Glen Shor, Secretary of Administration and Finance.

Chair Hattis called the meeting to order at 12:35 PM.

ITEM 1: Committee Minutes

Chair Hattis made no changes to the minutes and asked for a motion to accept the minutes. Mr. Lord moved to accept the Committee minutes from July 10, 2013 and Ms. Turner seconded. The Committee unanimously accepted the minutes.

ITEM 2: Introduction and Review of CHART Investment Program Development

Chair Hattis shared opening thoughts on the Community Hospital Acceleration, Revitalization, and Transformation (CHART) Investment Program. He noted that the purpose of the day's meeting was to receive public input on the regulation. He expanded on the driving forces behind the CHART program and the goals of the Health Policy Commission (HPC).

Chair Hattis then went into detail on the authority of the program as outlined in Chapter 224. He noted that the aim of the HPC is to make meaningful investments that support patients and communities by investing in hospitals that serve them. He highlighted the need for sustainable investments through the program.

Chair Hattis next gave some details on the regulation. He outlined the history of the proposed regulation. During the July 10, 2013 meeting, Committee members reviewed the regulation with staff and voted to send the proposed regulation to the full Commission. At the July 25, 2013 HPC Board Meeting, commissioners discussed the proposed regulation.

Chair Hattis reviewed the discussion at the Board Meeting, highlighting comments by Commissioner Sudders on the need to incorporate mental and behavioral health.

Chair Hattis next discussed the need for public input on the proposed regulation. He encouraged individuals to submit testimony and comments in writing by September 3, 2013 at 5:00PM. He noted that the text of the regulation can be found on the HPC website.

ITEM 3: Public Hearing on Proposed Regulation, 958 CMR 5.00: Administration of the Distressed Hospital Trust Fund (the CHART Investment Program)

Chair Hattis called Ms. Alyssa Vangeli, a policy analyst from Health Care For All, to testify. Ms. Vangeli noted that the CHART Investment Program offers a unique opportunity for system wide sustainable impacts that advance the goals of the Commission and Chapter 224 for reducing health care cost and increasing care. Ms. Vangeli recommended additional criteria for the CHART Investment Program.

She mentioned the need for investments to improve access to mental health, substance abuse programs, and behavioral health; to improve access to coordinated primary care services and invest in linkages with local primary care resources; to promote community based social services programs that encourage wellness, prevention, and overall health; and to expand the capacity to provide culturally and linguistically appropriate care.

Chair Hattis asked whether Ms. Vangeli hoped that the aforementioned criteria would be named in the regulation. She responded in the affirmative.

Ms. Yang asked for a sense of the current state of these criteria across providers. Ms. Vangeli noted that she does not have that specific data, but that many of the previously mentioned are part of the goals for ACO criteria.

Mr. Lord noted that the criteria encouraged by Ms. Vangeli were reasonable and, if done correctly, could reduce the growth of spending. He noted that commissioners should remember that the ultimate goal of the HPC is to make health care more affordable.

Chair Hattis commented that being more suggestive with the regulation could help the health care field as they consider opportunities for investments and evolution. It could also help the HPC as staff review investment distribution.

Chair Hattis next called Mark Goldstein, Executive Vice President from Anna Jacques Hospital, to testify. Mr. Goldstein first recognized the recent reports by the Center for Health Information and Analysis (CHIA) for highlighting the disparities in payments and subsequent impacts on quality and cost. He then acknowledged the efforts of the HPC to recognize under-reimbursed organizations in the proposed regulation.

Mr. Goldstein noted that Anna Jacques is a 103 bed, full service hospital. He highlighted that the independent hospital is one of the lowest cost and lowest reimbursed in the state.

He stated that the hospital has worked on a 1% operating margin for the past eight years, which he indicated did not leave much room for investments.

Mr. Goldstein encouraged the commissioners to consider multi-year grants to build infrastructure and create a cultural change in these hospitals. He noted that the Commission should consider applications not just based on payer mix but also by payment level and quality being delivered by the hospital.

Chair Hattis noted that the HPC is considering the potential to disperse the CHART grants as multi-year and multi-party investments. He also commented that the staff and Commission must consider the various sources of money available to hospitals and how these could come together to work synergistically.

Chair Hattis thanked members of the public for their testimony. Seeing no further testifiers, he looked to commissioners for questions.

Mr. Lord asked fellow commissioners about the timing of the testimony and regulation. Chair Hattis noted that the Committee members will receive testimony by the evening of Tuesday, September 3. Mr. Lord asked if staff would provide amendments to the proposed regulation at the September 4, 2013 meeting. David Seltz, Executive Director, noted that the staff will present testimony and recommended changes at the next meeting. He commented that staff hoped to receive initial approval on the regulation at the September 4 meeting so they could move to the full Commission during the September 11, 2013 Board meeting. The HPC's goal is to have the first wave of investments dispersed by the end of the calendar year.

Chair Hattis then asked for staff to comment on (1) the potential for the grant program to be a partnership between multiple organizations and (2) the potential for a multi-year project to receive grant funding. Mr. Iyah Romm, HPC Director for System Performance and Strategic Investment, noted that the regulation allow for funds to be expended over multiple years for ongoing projects as well as allowing collaboration between multiple organizations. He noted that the commissioners will make final decisions as to how funds are dispersed.

Chair Hattis then asked commissioners if they believed there was value to being more directional in the regulation. Ms. Turner responded in the affirmative. She noted that some commissioners would like criteria written in the regulation on the subject area as well as the potential for a multiyear grant. She reiterated the need for benchmarks to ensure that hospitals are meeting their obligations.

Ms. Yang stated, for the sake of argument, that there is a delicate balance between using the vehicle of the regulation and the other components of the application process. Ms. Yang commented that adding more direction to the regulation may make them inflexible. She noted that it would be helpful for commissioners to know the gaps in the sector.

Chair Hattis again asked for any further comments from the public. Kathleen Corcoran, from Milford Regional Medical Center, asked the Committee to what degree they would consider investments into technology a priority. Mr. Romm responded that this is part of the ongoing conversation regarding funding priorities. Chair Hattis highlighted the need for a combination of capital and operational investments.

Seeing no other comments, Chair Hattis announced the next meeting of the Committee, scheduled for September 4, 2013 at 10:30AM in the Daley Room at Two Boylston Street.

ITEM 4: Adjournment

Chair Hattis adjourned the meeting at 1:16 PM.