



MASSACHUSETTS
HEALTH POLICY COMMISSION

Cost Trends and Market Performance Committee Meeting

January 25, 2017



AGENDA

- **Call to Order**
- Approval of Minutes from the April 6, 2016 Meeting (VOTE)
- Approval of Minutes from the May 18, 2016 Meeting (VOTE)
- Approval of Minutes from the December 7, 2016 Meeting (VOTE)
- Proposed Regulation Governing Performance Improvement Plans (VOTE)
- Schedule of Next Meeting



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VOTE: Approving Minutes

MOTION: That the Committee hereby approves the minutes of the Cost Trends and Market Performance meeting held on April 6, 2016, as presented.



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- Call to Order
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VOTE: Approving Minutes

MOTION: That the Committee hereby approves the minutes of the Cost Trends and Market Performance meeting held on May 18, 2016, as presented.



AGENDA

- Call to Order
- Approval of Minutes from the April 6, 2016 Meeting (VOTE)
- Approval of Minutes from the May 18, 2016 Meeting (VOTE)
- **Approval of Minutes from the December 7, 2016 Meeting (VOTE)**
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- Schedule of Next Meeting



VOTE: Approving Minutes

MOTION: That the Committee hereby approves the minutes of the Cost Trends and Market Performance meeting held on December 7, 2016, as presented.



AGENDA

- Call to Order
- Approval of Minutes from the April 6, 2016 Meeting (VOTE)
- Approval of Minutes from the May 18, 2016 Meeting (VOTE)
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Performance Improvement Plans

- 1 Update on receipt of 2016 list from CHIA
- 2 Discussion of draft PIPs regulation and forms
 - A Notable aspects of the regulation
 - B Notable aspects of the forms

Referral of Entities to the HPC by CHIA



center
for health
information
and analysis

CHIA solicited comments on an updated methodology for referring health care entities to the HPC

Comments were due to CHIA in early December; CHIA received detailed comments from payers, providers, and trade group

After reviewing comments, CHIA will:

- A) Finalize its methodology; or
- B) Release a revised methodology for comment

Overview of Regulatory Process



Mar.

Released interim guidance

Dec.

Discussed draft regulation and forms with CTMP

Jan.

Expert and stakeholder outreach on drafts

TODAY

Further discussion with CTMP, vote on advancement to Board



Feb.

Discussion with Board and vote to release drafts for public comment

Mar.

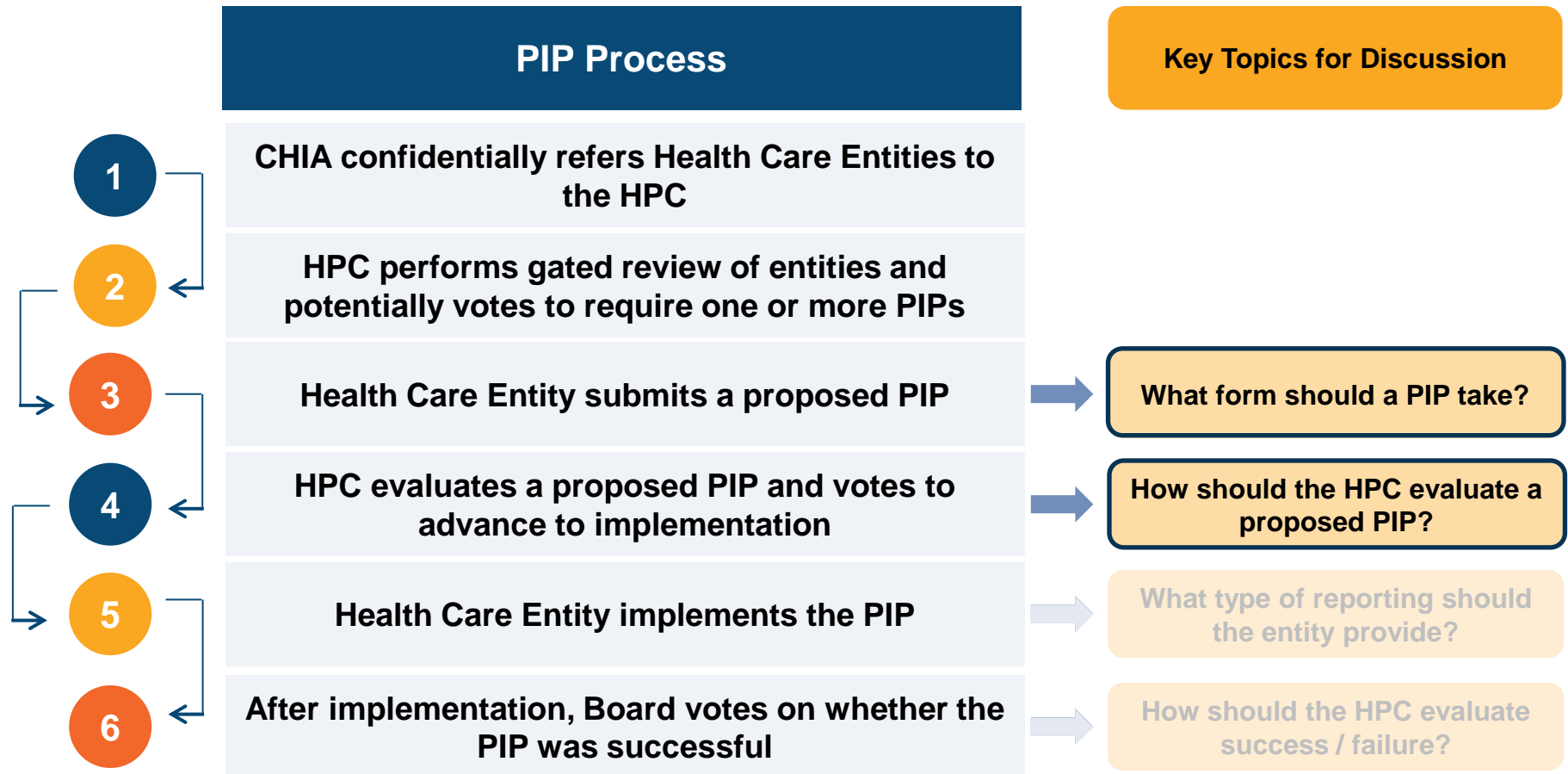
Public hearing, public comments, and updates to drafts as appropriate



Mar.

Issue final regulation and forms

Performance Improvement Plans: Overview



Key Updates to the Regulation from the Interim Guidance

The draft regulation largely mirrors the interim guidance, but provides some important clarifications

- 1** States that the HPC can ask for additional information from a CHIA-identified entity before requiring a PIP
- 2** Clarifies that PIP Entities have 45 days to file a PIP, waiver request, or an extension request to file a PIP; entities may not request an extension to file a waiver
- 3** Allows the Executive Director to grant extension requests of up to 45 days; further extensions must be approved by the board
- 4** Describes factors the HPC may consider when evaluating PIP proposals and completed PIPs
- 5** Encourages PIP Entities to consult with the HPC in developing the proposed PIP

PIP Proposal Form Outline

1.

Contact Information

- Identifying information for the CEO, Board Chair, and PIP Custodian

2.

Proposal

- Concise but comprehensive plan, with responses to relevant questions
- Entities are encouraged to consult with the HPC in developing proposals
- Final, approved document to be posted on the HPC website

3.

Affidavits of Truthfulness

- Required for final proposals
- Signed by CEO, Board Chair, and PIP Custodian

4.

Attachments

- Opportunity to provide supporting documentation, evidence, and data
- May contain non-public information that the HPC can protect from disclosure

PIP Proposal Form Outline

1.	Contact Information	
2.	Proposal	
	I	Description of Your Organization
	II	Target
	III	Causes of Growth
	IV	Interventions and Evidence
	V	Measures
	VI	Reporting and Revising
	VII	Impacts and Other Filings
	VIII	Sustainability
	IX	Timeline
	X	Requests for Technical Assistance
3.	Affidavits of Truthfulness	
4.	Attachments	

II. Target

**My organization will reduce healthcare spending by \$ _____
on or before _____.**

Evaluation of the Proposed Target

- 1 Is the target tied to the entity's historical TME performance?
- 2 Does the target consider performance across all books of business?
- 3 Is the target appropriate considering the entity's baseline spending and growth?
- 4 Is the target robust but achievable?
- 5 Others?

IV. Interventions and Evidence

- | | |
|-------------|---|
| A. | Describe your proposed interventions and any interim targets |
| B. | How will the interventions translate into THCE savings for the Commonwealth? |
| C. | Identify the rationale (e.g., economic, medical) for the proposed interventions |
| Att. | Provide evidence of the interventions' likely efficacy |

Evaluation of the Proposed Interventions

- 1 Are the interventions specific to a book of business or broadly applicable?
- 2 Will the savings result in lowered THCE, rather than simply reducing internal costs?
- 3 Is evidence of the interventions' scope and efficacy convincing?
- 4 Others?

V. Measures

Define key terms, units of measurement, measurement frequency, and data sources for:

Primary Target:

How will you measure progress toward your spending target?

Interim Targets:

How will you measure any interim outcomes (e.g., readmissions)?

Balancing Measures:

How will you ensure quality/access aren't compromised?

Attachments:

Submit your organization's baseline data

Evaluation of the Proposed Measures

- 1 Are the relevant data reliable and consistently available?
- 2 Are the measures clearly and comprehensively defined?
- 3 Others?

VI. Reporting and Revising

Describe your plan for engaging with the HPC and your leadership regarding:

- A** Implementation of your interventions
- B** Interim measure results, as applicable
- C** Addressing unexpected outcomes
- D** Revising your interventions

Evaluation of the Reporting and Revising Plan

- 1 Does the plan propose at-least quarterly reporting?
- 2 Does the plan propose more frequent reporting where appropriate?
- 3 Are reporting formats (e.g., written reports, meetings, presentations) appropriate?

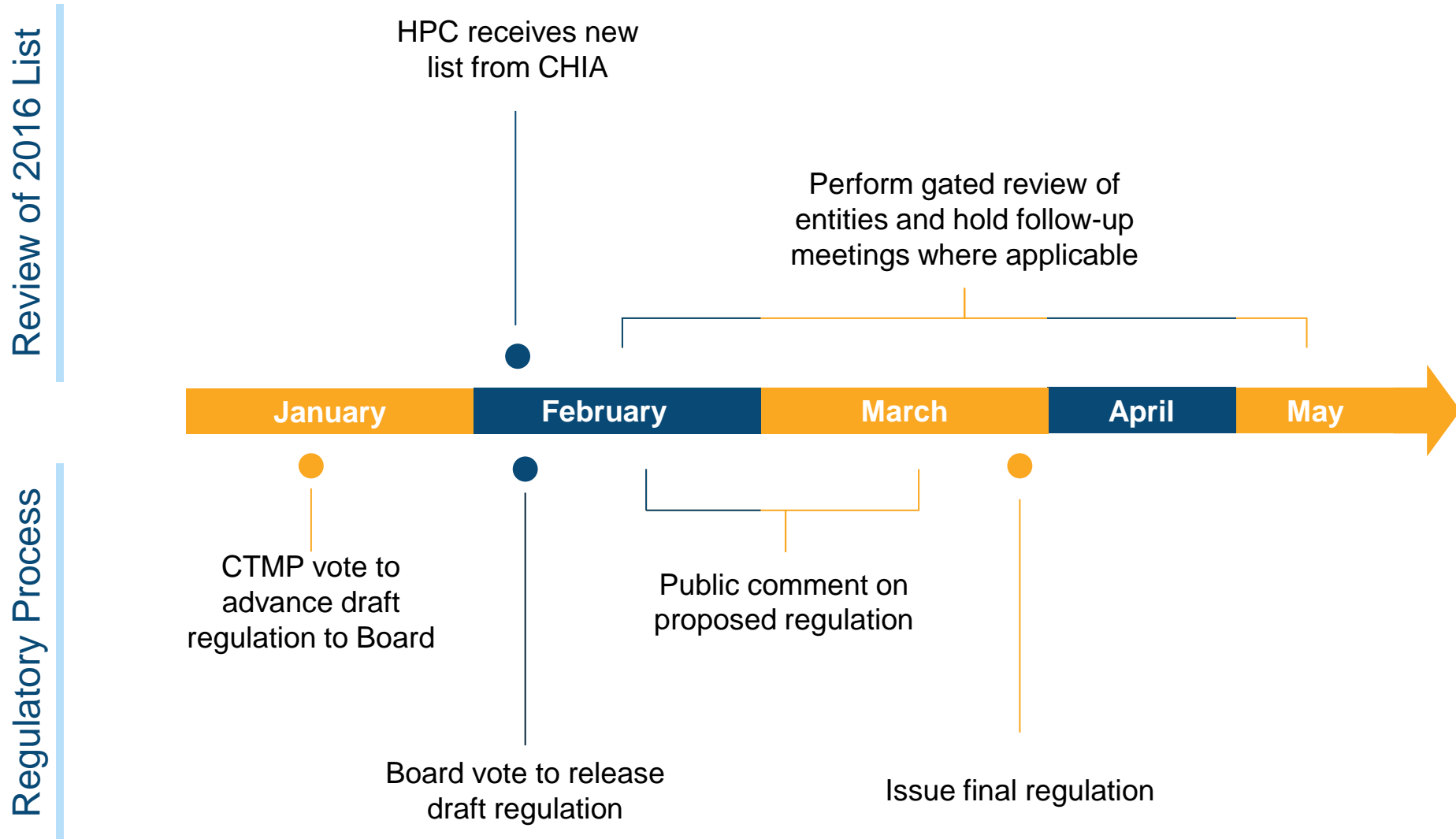
VII. Sustainability

Describe your plans to ensure that the savings realized are sustained after the PIP has been completed

Evaluation of the Sustainability Plan

- 1 Is the proposed PIP likely to generate sustainable savings?
- 2 Has the entity considered and addressed threats to the sustainability of its PIP?
- 3 Does the proposed PIP align with the entity's long-term strategies and goals?
- 4 Others?

Next Steps



All dates are approximate.



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