

COST TRENDS AND MARKET PERFORMANCE COMMITTEE

Meeting of May 18, 2016

MASSACHUSETTS HEALTH POLICY COMMISSION

**COST TRENDS AND MARKET PERFORMANCE COMMITTEE OF THE
MASSACHUSETTS HEALTH POLICY COMMISSION
HEALTH POLICY COMMISSION
50 MILK STREET, 8TH FLOOR
BOSTON, MA 02114**

Docket: Wednesday, May 18, 2016 10:30-12:30 PM

PROCEEDINGS

The Massachusetts Health Policy Commission's Cost Trends and Market Performance (CTMP) Committee held a meeting on Wednesday, May 18, 2016 at the Health Policy Commission, 50 Milk Street, 8th Floor, Boston, MA 02114.

Committee members present included Dr. David Cutler (Chair, CTMP) and Dr. Wendy Everett.

The slides for the day's meeting can be found [here](#).

ITEM 1: PUBLIC LISTENING SESSION ON OUT-OF-NETWORK BILLING

The QIPP and Cost Trends and Market Performance Committees held a joint public listening session on Out-of-Network Billing. A recording of the session can be found [here](#).

ITEM 2: Approval of CTMP Minutes

Acknowledging the lack of quorum, the Committee did not vote on the minutes from April 6, 2016.

ITEM 3: SYSTEM-WIDE DATA UPDATE

Mr. Seltz provided the regular HPC update on system-wide data. For more information, see slide 28.

Dr. Cutler asked for an update on the Supreme Court case *Gobeille v. Liberty Mutual Insurance Company*. Ms. Lois Johnson, HPC General Counsel, stated that the HPC is part of an interagency effort to align on strategy to communicate the need of the All Payer Claims Database (APCD). She noted that the group is working on policy and legal guidance.

Dr. Everett asked about the timeline of these discussions. Ms. Johnson responded that everyone involved knows that this is extremely time sensitive.

ITEM 4: DISCUSSION OF HPC WORK RELATIVE TO PROVIDER DISCOUNTS

Ms. Kate Mills, Policy Director for Market Performance provided an update on the HPC's work on provider discounts. For more information, see slides 30-31.

Ms. Mills stated that, given the public nature of the data in the Registration of Provider Organization (RPO) Program, Center for Health Information and Analysis (CHIA) and the HPC have agreed that providers should report with whom they have a discount, but not the amount of the discount.

Dr. Everett asked whether the HPC would be able to determine the effect of discounts on total medical expenditure if providers are not reporting the actual amount of said discount. Ms. Mills responded that the state could obtain information on the amount of discounts through confidential processes, such as the notice of material change process.

ITEM 4: UPDATE ON HPC WORK RELATIVE TO PERFORMANCE IMPROVEMENT PLANS

Ms. Erica Koscher, Senior Policy Associate for Market Performance, provided background on CHIA's process for identifying payers and providers whose cost growth is considered excessive and threatens the health care cost growth benchmark. For more information, see slide 33.

Ms. Koscher reviewed key updates in the HPC's process for reviewing payers and providers to determine whether to require any performance improvement plans (PIPs). For more information, see slide 34.

Dr. Cutler noted the large amount of staff work that goes into this process.

Ms. Koscher provided an overview of the organizations identified by CHIA and summarized the initial process to determine whether to move forward with a PIP for these entities. For more information, see slides 35-39.

Ms. Koscher noted that a small group of entities received a notice asking for additional information to explain the identified excessive spending. She stated that the HPC will return to the full Board with updates on this process in the coming months. For more information, see slide 40.

ITEM 5: DISCUSSION OF 2016 COST TRENDS HEARING

Due to time constraints, Mr. Seltz provided a brief overview of the 2016 Cost Trends Hearing, scheduled for October 17 and 18. The Committee skipped slides 42-45.

Mr. Seltz provided an overview of the potential focus areas and panel topics for the 2016 Hearing. For more information, see slide 46.

Dr. Everett recommended that the HPC invite representatives from the pharmaceutical industry to speak at the Hearing.

Dr. Cutler recommended that the HPC discuss this topic at greater length during the next Board meeting.

ITEM 6: SCHEDULE OF NEXT MEETING (DECEMBER 7, 2016)

Dr. Cutler asked for any questions or comments from the public.

A member of the public asked about the timeline for regulations governing the PIP process. Ms. Mills responded that the HPC anticipated regulations within the next year.

Seeing no further comments, Dr. Cutler adjourned the meeting at 12:30PM.