

# 2017 Pre-Filed Testimony Providers



Health Policy Commission 50 Milk Street, 8<sup>th</sup> Floor Boston, MA 02109

## **Exhibit A: Notice of Public Hearing**

Pursuant to M.G.L. c. 6D, § 8, the Massachusetts Health Policy Commission, in collaboration with the Office of the Attorney General and the Center for Health Information and Analysis, will hold a public hearing on health care cost trends. The Hearing will examine health care provider, provider organization and private and public health care payer costs, prices and cost trends, with particular attention to factors that contribute to cost growth within the Commonwealth's health care system.

Scheduled Hearing dates and location:

#### Monday, October 2, 2017, 9:00 AM Tuesday, October 3, 2017, 9:00 AM Suffolk University Law School First Floor Function Room 120 Tremont Street, Boston, MA 02108

Time-permitting, the HPC will accept oral testimony from members of the public beginning at 3:30 PM on Monday, October 2. Any person who wishes to testify may sign up on a first-come, first-served basis when the Hearing commences on October 2.

Members of the public may also submit written testimony. Written comments will be accepted until October 6, 2017, and should be submitted electronically to <u>HPC-Testimony@state.ma.us</u>, or, if comments cannot be submitted electronically, sent by mail, post-marked no later than October 6, 2017, to the Massachusetts Health Policy Commission, 50 Milk Street, 8<sup>th</sup> Floor, Boston, MA 02109, attention Lois H. Johnson, General Counsel.

Please note that all written and oral testimony provided by witnesses or the public may be posted on the HPC's website: <u>www.mass.gov/hpc</u>.

The HPC encourages all interested parties to attend the Hearing. For driving and public transportation directions, please visit: <u>http://www.suffolk.edu/law/explore/6629.php</u>. Suffolk University Law School is located diagonally across from the Park Street MBTA station (Red and Green lines). Parking is not available at Suffolk, but information about nearby garages is listed at the link provided. The event will also be livestreamed on the <u>HPC's homepage</u> and available on the <u>HPC's YouTube channel</u> following the Hearing.

If you require disability-related accommodations for this Hearing, please contact Andrew Carleen at (617) 757-1621 or by email <u>Andrew.Carleen@state.ma.us</u> a minimum of two (2) weeks prior to the Hearing so that we can accommodate your request.

For more information, including details about the agenda, expert and market participant panelists, testimony and presentations, please check the Annual Cost Trends Hearing section of the HPC's website, <u>www.mass.gov/hpc</u>. Materials will be posted regularly as the Hearing dates approach.

## Exhibits B and C: Instructions for Written Testimony

On or before the close of business on **September 8, 2017**, please electronically submit written testimony signed under the pains and penalties of perjury to: <u>HPC-Testimony@state.ma.us</u>.

You may expect to receive the questions and exhibits as an attachment from <u>HPC-Testimony@state.ma.us</u>. Please complete relevant responses in the provided template. If necessary, you may include additional supporting testimony or documentation in an Appendix. Please submit any data tables included in your response in Microsoft Excel or Access format.

We encourage you to refer to and build upon your organization's 2013, 2014, 2015, and/or 2016 Pre-Filed Testimony responses, if applicable. Additionally, if there is a point that is relevant to more than one question, please state it only once and make an internal reference. **If a question is not applicable to your organization, please indicate so in your response.** 

The testimony must contain a statement from a signatory that is legally authorized and empowered to represent the named organization for the purposes of this testimony. The statement must note that the testimony is signed under the pains and penalties of perjury. An electronic signature will be sufficient for this submission.

If you have any difficulty with the Microsoft Word template, did not receive the email, or have any other questions regarding the Pre-Filed Testimony process or the questions, please contact HPC staff at <u>HPC-Testimony@state.ma.us</u> or (617) 979-1400. For inquires related to questions required by the Office of the Attorney General in Exhibit C, please contact Assistant Attorney General Sandra Wolitzky at <u>Sandra.Wolitzky@state.ma.us</u> or (617) 963-2030.

# **Exhibit B: HPC Questions**

On or before the close of business on **September 8**, **2017**, please electronically submit written testimony to: <u>HPC-Testimony@state.ma.us</u>. Please complete relevant responses in the provided template. If necessary, you may include additional supporting testimony or documentation in an Appendix. Please submit any data tables included in your response in Microsoft Excel or Access format. If there is a point that is relevant to more than one question, please state it only once and make an internal reference.

#### If a question is not applicable to your organization, please indicate so in your response.

## 1. Strategies to Address Health Care Spending Growth

Chapter 224 of the Acts of 2012 (Chapter 224) sets a health care cost growth benchmark for the Commonwealth based on the long-term growth in the state's economy. For 2013-2016, the benchmark was set at 3.6%. Following a public hearing, the Health Policy Commission set the benchmark at 3.1% for 2018. To illustrate how the benchmark could be achieved, the HPC presented at the public hearing several exemplar opportunities for improving care and reducing costs, with savings estimates of between \$279 to \$794 million annually.

- a. From the drop down menus below, please select your organization's top two priorities to reduce health care expenditures.
  - i. **Priority 1**: Required Answer: Choose an item.
  - ii. **Priority 2: Required Answer:** Choose an item.
  - iii. If you selected "other," please specify: Click here to enter text.
- b. Please complete the following questions for **Priority 1** (listed above).
  - i. What is your organization doing to advance this priority and how have you been successful? Required Answer: Click here to enter text.
  - ii. What barriers does your organization face in advancing this priority? Required Answer: Click here to enter text.
  - iii. What are the top changes in policy, payment, regulation, or statute you would recommend to advance this priority?

Required Answer: Click here to enter text.

- c. Please complete the following questions for **Priority 2** (listed above).
  - i. What is your organization doing to advance this priority and how have you been successful? Required Answer: Click here to enter text.
  - ii. What barriers is your organization facing in advancing this priority? Required Answer: Click here to enter text.
  - iii. What are the top changes in policy, payment, regulation, or statute you would recommend to advance this priority?

Required Answer: Click here to enter text.

### 2. STRATEGIES TO REDIRECT CARE TO COMMUNITY SETTINGS

The HPC has identified significant opportunities for savings if more patients were treated in the community for community-appropriate conditions, rather than higher-priced academic medical centers.

- a. What are the top barriers that you face in directing your patients to efficient settings for communityappropriate care rather than to more-expensive settings, such as academic medical centers? (select all that apply)
  - $\Box$ Patient perception of quality
  - $\Box$ Physician perception of quality
  - □Patient preference
  - □Physician preference
  - □Insufficient cost-sharing incentives

Limitations of EMR system
Geographic proximity of more-expensive setting
Capacity constraints of efficient setting(s)
Referral policies or other policies to limit "leakage" of risk patients
Other (please specify): Click here to enter text.

b. How has your organization addressed these barriers during the last year? Required Answer: Click here to enter text.

#### 3. INFORMATION ON PHYSICIAN COMPENSATION MODELS

Please answer the following questions regarding the current compensation models for your *employed* physicians. Indicate N/A if your organization does not employ physicians.  $\Box$ N/A

a. For **primary care physicians**, list the approximate percentage of total compensation that is based on the following:

|   | % |
|---|---|
| Productivity (e.g., RVUs)                       |   |
| Salary  |   |
| Panel size                                      |   |
| Performance metrics (e.g., quality, efficiency) |   |
| Administrative/citizenship                      |   |
| Other   |   |

b. For **specialty care physicians**, list the approximate percentage of total compensation that is based on the following:

|   | % |
|---|---|
| Productivity (e.g., RVUs)                       |   |
| Salary  |   |
| Panel size                                      |   |
| Performance metrics (e.g., quality, efficiency) |   |
| Administrative/citizenship                      |   |
| Other   |   |

c. Describe any plans to change your organization's compensation models for primary care and/or specialty care physicians that you employ.

Required Answer: Click here to enter text.

# **Exhibit C: AGO Questions for Written Testimony**

The following questions were included by the Office of the Attorney General. For any inquiries regarding these questions, please contact Assistant Attorney General Sandra Wolitzky at <u>Sandra.Wolitzky@state.ma.us</u> or (617) 963-2030. **If a question is not applicable to your organization**, **please indicate so in your response.** 

- 1. Please submit a summary table showing for each year 2013 to 2016 your total revenue under pay for performance arrangements, risk contracts, and other fee for service arrangements according to the format and parameters reflected in the attached **AGO Provider Exhibit 1**, with all applicable fields completed. To the extent you are unable to provide complete answers for any category of revenue, please explain the reasons why. Include in your response any portion of your physicians for whom you were not able to report a category (or categories) of revenue. Required Question.
- 2. When primary care providers within your organization (including, e.g., newly-acquired practices) change their preferred referral partners, are patients notified of such changes? If so, what information is shared with patients, and when?

Required Question: Click here to enter text.

3. Do you participate in any provider-to-provider "discount arrangements" (e.g., a form of preferred provider relationship that includes a discount or rebate from one provider to another in connection with health care services furnished under the agreement)? Required Question.

 $\Box$  Yes  $\Box$  No

If so, do you notify patients' insurers of such arrangements?  $\Box$  Yes  $\Box$  No