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July 17, 2017

To the Honorable Senate and House of Representatives,

I am submitting for your consideration “An Act Promoting Affordable Health Care Options.” This legislation proposes several commercial market reforms that were previously included in the legislative package that was shared with budget conferees.

The rising cost of health care has led to year-over-year premium increases in the commercial market, placing a significant burden on individuals, families and businesses, most notably employers. These increasing costs have contributed to a shift of individuals from commercial coverage to public coverage. While recent cost increases have moderated, this issue warrants further action. Therefore, I am proposing this set of reforms, in conjunction with the MassHealth reforms included in budget amendment “F”, to provide more affordable health insurance options and to ensure a sustainable MassHealth program.

This legislation will promote the use of more affordable insurance products by increasing the minimum premium differential for tiered network plans from the current 14% to 28%. Tiered products provide individuals and employers with an affordable coverage option; increasing the premium differential will promote and incentivize participation in such products. I am also proposing to increase access to lower-cost providers by expanding the scope of practice for optometrists, podiatrists, and advanced practice nurses. Offering access to lower-cost providers will benefit both commercial and public health care costs. Finally, this legislation directs the Center for Health Information and Analysis (CHIA) to provide consumer friendly cost information for common procedures and services. This will provide the market with a robust transparency tool, which will enable more informed decision making about health care.

This proposal represents my continued commitment to pursuing these important reforms to help lower health care costs. I look forward to building upon the valuable work of the Provider Price Variation Commission and continuing the dialogue with the Legislature, health care stakeholders and business community as we further develop these policies.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Charles D. Baker". The signature is fluid and cursive, with the first name "Charles" being the most prominent.

Charles D. Baker
Governor