

THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE DEPARTMENT

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DEVAL L. PATRICK
GOVERNOR

ATTACHMENT D

July 12, 2013

To the Honorable Senate and House of Representatives:

Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution, I am returning to you for amendment Section 19 of House Bill No. 3538, "An Act Making Appropriations for the Fiscal Year 2014 for the Maintenance of the Departments, Boards, Commissions, Institutions and Certain Activities of the Commonwealth, for Interest, Sinking Fund and Serial Bond Requirements and for Certain Permanent Improvements."

Section 13 of chapter 6D of the General Laws, added by section 15 of chapter 224 of the Acts of 2012, authorizes the Health Policy Commission to conduct a cost and market impact review of a proposed material change to a health care provider's operations or governance. The purpose of the review is to enhance the transparency of provider organizations and provide a public examination of changes in the health care marketplace. Section 19 amends this law by introducing a deadline for completing such reviews. I do not object to the purposes of this section.

However, this section imposes an unreasonable deadline for completing a cost and market impact review. By requiring the Commission to complete its review within only 150 days *from the date that the provider organization has submitted notice to the Commission*, the section does not allow sufficient time for the meaningful review of data and information provided by the provider organization or the meaningful analysis and consideration by

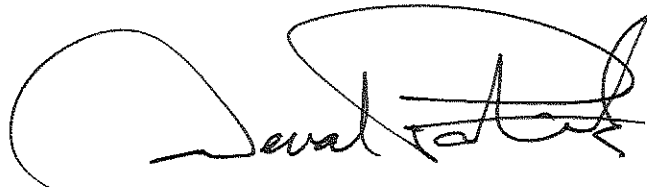
independent commissioners as intended by chapter 224. The section does not take into account existing statutory timeframes that allow for the Commission's receipt and careful consideration of provider comments. The Commission may not receive the data and information necessary for its analysis until 51 days after the provider organization has submitted notice of a material change. In addition, the Commission cannot complete the review until at least 30 days after the provider has been given an opportunity to respond in writing to a preliminary report. (The section also includes an erroneous reference to "section 11N of chapter 112".)

I recommend imposing a reasonable deadline of 120 days from the date that the provider organization has submitted the required data and information, for the issuance of the Commission's preliminary report. This amendment mirrors the timeline of the Department of Public Health's Determination of Need process and allows the Commission to conduct a timely and thorough review consistent with your intent.

For these reasons, I recommend that Section 19 be amended by striking out the text and inserting in place thereof the following text:-

SECTION 19. Subsection (e) of section 13 of chapter 6D of the General Laws, as appearing in the 2012 Official Edition, is hereby amended by adding the following sentence:- The commission shall issue its preliminary report on the cost and market impact review within 120 days after receipt of information and documents sought by the commission under subsection (c).

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David F. Peters", with a large, sweeping loop at the end.