



March 30, 2018

Mr. David Seltz
Executive Director
Health Policy Commission
50 Milk Street, 8th Floor
Boston, MA 02109

RE: Testimony – health care cost growth benchmark for calendar year 2019

Dear Mr. Seltz:

Beth Israel Deaconess Care Organization (BIDCO) appreciates the opportunity to comment on the process of establishing the health care cost growth benchmark for calendar year 2019. BIDCO is a value-based, independent Accountable Care Organization (ACO) that partners with physicians and hospitals dedicated to building communities of care. BIDCO's mission is to move health care forward by engaging providers in their communities to achieve success in a value-based delivery system. BIDCO is committed to creating innovative, industry-leading best practices in the clinical, administrative and financial aspects of health care.

As stated in past years, BIDCO supports the Health Policy Commission's (HPC) goal of reducing total health care spending growth in the Commonwealth. To that end, BIDCO supports establishing a target as a means to help achieve that objective. Though it is encouraging that the Center for Health Information and Analysis (CHIA) reported in its *Annual Report on the Performance of the Massachusetts Health Care System* a 2.8% increase in Total Health Care Expenditures (THCE) for 2016 — well below the benchmark of 3.6% — provider organizations still face challenges in effectively managing total medical expense particularly when factors beyond their control are a driving force behind health care expenditure growth.

BIDCO will continue to do its part to effectively manage medical expenses without sacrificing the quality of care being delivered to beneficiaries across its network, and we look forward to working with the Commission in finding solutions to ensure that appropriate factors are evaluated when costs exceed the health care cost growth benchmark.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jeffrey R. Hulburt'.

Jeffrey R. Hulburt
President & Chief Executive Officer