



Beth Israel Lahey Health

Submitted via email: HPC-Testimony@mass.gov

October 26, 2023

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

RE: 2023 Pre-filed testimony Beth Israel Lahey Health

Dear Director Seltz:

Enclosed please find written testimony submitted on behalf of Beth Israel Lahey Health, Inc., in response to the questions of the Health Policy Commission and the Office of the Attorney General, as requested in your letter and accompanying request for pre-filed written testimony. I, Jamie Katz, am legally authorized and empowered to represent Beth Israel Lahey Health, Inc., for the purposes of this testimony, and this letter is signed under the pains and penalties of perjury.

Sincerely,

Jamie Katz, JD
General Counsel
Beth Israel Lahey Health, Inc.



MASSACHUSETTS
HEALTH POLICY COMMISSION

2023 Pre-Filed Testimony PROVIDERS



**As part of the
*Annual Health Care
Cost Trends Hearing***

Massachusetts Health Policy Commission
50 Milk Street, 8th Floor
Boston, MA 02109

INSTRUCTIONS FOR WRITTEN TESTIMONY

If you are receiving this, you are hereby required under M.G.L. c. 6D, § 8 to submit written pre-filed testimony for the [2023 Annual Health Care Cost Trends Hearing](#).

On or before the close of business on **Friday, October 27, 2023**, please electronically submit testimony as a Word document to: HPC-Testimony@mass.gov. Please complete relevant responses to the questions posed 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 pre-filed testimony responses from 2013 to 2022, if applicable. If a question is not applicable to your organization, please indicate that in your response.

Your submission 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.

You are receiving questions from both the HPC and the Office of the Attorney General (AGO). If you have any difficulty with the templates or have any other questions regarding the pre-filed testimony process or the questions, please contact either HPC or AGO staff at the information below.

HPC CONTACT INFORMATION

For any inquiries regarding HPC questions,
please contact:
General Counsel Lois Johnson at
HPC-Testimony@mass.gov or
lois.johnson@mass.gov.

AGO CONTACT INFORMATION

For any inquiries regarding AGO
questions, please contact:
Assistant Attorney General Sandra
Wolitzky at sandra.wolitzky@mass.gov
or (617) 963-2021.

INTRODUCTION

This year marks a critical inflection point in the Commonwealth's nation-leading journey of health care reform. As documented in the [Health Policy Commission's 10th annual Cost Trends Report](#), there are many alarming trends which, if unaddressed, will result in a health care system that is unaffordable for Massachusetts residents and businesses, including:

- Massachusetts residents have high health care costs that are consistently increasing faster than wages, exacerbating existing affordability challenges that can lead to avoidance of necessary care and medical debt, and widening disparities in health outcomes based on race, ethnicity, income, and other factors. These high and increasing costs are primarily driven by high and increasing prices for some health care providers and for pharmaceuticals, with administrative spending and use of high-cost settings of care also contributing to the trend.
- Massachusetts employers of all sizes, but particularly small businesses, are responding to ever-rising premiums by shifting costs to employees through high deductible health plans. As a result, many employees are increasingly at risk of medical debt, relying on state Medicaid coverage, or are becoming uninsured, an alarming signal of the challenges facing a core sector of the state's economy.
- Many Massachusetts health care providers across the care continuum continue to confront serious workforce challenges and financial instability, with some providers deciding to reduce services, close units (notably pediatric and maternity hospital care) or consolidate with larger systems. The financial pressures faced by some providers are driven, in part, by persistent, wide variation in prices among providers for the same types of services (with lower commercial prices paid to providers with higher public payer mix) without commensurate differences in quality or other measures of value.

The HPC report also contains [nine policy recommendations](#) that reflect a comprehensive approach to reduce health care cost growth, promote affordability, and advance equity. The HPC further recommends that legislative action in 2023 and 2024 prioritize modernizing and evolving the state's policy framework, necessary to chart a path for the next decade.

This year's Cost Trends Hearing will focus these policy recommendations and on the efforts of all stakeholders to enhance our high-quality health care system in Massachusetts to ensure that it is also affordable, accessible, and equitable.

ASSESSING EFFORTS TO REDUCE HEALTH CARE COST GROWTH, PROMOTE AFFORDABLE, HIGH-QUALITY CARE, AND ADVANCE EQUITY

- a. Reflecting on the findings of the HPC's 2023 Cost Trends Report showing concerning trends of high and increasing health care costs and widening health disparities based on race, ethnicity, and income, please identify and briefly describe your organization's top 2-3 strategies for reducing health care cost growth, promoting affordability, and advancing health equity for residents of the Commonwealth.

Beth Israel Lahey Health (BILH) is driven by a purpose to create healthier communities — one person at a time — through seamless care and ground-breaking science, driven by excellence, innovation and equity. BILH is proud to care for over 1.5m patients each year. Providing, highly complex, tertiary and quaternary levels of care in Academic Medical Center Centers, advancing access to specialty care in local community hospital and outpatient clinics and helping patients gain access to primary care providers close to where they live and work. BILH remains committed to ensuring efficient operational performance that allows us to fulfill our purpose of delivering outstanding care and our responsibility to the collective effort of healthcare cost containment. At its inception, BILH affirmed its commitment to helping curb the growth of healthcare costs by agreeing to sustain the already strong value position of its providers; today, BILH is the lone health system in the state operating under a commercial price constraint. In addition, this past year BILH has undertaken a number of initiatives to address health disparities, advance high quality healthcare and promote affordability. Health equity is a strategic priority for BILH and we have established robust resources and infrastructure to: (1) collect and standardize patient demographic data and social determinants of health screenings; (2) dashboard health outcomes stratified by race, ethnicity and language; (3) prioritize interventions across primary care practices with highest observed health disparities; and, (4) monitor performance of interventions and overall disparity improvement. The BILH Office of Diversity, Equity and Inclusion (DEI) oversees and supports health equity efforts across our 14 hospitals and clinical units to ensure coordination of resources and implementation of scalable solutions, particularly in relation to requirements from the MassHealth 1115 Waiver and The Joint Commission. In collaboration with our Clinical Care leadership, the DEI office spearheads specific system-wide health equity impact goals, such as programs focused on impacting health outcomes related to cardio metabolic disease and maternal health. BILH has developed a variety of strategies to promote equitable care, which we have implemented in a number of primary care practices: - Bilingual health navigators: Health navigators are

a growing part of our team that help address barriers to care. Our health navigators and population health specialists not only help patients access care, build patients' trust and comfort engaging with their healthcare team and feel a trusted caregiver is engaged in their medical and social needs. Patient navigators are helping patients directly access assistance for things like housing insecurity, transportation support and making connections to other community support services.- Embedded pharmacy expertise: BILH has integrated pharmacists into a number of primary care and specialty practices to provide expertise and consultation. These embedded pharmacists spend one on one time with patients to answer questions and help patients learn more about the medications that may best treat their diabetes and other metabolic conditions.-

Patient resource allocation: With a goal to help patients feel more empowered in their healthcare and improve chronic disease management, our teams provide patients with home access to blood pressure monitoring cuffs and glucose monitoring devices. Coupled with personal support, teaching and connections to other resources essential to successful chronic disease management, patients are able to do things like take their own blood pressure, and monitor their blood sugar levels.

Through the Beth Israel Lahey Health Performance Network (BILHPN) we are furthering BILH's commitment to forming an integrated system. BILHPN aims to improve population health by supporting the delivery of high-quality, cost-effective healthcare to patients and communities. BILHPN provides coordinated care for patients and families through its broad network of physicians, clinicians and hospitals. BILHPN's evolution to a high-value Clinically Integrated Network in 2024 is designed to further the system with coordinated efforts to achieve improved quality, scaled efficiencies, and excellent patient care. This will happen through the consolidation of operational infrastructures to serve patients as one cohesive organization and streamline navigation within BILH. BILHPN is also keenly focused on the provision of care in our communities by keeping care local and strengthening collaborations between providers in geographic proximity while leveraging the efficiency and scale of a system. Similarly, we have utilized broader collaboration efforts and the scale of a larger system to standardize clinical protocols system-wide for many major diseases. BILHPN's efforts to lead in providing outstanding care result in better health outcomes for patients and also produce cost savings. Examples of this can be seen in efforts focused on ensuring patients are supported after a hospital stay and can go home safely, as quickly as possible, with the support they need for optimal health outcomes. Some of the actions in this work include managing skilled nursing facility (SNF) length of stay and SNF avoidance for Medicare Shared Savings Program (MSSP) patients by discharging medically appropriate patients directly home instead of to a SNF, in favor of robust homecare services; and by identifying and following up on high-risk patients to reduce

avoidable readmissions from hospitals and Skilled Nursing Facilities (SNFs), including ensuring patients complete their follow-up appointments after a hospital stay.

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- b. Please identify and briefly describe the top state health policy changes your organization would recommend to support efforts to advance health care cost containment, affordability, and health equity.

Health equity, cost containment and affordability are inextricably connected and require shared accountability and urgency across all healthcare stakeholders. Sustainable efforts are critical for the state to address long-standing, deeply rooted health disparities. Sustaining and increasing the MassHealth 1115 Waiver investments in health equity infrastructure and incentives will be critically important to continued successes that will create systemic change to address health disparities. Another priority for achieving meaningful results in health equity should be to streamline and standardize the collection and measurement of health disparities across the Commonwealth in order to establish annual goals and track progress in closing disparities. Standardization should decrease the growing health system operational burden of meeting disparate requirements across payors. In addition to structural supports, addressing the ever increasing financial burden patients face for medications, co-pays and out of pocket costs is critical to ensuring affordability and improved health. The burden patients bear for medications for many chronic disease medications should be addressed. These cost burdens disproportionately affect communities of color and low-income communities and they often prevent patients from seeking preventive care, resulting in higher acuity and unwarranted hospitalizations. Additionally, efforts should be made to limit the ability of health plans to charge co-payments and other out-of-pocket costs for preventive health and follow-up care (i.e., blood pressure checks). The state has developed a robust set of tools to monitor and create transparency among healthcare providers across numerous measures. Achieving greater healthcare costs savings and affordability will require strengthening oversight of health insurance organizations. Better patient care and reductions in healthcare costs can be achieved by focusing on areas such as reducing administrative complexities, including burdensome insurance prior authorization processes; requiring payors to increase reimbursement rates for behavioral health providers on par with other medical providers; requiring payor benefit design changes, based on diagnoses, that supports medical equipment and supplies needed for remote patient monitoring and require payment parity for telehealth visits and services.

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- c. Many Massachusetts health care providers continue to face serious workforce and financial challenges, resulting in the closure and reorganization of care across the Commonwealth. How are these challenges impacting your organization today? What steps is your organization taking to address these challenges?

BILH, like so many providers throughout the country, reported financial losses in Fiscal Year 2022. That trend continued in Fiscal Year 2023, again driven by skyrocketing labor costs and challenges in managing patient length of stay due to throughput constraints throughout the healthcare continuum. Given the new reality of a tighter healthcare labor market BILH executive leaders, all hospital and clinical unit presidents and their leadership teams have been collectively focused on addressing the workforce challenges by tactically approaching critical elements impacting our workforce. Increasing retention rates, supporting leaders and new workforce entrants, flexible scheduling and educational and skills development opportunities for career advancement were found to be common areas of need across the system. A deeper dive into the greatest area of nursing turnover revealed the highest rates of departure were occurring in the 21-40 age group within their first year of employment. Understanding how we could address this also uncovered numerous opportunities to support nursing leaders. Many leaders reported having to spend disproportionate amounts of time on clinical operations, administrative duties and staff management, not allowing enough time to serve effectively as engaged leaders and mentors. To address this we have developed a number of staff engagement, retention and career development resources. With a 29% increase in new nurse residents over the prior year, more than half of whom are new graduates, we have paid a great deal of attention on enhancing retention efforts, creating a workplace that allows for more flexibility in self-scheduling for nurses and added a higher level nursing support role enabling nurses to work at the top of their license and also creating a new career pathway to improve retention in these roles. In addition to enhancing our nursing workforce efforts, BILH is providing learning and career development opportunities for all staff, supplying enhanced career development services including: a 10-month English for Speakers of Other Languages program, extensive free college courses through Bunker Hill Community College and North Shore Community College, an MBA program through Bentley University and programs to train people without prior experience to the Nursing Assistant/PCT roles.

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- d. Please identify and briefly describe the policy changes your organization recommends to promote the stability and equitable accessibility of health care resources in Massachusetts?

Efforts to support greater sustainability of hospitals and health systems and create more equitable access to healthcare resources should include expansion of higher education and workforce training programs, grants, and scholarships to increase the healthcare workforce. Additionally, providing increased workforce development funding will help to support providers in their role as employers building workforce development programs to support upskilling and career pathways within healthcare and human services. Supporting our collective efforts to enhance both health equity and the healthcare workforce, the state can leverage our diverse workforce through career ladder programs for underrepresented workers who reflect the diverse communities across our Commonwealth. Furthermore, leveraging our existing foreign-trained health professional talent by streamlining licensing requirements will increase healthcare access in underserved areas. In the area of reimbursement, ensuring insurance reimbursement for carved out services / professionals (social work, community health work, SUD treatment, BH workers etc.) is critically important to ensuring more equitable access to critically needed services. Additionally, regulatory and reimbursement policy should support innovative healthcare delivery to help address equity and access issues. This year BILH launched a Hospital at Home (HaH) program. Through the Hospital at Home program we replicate as closely as possible the capabilities of a brick-and-mortar hospital; providing inpatient level care in a patient's home for common diagnoses such as: Exacerbations of Congestive Heart Failure or COPD, Pneumonia, Cellulitis, Sepsis or COVID, through 24/7 care enabled with technology and an ecosystem of in-home services. Patients are admitted from the ED or transferred from the inpatient floor once their care needs can be met by the program. Programs like HaH have great potential to deliver better patient outcomes, result in lower utilization of ancillary services like laboratory and imaging, reduce skilled nursing facility stays, provide greater capacity within hospitals for patients who need services only available in the "brick and mortar" setting and drive the Total Cost of Care down. Through the HaH program we have seen an especially significant impact for some traditionally underserved patients; an example of this can be seen in one medically and socially complex patient who arrived to the ED acutely ill and required a multiple day hospital stay to stabilize her illness; this patient sought to leave the hospital Against Medical Advice to return to responsibilities at home. The HaH program allowed her to return home and receive the acute level of care she desperately needed. Multiple instances such as this one have come through our HaH program and patients are able to proceed with this innovative care model through the regulatory and reimbursement support of Medicare and MassHealth. Commercial payors should be encouraged to support the innovation and longer- term quality and cost benefits of this model, instead of simply reducing reimbursement for care in the home setting in pursuit of pursuing short-term savings. Payers should maintain parity in

payment levels for comparable level of care, whether in a hospital or in a patient's home. Without the opportunity build greater scale in these intense and rigorous care delivery programs we will not collectively achieve the benefits of the enhanced care, increased access and healthcare cost savings Hospital at Home can deliver.

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QUESTION FROM THE OFFICE OF THE ATTORNEY GENERAL

Chapter 224 requires providers to make price information on admissions, procedures, and services available to patients and prospective patients upon request. In the table below, please provide available data regarding the number of individuals that sought this information.

Health Care Service Price Inquiries Calendar Years (CY) 2021-2023			
Year		Aggregate Number of Written Inquiries	Aggregate Number of Inquiries via Telephone or In-Person
CY2021	Q1	265	199
	Q2	284	168
	Q3	134	150
	Q4	300	205
CY2022	Q1	250	235
	Q2	185	219
	Q3	212	224
	Q4	81	195
CY2023	Q1	38	382
	Q2	58	353
	TOTAL:	1,807	2,330