

2019 Pre-Filed Testimony

HOSPITALS AND PROVIDER ORGANIZATIONS



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

Notice of Public Hearing

Pursuant to M.G.L. c. 6D, § 8, the Massachusetts Health Policy Commission (HPC), in collaboration with the Office of the Attorney General (AGO) and the Center for Health Information and Analysis (CHIA), holds an annual public hearing on health care cost trends. The hearing examines 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.

The 2019 hearing dates and location:

Tuesday, October 22, 2019, 9:00 AM
Wednesday, October 23, 2019, 9:00 AM
Suffolk University Law School
First Floor Function Room
120 Tremont Street, Boston, MA 02108

The HPC will call for oral testimony from witnesses, including health care executives, industry leaders, and government officials. Time-permitting, the HPC will accept oral testimony from members of the public beginning at approximately 3:30 PM on Tuesday, October 22. Any person who wishes to testify may sign up on a first-come, first-served basis when the hearing commences on October 22.

The HPC also accepts written testimony. Written comments will be accepted until October 25, 2019, and should be submitted electronically to HPC-Testimony@mass.gov, or, if comments cannot be submitted electronically, sent by mail, post-marked no later than October 25, 2019, to the Massachusetts Health Policy Commission, 50 Milk Street, 8th 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: www.mass.gov/hpc.

The HPC encourages all interested parties to attend the hearing. For driving and public transportation directions, please visit the [Suffolk University website](#). 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 available via livestream and video will be available on the [HPC's YouTube Channel](#) following the hearing.

If you require disability-related accommodations for this hearing, please contact HPC staff at (617) 979-1400 or by email at HPC-Info@mass.gov a minimum of two weeks prior to the hearing so that we can accommodate your request.

For more information, including details about the agenda, expert and market participant witnesses, testimony, and presentations, please check the [Annual Cost Trends Hearing page](#) on the HPC's website. Materials will be posted regularly as the hearing dates approach.

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 2019 Annual Cost Trends Hearing.

You are receiving two sets of questions – one from the HPC, and one from the AGO. We encourage you to refer to and build upon your organization’s 2013, 2014, 2015, 2016, 2017, and/or 2018 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.**

On or before the close of business on **September 20, 2019**, please electronically submit written testimony to: HPC-Testimony@mass.gov. 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.

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 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 H. Johnson at HPC-Testimony@mass.gov or (617) 979-1405.

AGO Contact Information

For any inquiries regarding AGO questions, please contact Assistant Attorney General Amara Azubuike at Amara.Azubuike@mass.gov or (617) 963-2021.

Pre-Filed Testimony Questions: Health Policy Commission

1. STRATEGIES TO ADDRESS HEALTH CARE SPENDING GROWTH:

Since 2013, the Massachusetts Health Policy Commission (HPC) has set an annual statewide target for sustainable growth of total health care spending. Between 2013 and 2017, the benchmark rate was set at 3.6%, and, on average, annual growth in Massachusetts has been below that target. For 2018 and 2019, the benchmark was set at a lower target of 3.1%. Continued success in meeting the reduced growth rate will require enhanced efforts by all actors in the health care system, supported by necessary policy reforms, to achieve savings without compromising quality or access.

- a. What are your organization's top strategic priorities to reduce health care expenditures? What specific initiatives or activities is your organization undertaking to address each of these priorities and how have you been successful?

Boston Medical Center (BMC) is a private, not-for-profit academic medical center located in Boston, Massachusetts. As the largest safety-net provider and busiest trauma and emergency services center in New England, BMC's mission is to provide exceptional care, without exception to all patients. Our patient population has the highest public payer mix of any acute care hospital in Massachusetts at 77% – with over half of our patients receiving care funded through MassHealth or free care (i.e. uninsured). Our challenging payer mix has meant that BMC historically has always had to do more with less.

Succeeding in the MassHealth Accountable Care Organization (ACO) program is our top strategic priority. The BMC Health System partners with four hospital system-led ACOs across the state – Signature, Southcoast, Mercy, and the Boston ACO (BACO). BMC is the anchor institution of BACO. BMC and other BACO-affiliated providers are directing tertiary volume to low cost, high-quality institutions, like BMC. Redirecting clinical services to lower cost providers will play a role in driving down overall healthcare costs.

Over recent years, our system has increased use of alternative payment methodologies – assuming full risk in the aforementioned Medicaid ACOs – and decreased unnecessary hospital utilization. Going forward, these areas remain high-level system priorities, which drive system-wide strategies aimed at reducing health care expenditures. These strategies, which in many ways are complementary and not mutually exclusive, include: complex care management, strengthening the care continuum, and addressing housing insecurity as a root cause of high health care utilization.

- i.) **Complex care management** – BMC Health System is targeting complex care management (CCM) strategies focused on the top 2% of our highest cost patients who account for more than 20% of overall cost. This effort is focused on reducing unnecessary use of the Emergency Department (ED) and inpatient facilities by addressing social, behavioral, and medical barriers. Addressing such barriers enables enhanced patient engagement with primary care and outpatient specialty care. BMC Health System has embedded teams, which include registered nurses and community health workers within the majority of our ACO provider sites across the state and, as appropriate, pharmacists and pharmacy technicians as well. These teams utilize a risk algorithm and provider referral data to identify our highest risk members. Team members are regarded as key members of the care team at each of the sites in which they are embedded, engaging with patients in the clinic during primary care visits, in the ED, and in community and home settings.

(Question 1a. continued)

BMC Health System is continuously modifying and improving the program, through the use of data to inform optimal panel size, length of engagement, team composition, and specific interventions. The true goal of the program is to provide the highest quality, coordinated care while reducing the overall cost of care through elimination of unnecessary or inappropriately located encounters. Additionally, we monitor CCM active and graduated members to detect overall success of the program by tracking key indicators, including inpatient medical and surgical admissions, behavioral health admissions, ED visits, and readmissions.

ii.) Strengthening the care continuum – Maintaining a robust continuum of care across the system, including primary care provider (PCP) sites and community health centers (CHC), has long been a strategic priority. BMC is a founder of Boston HealthNet, a network affiliation of BMC, Boston University School of Medicine, and fourteen community health centers across the Boston area. Our efforts to strengthen the care continuum dovetail with the state’s Community Partner (CP) integration through the MassHealth ACO program, bolstering capacity for community-based care. In order to achieve desired cost savings, improving transitions of care between sites of care is a key system goal. In addition, through BACO we’ve emphasized primary care engagement as foundational to our work to improve member health and prevent high-cost utilization. In the MassHealth ACO, we generally see that about 30% of lives attributed to BMC and our partner sites have never been seen by a PCP. Across our system we’ve made a concerted push around outreach for annual PCP visits, ensuring correct attribution to sites, and other educational and operational efforts to get patients connected to primary care.

iii.) Addressing housing insecurity as a root cause of high health care utilization – Our system has identified lack of stable and affordable housing as a key driver of high cost and a major strategic area for our system to address in order to positively impact patient and community health. Our internal analyses on the interplay of housing, substance use disorder (SUD), and medical comorbidities in the MassHealth ACO patient population show that unstable housing is the most significant driver of annual total cost of care of any single factor. In addition, our analyses show that 13% of patients in our ED and 25% of patients admitted to the hospital are homeless – indicating that lack of stable housing is one of the main upstream factors associated with our patients getting sick in the first place.

In December 2017, in recognition of this unmet need, BMC dedicated \$6.5 million to affordable housing and community-based housing programs in neighborhoods where our patients live. In doing so, we became the first Massachusetts hospital to put all of our required Determination of Need (DoN) community health investment into one social determinant of health. BMC is making a long-term commitment to housing for health, and will reinvest loan repayments, equity fund returns and tax credits from this initiative back into affordable housing. A few recent highlights from this initiative include:

- In August 2019, BMC joined Nuestra Comunidad Development Corporation and city officials in participating in the ribbon cutting ceremony for the opening of the first phase of housing units at the Bartlett Place Development in Roxbury. Later this year, the site will welcome the opening of a Good Foods Market, a nonprofit grocery store dedicated to addressing issues of food access and community health, which BMC has supported with a \$1 million no-interest loan and \$400,000 operating subsidy. The market’s lease will subsidize affordable rental housing in the development.

(Question 1a. continued)

- BMC provided \$1 million to seed the Innovative Stable Housing Initiative, which will provide grants to community-based organizations to help families avoid eviction in and around Boston. In August 2019, BMC was joined by two other area hospitals (Boston Children’s Hospital and Brigham & Women’s Hospital), each of which agreed to contribute \$1 million – bringing the fund total up to \$3 million.

In addition to this systems-level DoN initiative, we have implemented numerous patient-level interventions in the clinic. In our complex care management program, we have streamlined systems to screen our high-cost patients for housing insecurity and match them with internal navigators and community resources accordingly, driving forward the process of addressing this unmet need for our patients. BMC recognizes that it cannot go it alone in tackling a structural issue as all-encompassing as housing insecurity, and is increasingly partnering with community-based housing programs and other stakeholders to multiply our collective impact.

- b. What changes in policy, market behavior, payment, regulation, or statute would most support your efforts to reduce health care expenditures?
- **Pharmaceutical spending** – We strongly urge the state in partnership with the Federal government to preserve the 340B drug pricing program, which provides BMC with discounts on nearly three-quarter of a million prescriptions per year. The savings accrued through 340B in turn support our highly successful Specialty Pharmacy Program that provides comprehensive, high-touch services for thousands of patients receiving treatment for cancer, HIV, hepatitis C, and many more specialty conditions. The program has achieved impressive results for our patients including: increased medication adherence to 90-99%, reduced waiting times for cancer patients to receive their medications from an average of 11 days to same day pick-up, and decreased hospital readmissions rates by 60% for patients with acute myocardial infarction (AMI or “heart attack”). Any scaling back of the 340B program would undermine these efforts to lower healthcare costs and improve quality of care for our patients. We therefore recommend the state Medicaid program continue to allow 340B-eligible providers to fully utilize the program. We support the Governor and State Legislature’s efforts to increase transparency and drive down pharmaceutical costs in MassHealth. Significant changes are needed in order to control skyrocketing drug prices and prevent pharmaceutical spending from crowding out other important healthcare services. Given the complexity of the pharmaceutical supply chain, any changes should be thoroughly vetted with stakeholders to avert any unintended consequences that could disproportionately impact safety-net providers.
 - **Opioid crisis** – Despite the recent turnaround in the state’s opioid-related mortality rate, there remains much to be done in order to reach more vulnerable patients with opioid use disorder (OUD) and effectively stop the epidemic. We commend the Governor and State Legislature for enactment of the Opioid 2.0 bill, which included many provisions to advance treatment for OUD across the Commonwealth. We are particularly encouraged by the measures that seek to make Medication for Addiction Treatment (MAT) more available in EDs and correctional facilities, as well as language authorizing a Health Policy Commission grant program to support programs studying and treating the long-term effects of neonatal abstinence syndrome (NAS) on children as they grow. An area that remains a concern is the low number of providers with waiver authority to prescribe MAT. We commend Congress for making advanced practice register nurses (APRNs) eligible to get waiver trained as MAT prescribers through the “SUPPORT Act of 2018.” Though more can and should be done to incentivize greater provider participation to address the low number of prescribers that poses a significant barrier to individuals with OUD accessing MAT. In an effort to increase access within our own system, BMC, through our Grayken Center for Addiction, is committed to getting all of our residents and physicians waiver trained to prescribe MAT. As the opioid crisis continues to evolve, which we see reflected in the shifting prevalence of different substances (increasingly fentanyl and methamphetamine) and growing disparity in overdose rates and connection to treatment among racial/ethnic minorities, public resources need to be flexible to enable a timely and appropriate response on the part of health systems.

2. STRATEGIES AND POLICIES TO SUPPORT INVESTMENT IN PRIMARY CARE AND BEHAVIORAL HEALTH CARE:

The U.S. health care system has historically underinvested in areas such as primary care and behavioral health care, even though evidence suggests that a greater orientation toward primary care and behavioral health may increase health system efficiency and provide superior patient access and quality of care. Provider organizations, payers, employers, and government alike have important roles in prioritizing primary care and behavioral health *while still restraining the growth in overall health care spending.*

- a. Please describe your organization's strategy for supporting and increasing investment in primary care, including any specific initiatives or activities your organization is undertaking to execute on this strategy and any evidence that such activities are increasing access, improving quality, or reducing total cost of care.

Primary care at BMC is gradually occupying a broader space in the care continuum. Care that once was reserved for the domain of specialists – e.g. treatment for asthma, diabetes, behavioral health, addiction – is now often folded up into the primary care workload to allow for better care coordination and quality of care. Primary care is also extending hours into evenings to increase accessibility and reduce avoidable ED utilization. At the same time, while primary care is being asked to do more, BMC is bolstering the number of staff in the practice through its Nurse Practitioner (NP) Anchor Program – a team-based model consisting of one NP per three PCPs equal to 1.5 FTEs, plus a pharmacist and patient navigator. The NP and other support staff streamline the non-direct visit services – anything that happens outside of the context of the PCP office visit, such as phone calls, billing, prior authorizations, patient education, and prescription consultations – across the PCP triad. The program allows providers to practice at the top of their license, while also creating greater efficiencies and distributing burden to reduce risk of PCP burnout, increase retention, and support recruitment. The hospital provides about a quarter of the funding needed to sustain this program.

- b. Please describe your organization's top strategy for supporting and increasing investment in behavioral health care, including any specific initiatives or activities your organization is undertaking to execute on this strategy and any evidence that such activities are increasing access, improving quality, or reducing total cost of care.

BMC, through BACO, is employing a three-pronged strategy to support and increase our investment in behavioral health (BH) care for our members:

1) Engage patients with the most severe needs in high-touch specialty care, i.e. psychiatry plus wrap-around programs and support through our CCM program. Created a BH-specific CCM team, which includes a nurse care manager, BH navigator, and peer recovery coach. As an organization we have established partnerships with community providers to fast track appointments for specialty care for a select subset of our members. For patients with psychosis or schizophrenia, we offer a specialized psychosis program and wrap-around services (Wellness and Recovery After Psychosis or “WRAP”). For patients with co-occurring SUD and BH diagnoses, we are able to build off of the success of our Office-Based Addiction Treatment (OBAT) program to offer OBAT in Psychiatry, engaging patients in SUD care in the setting of our Psychiatry practice. When a member

(Question 2b. continued)

requires inpatient psychiatric care (which BMC currently does not provide), we work to ensure that the transition of care goes smoothly – notably, that the member has a post-discharge plan in place and a defined path to re-engage with outpatient treatment.

2) Support integrated behavioral health (IBH) in primary care. The overwhelming majority (at least 75%) of our ACO members with a BH diagnosis, have needs that can be met outside of a specialty psychiatry setting, i.e. via IBH in primary care. These individuals commonly have a major depression diagnosis or some other diagnosis, but are stable with medication. The IBH model relies on a team of BH providers to support the PCP in caring for patients – including psychiatrists, psychiatry NPs, social workers, and psychologists. The BH team conducts provider education and e-consults to increase PCP capacity to manage BH patients. In addition, integrated BH providers are available to engage patients in short-term care for stabilization, which improves care continuity (by saving the patient from having to make a separate appointment at a separate clinic) and enhances overall quality of care. With this in mind, BMC is making concerted efforts to actively manage the flow of patients between specialty psychiatry and IBH to effectively allocate resources. This includes proactive BH screens of all patients, vetting for appropriateness of care setting, and graduating stable patients from specialty psychiatry to IBH. For patients with a positive depression screen, our Depression Care Management (DCM) program, which combines case management and therapy, has had impressive results – increasing patient engagement with care and improving response to treatment. Beginning in 2020, BMC is adding a BH metric to our hospital goals for the first time in order to track our performance with respect to screening patients for depression.

3) Implement telepsychiatry at our ACO partner sites. With BACO, our member base has grown statewide through the inclusion of ACO partner sites in Brockton, Fall River/New Bedford, and Holyoke/Springfield. In order to support the capacity of our ACO partner sites to treat the BH needs of their patients, we recently launched a telepsychiatry program – starting with Manet Community Health Center, and growing to include four additional sites in Fall 2019. The telepsychiatry program serves much the same function as IBH just at a distance. PCPs are supported by specialists through e-consult, while patients are able to meet with specialty psychiatry providers via video conferencing for short-term care and possible referral to community psychiatry when needed.

- c. Payers may also provide incentives or other supports to provider organizations to deliver high-functioning, high-quality, and efficient primary care and to improve behavioral health access and quality. What are the top contract features or payer strategies that are or would be most beneficial to or most effective for your organization in order to strengthen and support primary and behavioral health care?

The proliferation of meaningful quality goals in the MassHealth ACO (e.g. immunization rates, diabetes management) and increase in data transparency have fundamentally advanced how we think about and measure clinical intervention in primary care. BMC has worked in concert with BMCHP to ensure incentives and goals for managing total cost of care and quality are aligned, which isn't necessarily the case and has been a sticking point in our contractual arrangements with other payers. BMC and BMCHP are also currently piloting a coordinated effort to de-duplicate services to engage patients in transitions of care. In this case, the system is shifting resources from BMCHP into the hospital's department of General Internal Medicine (GIM) to allow for nurse care managers to engage patients after a high-risk hospital stay. Payers also commonly employ care coordinators, wellness coaches, and call centers, which in some instance may be duplicative of efforts underway in the provider setting, and call for a greater level of coordination and transparency between providers and payers.

BH care is contracted through Beacon Health Options ("Beacon"). BMC is categorized by Beacon as a "preferred provider," which comes with certain beneficial privileges, such as authorization that last 365 days as opposed to a shorter duration or being based on volume (e.g. 6-8 visits). This contract feature improves care continuity for our members. In addition, statewide efforts to increase rates, standardize and improve processes for authorization, and reduce emergency department (ED) boarding have served to boost quality and sustainability of BH care.

- d. What other changes in policy, market behavior, payment, regulation, or statute would best accelerate efforts to reorient a greater proportion of overall health care resources towards investments in primary care and behavioral health care? Specifically, what are the barriers that your organization perceives in supporting investment in primary care and behavioral health and how would these suggested changes in policy, market behavior, payment, regulation, or statute mitigate these barriers?

Primary Care:

- Improved ACO rates overall as well as for our most complex patients – e.g. patients with housing insecurity, SUD, serious mental illness.
- Reimbursement for non-direct visit services.
- Align reimbursement to incentivize integrated specialty care models (like IBH) delivered through community health centers.

(Question 2d. continued)

Behavioral Health:

- Expand access by leveraging available BH workforce:
 - Improve reimbursement rates;
 - Require MassHealth Limited and Health Safety Net (HSN) to reimburse for the same services and provider types as MassHealth;
 - Expand loan forgiveness programs to encourage more people to choose BH profession and commit to providing services in safety-net settings.

- Expand access by leveraging existing BH providers differently and increasing management of BH within primary care:
 - Provide reimbursement for e-consultation from psychiatrists to PCPs;
 - Create an adult equivalent of the Massachusetts Child Psychiatry Access Program (MCPAP) or other remote consultation method;
 - Provide funding for regular BH trainings for PCPs;
 - Establish grant program to encourage creation and growth of IBH programs.

- Align incentives to improve quality and patient experience to match ACO efforts to decrease unnecessary utilization and reduce total costs of care across care continuum:
 - Ensure ACO per-member per-month (PMPM) payment adequately funds BH acuity;
 - Expand efforts for ED diversion and increase outpatient urgent care access.
 - Hold inpatient psychiatry providers accountable for readmissions and appropriate post-discharge planning in order to align incentives with ACOs and BH Community Partners.

- Invest in crisis services for BH:
 - Improve the capabilities of Emergency Service Programs (ESPs) to deal with SUD-related crises.
 - Continue to improve on the quality and accessibility of mobile crisis units
 - Expand new models of crisis care, e.g. Certified Community BH Clinics
 - Continue to invest in statewide, payer-agnostic crisis service infrastructure, including a more robust contact center and mobile response team.

- Expand models supporting use of alternative settings for the delivery of BH care:
 - We support CMS' proposed usage of the Emergency Triage, Treat, and Transport (ET3) model, which encourages integration of BH providers into the EMS team and transport to alternative BH settings for care.
 - Further expansion of telehealth services to increase access for rural and underserved communities.

- Address ED boarding and inpatient psychiatry bed availability.

- Improve reimbursement for non-clinical BH workforce (e.g. peer recovery coaches, BH care managers) to improve patient engagement in care via BH Community Partners in MassHealth ACO.

3. CHANGES IN RISK SCORE AND PATIENT ACUITY:

In recent years, the risk scores of many provider groups' patient populations, as determined by payer risk adjustment tools, have been steadily increasing and a greater share of services and diagnoses are being coded as higher acuity or as including complications or major complications. Please indicate the extent to which you believe each of the following factors has contributed to increased risk scores and/or increased acuity for your patient population.

| Factors | Level of Contribution |
|--|---------------------------|
| Increased prevalence of chronic disease among your patients | Minor Contributing Factor |
| Aging of your patients | Minor Contributing Factor |
| New or improved EHRs that have increased your ability to document diagnostic information | Major Contributing Factor |
| Coding integrity initiatives (e.g., hiring consultants or working with payers to assist with capturing diagnostic information) | Major Contributing Factor |
| New, relatively less healthy patients entering your patient pool | Major Contributing Factor |
| Relatively healthier patients leaving your patient pool | Major Contributing Factor |
| Coding changes (e.g., shifting from ICD-9 to ICD-10) | Not a Significant Factor |
| Other, please describe: Click here to enter text. | Level of Contribution |

Not applicable; neither risk scores nor acuity have increased for my patients in recent years.

4. REDUCING ADMINISTRATIVE COMPLEXITY:

Administrative complexity is endemic in the U.S. health care system. It is associated with negative impacts, both financial and non-financial, and is one of the principal reasons that U.S. health care spending exceeds that of other high-income countries. For each of the areas listed below, please indicate whether achieving greater alignment and simplification is a **high priority**, a **medium priority**, or a **low priority** for your organization. Please indicate **no more than three high priority areas**. If you have already submitted these responses to the HPC via the June 2019 *HPC Advisory Council Survey on Reducing Administrative Complexity*, do not resubmit unless your responses have changed.

| Area of Administrative Complexity | Priority Level |
|---|----------------|
| Billing and Claims Processing – processing of provider requests for payment and insurer adjudication of claims, including claims submission, status inquiry, and payment | Medium |
| Clinical Documentation and Coding – translating information contained in a patient’s medical record into procedure and diagnosis codes for billing or reporting purposes | Medium |
| Clinician Licensure – seeking and obtaining state determination that an individual meets the criteria to self-identify and practice as a licensed clinician | Low |
| Electronic Health Record Interoperability – connecting and sharing patient health information from electronic health record systems within and across organizations | High |
| Eligibility/Benefit Verification and Coordination of Benefits – determining whether a patient is eligible to receive medical services from a certain provider under the patient’s insurance plan(s) and coordination regarding which plan is responsible for primary and secondary payment | Medium |
| Prior Authorization – requesting health plan authorization to cover certain prescribed procedures, services, or medications for a plan member | Medium |
| Provider Credentialing – obtaining, verifying, and assessing the qualifications of a practitioner to provide care or services in or for a health care organization | Low |
| Provider Directory Management – creating and maintaining tools that help health plan members identify active providers in their network | Medium |
| Quality Measurement and Reporting – evaluating the quality of clinical care provided by an individual, group, or system, including defining and selecting measures specifications, collecting and reporting data, and analyzing results | High |
| Referral Management – processing provider and/or patient requests for medical services (e.g., specialist services) including provider and health plan documentation and communication | High |
| Variations in Benefit Design – understanding and navigating differences between insurance products, including covered services, formularies, and provider networks | Medium |
| Variations in Payer-Provider Contract Terms – understanding and navigating differences in payment methods, spending and efficiency targets, quality measurement, and other terms between different payer-provider contracts | Medium |

| Area of Administrative Complexity | Priority Level |
|---|----------------|
| Other, please describe: Click here to enter text. | Priority Level |
| Other, please describe: Click here to enter text. | Priority Level |
| Other, please describe: Click here to enter text. | Priority Level |

Note: While BMC Health System is one entity, BMC and BMC HealthNet Plan have different, yet compatible and coordinated top priorities for implementation.

5. STRATEGIES TO SUPPORT ADOPTION AND EXPANSION OF ALTERNATIVE PAYMENT METHODS:

For over a decade, Massachusetts has been a leader in promoting and adopting alternative payment methods (APMs) for health care services. However, as noted in HPC’s [2018 Cost Trends Report](#), recently there has been slower than expected growth in the adoption of APMs in commercial insurance products in the state, particularly driven by low rates of global payment usage by national insurers operating in the Commonwealth, low global payment usage in preferred provider organization (PPO) products, and low adoption of APMs other than global payment. Please identify which of the following strategies you believe would most help your organization continue to adopt and expand participation in APMs.

Please select no more than three.

- Expanding APMs other than global payment predominantly tied to the care of a primary care population, such as bundled payments
- Identifying strategies and/or creating tools to better manage the total cost of care for PPO populations
- Encouraging non-Massachusetts based payers to expand APMs in Massachusetts
- Identifying strategies and/or creating tools for overcoming problems related to small patient volume
- Enhancing data sharing to support APMs (e.g., improving access to timely claims data to support population health management, including data for carve-out vendors)
- Aligning payment models across payers and products
- Enhancing provider technological infrastructure
- Other, please describe: [Target efforts to reduce churn in order to assist ACOs in retaining their members longer and thereby obtain the benefit of their investments into better health outcomes.](#)

Pre-Filed Testimony Questions: Attorney General's Office

1. For provider organizations: please submit a summary table showing for each year 2015 to 2018 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.

2. Chapter 224 requires providers to make price information on admissions, procedures, and services available to patients and prospective patients upon request.
 - a. Please use the following table to provide available information on the number of individuals that seek this information.

| Health Care Service Price Inquiries Calendar Years (CY) 2017-2019 | | | |
|--|-----------|--|---|
| Year | | Aggregate Number of Written Inquiries | Aggregate Number of Inquiries via Telephone or In- Person |
| CY2017 | Q1 | 21 | 114 |
| | Q2 | 26 | 130 |
| | Q3 | 42 | 252 |
| | Q4 | 15 | 97 |
| CY2018 | Q1 | 25 | 102 |
| | Q2 | 23 | 131 |
| | Q3 | 24 | 112 |
| | Q4 | 8 | 136 |
| CY2019 | Q1 | 34 | 107 |
| | Q2 | 20 | 105 |
| TOTAL: | | 238 | 1,286 |

- b. Please describe any monitoring or analysis you conduct concerning the accuracy and/or timeliness of your responses to consumer requests for price information, and the results of any such monitoring or analysis.

Daily price inquiries are logged by BMC Patient Financial Services to track by caller/patient, type of service and call back number or email. Response typically given within 24-48 hours of inquiry.

- c. What barriers do you encounter in accurately/timely responding to consumer inquiries for price information? How have you sought to address each of these barriers?

Barriers encountered include the caller not having the proper name of procedure or correct CPT code at time of inquiry. If it's an internal request, we follow-up with clinical area to secure information needed to be able to provide timely response. For external requests, we will follow-up with caller to secure more information.

3. For hospitals and provider organizations corporately affiliated with hospitals:

- a. For each year **2016 to present**, please submit a summary table for your hospital or for the two largest hospitals (by Net Patient Service Revenue) corporately affiliated with your organization showing the hospital's operating margin for each of the following four categories, and the percentage each category represents of your total business: (a) commercial, (b) Medicare, (c) Medicaid, and (d) all other business. Include in your response a list of the carriers or programs included in each of these margins, and explain whether and how your revenue and margins may be different for your HMO business, PPO business, and/or your business reimbursed through contracts that incorporate a per member per month budget against which claims costs are settled.
- b. For **2018 only**, please submit a summary table for your hospital or for the two largest hospitals (by Net Patient Service Revenue) corporately affiliated with your organization showing for each line of business (commercial, Medicare, Medicaid, other, total) the hospital's inpatient and outpatient revenue and margin for each major service category according to the format and parameters provided and attached as **AGO Provider Exhibit 2** with all applicable fields completed. Please submit separate sheets for pediatric and adult populations, if necessary. If you are unable to provide complete answers, please provide the greatest level of detail possible and explain why your answers are not complete.