



**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, 8<sup>th</sup> Floor  
Boston, MA 02109

## INSTRUCTIONS FOR WRITTEN TESTIMONY

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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](mailto: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](mailto:HPC-Testimony@mass.gov) or  
[lois.johnson@mass.gov](mailto:lois.johnson@mass.gov).

### AGO CONTACT INFORMATION

For any inquiries regarding AGO  
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Assistant Attorney General Sandra  
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## INTRODUCTION

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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

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1. 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.

As a Federally Qualified Health Center (FQHC)-led Accountable Care Organization (ACO), the overarching strategy of Community Care Cooperative (C3) is to unite FQHCs at scale to strengthen primary care, improve financial performance, and advance racial justice. We applaud the Health Policy Commission's policy recommendations to contain cost while specifically highlighting recommendations to advance health equity for all in the Commonwealth, strengthening primary and behavioral health care and the workforce that provides care, and reducing administrative complexity for providers and ACOs. Aligned with those priorities, C3 is currently focused on two strategic areas:

**Expanding access to primary care** – Key to reducing costs and advancing health equity through FQHCs is assuring that our members have timely access to primary care and integrated behavioral health care. Toward that goal, we are committed supporting our FQHCs with:

- Primary care innovation to achieve success through a value-based model of care – Our efforts to support integrated primary care and practice transformation have included investments in care team coaching and training, and hosting Innovation and Improvement Forums for FQHC staff to share best practices and highlight efforts to improve quality.
- Support for telehealth access - We have a goal of delivering 15% of primary care visits and 30% of behavioral health visits via telehealth. We continue to invest in the statewide Telehealth Consortium in partnership with the Massachusetts League of Community Health Centers to expand availability of telehealth navigation for FQHCs.
- Targeted workforce investments – Our three-year strategic plan includes investments in partnerships and resources to support FQHCs with clinical and non-clinical workforce needs, including pipeline development and training.
- Health Equity – As part of our Health Equity Strategy, we will support FQHCs with staff trainings to position them for effective and culturally appropriate strategies for member data collection to assure consistent and reliable data on race, ethnicity, language, disability status, sexual orientation, and gender identify. The availability of this complete data will allow us to better understand health inequities within in member population in order to appropriately enhance and improve provision of Culturally and Linguistically Appropriate Services (CLAS) and invest in partnerships to address social needs.

**Investments in Care Management and Care coordination** – Our Care Management programs are intended to respond to the complex physical, behavioral and social health needs of members to address health care costs and improve health outcomes. In addition to traditional programs for Complex Care Management and hospital Transition of Care, we support targeted care management programming for:

- High risk maternity members to improve maternal and infant outcomes;
- Programs for members with home health needs to improve care coordination and reduce total cost of care; and
- Behavioral Health Transitions of Care programming to offer post-discharge support after psychiatric inpatient admissions to improve community tenancy reduce readmissions and Emergency Department visits.

Each of these programs includes identification of health-related social needs and referrals to address co-occurring social risks such as food insecurity or housings instability.

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2. 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.

We recommend state policy changes that can have an impact on health equity and access to primary care at FQHCs, thus advancing health care cost containment and affordability:

1. **Prioritize investments in housing** – The housing crisis in our Commonwealth is also a healthcare crisis. High housing prices are a contributing factor to the health care workforce challenges, as described below. Housing instability and homelessness are increasingly prevalent health related social need for our members, with nearly 20% of our Medicaid patients reporting housing insecurity or poor housing quality, and these social situations disproportionately impacting patients of color. Policy changes to invest in housing supports can include passage of state legislation to finance production and preservation of housing for low and moderate income residents, expanded state investments in medical respite facilitates for patients experiencing homelessness, and increased investments in permanent supportive housing to assure appropriate tenancy access for individuals also living with behavioral health conditions.
2. **Assure and expand workforce investments** for primary care including investments in MD and NP education and clinician loan repayment.
3. **Adopt aligned quality measure sets across risk contracts**, assuring these continue to be designed by providers and aligned with currently-approved CMS standards.

3. 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?

As with other health care providers across the state, our FQHCs are experiencing the impact of workforce shortages from clinical providers to other care team members and staff. Staffing shortages lead to challenges of access to care, resulting in waiting lists for new patients at some of our FQHCs.

Additionally, shortages of specialists across the Commonwealth means that FQHC patients may have to wait months for that additional care. FQHCs share that the difficulty of accessing specialty care is compounded by an increasingly burdensome administrative processes for booking specialist appointments and tracking the status of a patient on waitlists, which adds to the workload for FQHC staff.

The housing crisis in Massachusetts further impacts workforce considerations for the sector. With rising housing prices, FQHCs face additional challenges of attracting new providers and staff when housing is unaffordable in their region. Health center leaders share stories of extending offers to clinicians who wanted to work at the FQHC, but ultimately are unable to accept the positions because they couldn't afford to move to the state or the region because of housing costs.

While workforce challenges are multi-faceted, we are taking several steps to address them in partnership with our health centers:

- Prioritize partnerships for pipeline development and workforce creation, including investments in Nurse Practitioner and Physician education and residency programs to address clinician shortages;
- Creation of float pool programs to support FQHCs when vacancies arise;
- Offering upskilling training for care team staff;
- Creating programs for leadership training and professional development to support health center managers, with the goal of improving job satisfaction, opportunities for growth, and retention; and
- Exploring supports for clinicians and staff to address burnout and improve job satisfaction.

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

We recommend two important policy changes to assure that health care investments are directed to assure equity and sustainable support for FQHCs:

#### **1. Protecting 340B Program value to FQHCs.**

The 340B Drug Pricing Program is intended to support financial margin for FQHCs, assuring that they can invest other financial resources and savings from value-based

contracts into patient care. However, in response to ambiguity in the federal program rules, we're seeing advances from contract pharmacies and manufacturers to limit the value of the 340B program to FQHCs for specific medications or to specific pharmacy locations. This is a concerning trend that has important financial implications for health centers and the patients who rely on access to key prescription medications. We recommend that Massachusetts follow the lead of other states like Louisiana and Arkansas to assure the protection of 340B value supports for FQHCs.

**2. Assure Prospective Payment System (PPS) rates equitably support safety net providers:**

We encourage policy change to assure that primary care investments include targets for FQHCs and safety net providers. This can be accomplished by requiring commercial carriers to pay FQHCs at rates no less than the rates mandated by for Medicare and Medicaid. By assuring these rate "floors", increasing investments in primary care will be equitably distributed to FQHCs in communities where increased financial resources can be reinvested in programs to improve culturally and linguistically appropriate services and address social needs to improve health care inequities.

## 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.

***As an ACO, our member advocates answered a variety of calls from members regarding benefits details and coverage. However, we do not track specifics of pricing questions as all claims are processed by MassHealth or Medicare.***

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		
	Q2		
	Q3		
	Q4		
CY2022	Q1		
	Q2		
	Q3		
	Q4		
CY2023	Q1		
	Q2		
	TOTAL:		