



2022 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 [2022 Annual Health Care Cost Trends Hearing](#).

On or before the close of business on **Monday, October 24, 2022**, please electronically submit testimony 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 2021, 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 Attorney General's Office (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 milestone anniversary in the Commonwealth's ambitious journey of health care reform. Ten years ago, through the advocacy of a broad coalition of stakeholders, Massachusetts adopted an innovative approach to slowing the rate of health care cost growth by establishing an annual cost growth benchmark and providing oversight authority to the newly established HPC.

In the first several years of benchmark oversight, the Commonwealth made notable progress in driving down health care spending growth. In recent years, however, spending growth has exceeded the benchmark (with the exception of 2020) and appears likely to continue that upward trajectory.

This trend is driven largely by persistent challenges and market failures that have not been adequately addressed in the past ten years. These challenges, which have been consistently identified by the HPC and others, include:

- Excessive provider price growth and unwarranted variation,
- Increased market consolidation and expansion of high-cost sites of care,
- High, rising, and non-transparent pharmaceutical prices, which may not reflect value,
- Steadily increasing health insurance premiums, deductibles, and cost-sharing, resulting in increased costs to businesses and consumers,
- Stalled uptake of value-based payment models and innovative plan offerings, and
- Systemic and persistent disparities in health care access, affordability, and outcomes.

The ongoing impact of the COVID-19 pandemic has only exacerbated many of these dynamics, contributing to greater health disparities, while adding to inflationary headwinds in the form of increasing labor and supply costs.

These challenges are not unique to Massachusetts, and many other states are evolving their cost containment strategies accordingly to respond to them. In order for Massachusetts to continue to be the national leader on health care cost containment, it must similarly adapt. Unless the state's health care cost containment approach is strengthened and expanded by policymakers, the result will be a health care system that is increasingly unaffordable for Massachusetts residents and businesses with growing health inequities.

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

- a. Reflecting on the past ten years of the Massachusetts health care cost containment effort, and the additional context of ongoing COVID-19 impacts, please identify and briefly describe the top (2-3) concerns of your organization in reducing health care cost growth, promoting affordability, and advancing health equity in future years.

Currently, the most significant concern to Emerson Health around healthcare cost growth is inflationary pressures causing skyrocketing labor and supply costs. Delays in the supply chain have exacerbated this issue. The shortage of available workers has caused us to increase salaries and provide incentives such as sign-on bonuses, and hire short-term travelers at premium rates. Simultaneously, many health care systems are also increasing wages which contributes to the overall increase in labor costs. While labor and supply costs have increased significantly, we are unable to offset with insurance payment increases. As such, the cost of providing health care continue to rise dramatically, which no way to pay for the cost increase. Additionally, the many open positions and lack of applicants have created stress and burden on existing employees who are asked to work additional shifts and to assume more responsibilities. Staff burnout is a genuine concern, especially after working through the COVID pandemic years. Also, inpatient costs are rising because of the difficulty in discharging patients to post-acute settings such as home care and skilled nursing facilities. Frequent boarding in our emergency department is costly and a less than optimal setting for delivering clinical care.

- Emerson strives to keep care local in the communities we serve. We attain this by seeking to provide a wide range of services and specialists locally, in a high quality, lower-cost setting. Unfortunately, we continue to see community members leaving to get care at higher-cost academic centers, even for primary and secondary care. Many of our referring physicians appreciate Emerson as a local and low-cost option for care; however, many healthcare consumers choose to go to an academic medical center because of brand strength and name recognition. We continually strive to communicate the high quality of care at Emerson and the availability and convenience of local care, as appropriate.

- Emerson remains committed to providing both outpatient and inpatient behavioral health. The care provided to pediatric and adult behavioral health patients we see in our emergency department and ambulatory and inpatient behavioral health unit is often very resource intensive. Many of these patients have co-morbidities that require careful management. In some instances, patients in crisis require additional staff to provide one-to-one care for patients. In addition, there is a lack of parity in mental health care reimbursement compared to medical care. We believe strongly in providing excellent behavioral health care as part of our mission; however, the cost and resources it requires are often a drain on Emerson financially.

- b. Please identify and briefly describe the top strategies your organization is pursuing to address those concerns.

We are undertaking various initiatives to address our labor shortage and recruitment challenges. We have developed a comprehensive "pipeline" strategy that includes new and existing formal relationships with various area vocational schools, colleges, and schools of nursing such as Northeastern University, Boston College, UMASS, Regis College, and Shawsheen Valley Technical School. We are actively developing an on-site training program for high school students interested in pursuing careers in healthcare. The structure of this program will include a paid opportunity while providing training and support to ensure their success and opportunity for a full-time position after graduation. We have systematically started to select several inpatient nursing units to incorporate LPNs as a critical element of the nursing skill-mix and patient care team. As part of the LPN program, we also intend on supporting their growth through professional practice and degree advancement. In addition to our acute care and ambulatory clinical placement programs, we are designing both a clinical immersion program where students will receive a "day with nurse" and a Dedicated Education Unit based program where the nursing staff have the opportunity to walk in the shoes of the clinical instructor. These two programs offer our staff and students a whole new perspective that will bolster staff satisfaction and offer new growth opportunities for the students and nursing staff. Our "Grow-Your-Own" program is in full swing and offers our competent acute care nurses the opportunity to grow their professional practice in a subspecialty of choice while continuing to work at Emerson. This program partners our more novice nurses with a skilled RN over an extended period time where skill and clinical acumen is developed through real-time experience and didactic learning.

- We work to keep care local. Earlier this year, we developed a more formal clinical collaboration with Atrius to keep care in the community at the lowest cost setting. In addition, we focus on sending patients to Emerson versus higher-cost academic centers for many specialties. For example, Emerson Digestive Health Center is a newly formed ambulatory endoscopy center as a joint venture between Emerson and PE GI Solutions. This ASC is a low-cost setting for Gastroenterology and related procedures. We work closely with Mass General Brigham on their effort to "repatriate" patients that are transferred to them for advanced care or procedures and then sent back to the community. We continue to provide telemedicine visits and utilize advanced practice providers (Nurse Practitioners and Physicians Assistants) to ensure patient access and appointment availability. In addition, we strive to reduce wait times for primary and specialty care so that patients will stay locally.
- We continue to manage both post-discharge and preventative care through our care management department and our Physician Hospital Organization. Appropriate discharge is challenging due to lack of capacity in post-acute care setting like skilled nursing facilities and home care. In addition, we have established a directory of resources available for patients that address many of the social determinants of health, such as transportation to appointments and pharmacies, housing concerns, and food insecurity. In a new partnership with Metro West Legal Services, we connect patients with free legal aid on many health-related legal needs, such as access to government assistance programs, eviction prevention, immigration, and elder law. In this way, we have created resources that address issues that, left unchecked, would result in higher acuity and higher cost health needs. We continually seek local resources for these needs.

c. Please describe your progress in the past year on efforts to collect data to advance health equity (i.e., data capturing race, ethnicity, language, disability status, and sexual orientation/gender identity, see 2021 Cost Trends Testimony), including specific metrics and results. Please also describe other specific activities your organization has undertaken to advance health equity.

- Emerson Health's mission, vision, and values reflect the importance of patient-centered care. Respectful, inclusive care models ensure we live up to our "excellence personalized" brand. Toward this end, Emerson has implemented many diversity, equity and inclusion (DE&I) initiatives. For FY 2022 and FY 2023, a primary focus is the implementation of data collection for sexual orientation and gender identity (SOGI) data fields in registration software. The next implementation component is training so that data collection and clinical use will be standardized and respectful. Emerson assigned mandatory education in gender-respectful care for all Employees and Medical Staff members. Additionally, the Fenway Institute will provide onsite SOGI programs to support implementation further. The SOGI data collection adds to current demographic data for race, ethnicity, primary language, language preference, and self-reported disability status for healthcare information.
- In FY 2022, Emerson utilized the existing demographic data to develop data analytics for mortality review, patient complaints/grievances, and all serious reportable events. Equity and disability themes were analyzed using the safety reporting system and patient feedback. Finally, the external website was enhanced to further clarify resources, including the ADA campus lead.
- To ensure inclusion for employees of Emerson Health, we rolled out a safety culture survey in May 2022 in English and Spanish translations. In addition, Emerson's CEO appointed a Diversity, Equity, Inclusion, and Belonging (DEIB) officer and formed a DEIB committee.

d. Please identify and briefly describe the top state health policy changes your organization would recommend to support your efforts to address those concerns.

- Emerson Health would recommend several state health policy changes to support our above mentioned efforts. Creating additional inpatient behavioral health capacity state-wide, especially for children and adolescents is critical. Emerson's inpatient unit is for adults only, yet we receive many children and adolescents in our emergency department with complex needs. The availability of providers and beds is an ongoing and urgent issue. In addition, the state should actively seek to expand skilled nursing facilities and home care agencies and support any effort to recruit qualified staff for these facilities.
- Payment equity for mental health services should also be a priority, and the state should insist that the payors make changes to their reimbursement models. The state should also put pressure on payors to reduce the administrative burden on providers by reducing the need for prior authorizations and referrals, etc.
- To address the healthcare labor shortage, the state should consider incentives for people to pursue healthcare careers, such as nursing, medical assistants, radiology technicians, or the like. These incentives could be a combination of loan forgiveness, tuition reimbursement, or grants.

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) 2020-2022			
Year		Aggregate Number of Written Inquiries	Aggregate Number of Inquiries via Telephone or In-Person
CY2020	Q1		146
	Q2	1	133
	Q3		46
	Q4	2	63
CY2021	Q1		110
	Q2	3	74
	Q3		116
	Q4		103
CY2022	Q1		55
	Q2		59
	TOTAL:	6	911