MASSACHUSETTS
HEALTH POLICY COMMISSION

BUSINESS REPORT
AND
FUNDS STATEMENT

FY2013 – FY2019

July 1, 2019

The Massachusetts Health Policy Commission, established by Chapter 224 of the Acts of 2012, is primarily funded through a line item (1450-1200) established annually in the General Appropriations Act, which is funded by a health care industry assessment. The HPC also administers two trust funds that support a variety of health care initiatives across the Commonwealth. The trust funds were funded in 2013 through a one-time assessment on certain providers and insurers.

The payment reform trust fund supports the HPC's investment programs and provider technical assistance programs. The distressed hospital trust fund supports community hospitals through the CHART Investment Program and other activities.

Released annually pursuant to M.G.L. c.6D §8 and c. 29 §2GGGG, this Business Report and Funds Statement serves as a summary of expenditures and activities for fiscal years (FY) 2013 to 2019 (partially) for the HPC's trust funds.

Since FY17, the HPC's operations have been funded through an ongoing health care industry assessment, the amount of which is set forth annually in the state budget (1450-1200). The HPC also manages other line item appropriations as established in statute.

Submitted to the Legislature pursuant to M.G.L. c.6D §8 and c. 29 §2GGGG.

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ABOUT THE HPC

The Massachusetts Health Policy Commission (HPC), established in 2012, is an independent state agency charged with monitoring health care spending growth in Massachusetts and providing data-driven policy recommendations regarding health care delivery and payment system reform. The HPC's mission is to advance a more transparent, accountable, and innovative health care system through independent policy leadership and innovative investment programs. The HPC's goal is better health and better care – at a lower cost – across the Commonwealth.

The agency's main responsibilities are conducted by HPC staff and overseen by an 11-member Board of Commissioners. HPC staff and commissioners work collaboratively to monitor and improve the performance of the health care system. Key activities include setting the health care cost growth benchmark; setting and monitoring provider and payer performance relative to the health care cost growth benchmark; creating standards for care delivery systems that are accountable to better meet patients' medical, behavioral, and social needs; analyzing the impact of health care market transactions on cost, quality, and access; investing in community health care delivery and innovations; and safeguarding the rights of health insurance consumers and patients regarding coverage and care decisions by health plans and certain provider organizations.

THE HPC'S ROLE IN MA HEALTH CARE REFORM

While Massachusetts is a national leader in innovative and high-quality health care, it is also among the states with the highest health care spending. The rapid rate of growth in spending has contributed to a crowding-out effect for households, businesses, and government, reducing resources available to spend on other priorities.

Given these trends, in August 2012, the state enacted Chapter 224 of the Acts of 2012, *An Act Improving the Quality of Health Care and Reducing Costs through Increased Transparency, Efficiency and Innovation.* This first-in-the-nation cost-containment law set the ambitious goal of bringing health care spending growth in line with growth in the state's overall economy by establishing the health care cost growth benchmark, a statewide target for the rate of growth of total health care expenditures. Chapter 224 established the HPC as an independent body to oversee health care system performance, encourage the formation of accountable care organizations and alternative payment models, and make transformational investments, including in the Commonwealth's community hospitals.

Six years after Chapter 224, the HPC has reported progress towards health care cost containment in the Commonwealth. In December 2017, the HPC reported that private commercial spending continued to grow at a relatively low rate (3.4 percent per member) between 2015 and 2016, below the U.S. average for the fourth year in a row. Moreover, Massachusetts would have seen an additional $5.9 billion in health care spending if its commercial health care spending rate had grown at the U.S. rate during that same time period. The HPC reported that slower growth in commercial spending in Massachusetts has narrowed the premium gap with the nation as a whole since 2012.

Even with this progress toward health care cost containment, the HPC has identified opportunities to improve the Massachusetts health care system, including future work to drive down costs associated with administrative complexity, hospital outpatient spending, readmission rates, post-acute care, alternative payment methods, and pharmaceutical spending. Through the annual cost trends hearing and reports, the HPC will continue to monitor performance under the health care cost growth benchmark and trends in these and other areas to help achieve a more efficient, effective health care system in the Commonwealth.

BOARD AND ADVISORY COUNCIL

BOARD OF COMMISSIONERS

The HPC is an independent agency established within the Executive Office of Administration and Finance. It is governed by an 11-member Board of Commissioners, appointed by the Governor, the Attorney General, and the State Auditor. Two cabinet secretaries serve as ex-officio members. Board members were initially appointed in 2012 to staggered terms of one to five years. Board members may be reappointed to additional terms. As designated by law, each Board member has demonstrated expertise in a particular aspect of health care delivery and finance. Board members serve without pay and cannot be employed by, a consultant to, have a financial stake in, or otherwise be a representative of a health care entity while on the Board.

Dr. Stuart Altman was appointed the first chair of the HPC by Governor Deval Patrick in November 2012 for an initial three-year term. He was subsequently reappointed by Governor Charlie Baker in January 2016 to a five-year term. The vice-chair-elect of the Board was Dr. Wendy Everett until December 13, 2018, upon Dr. Everett's retirement. The vice chair position is currently vacant. For more information on the HPC's Board members, see Appendix 3.

BOARD COMMITTEES

In order to facilitate the comprehensive work of the HPC and to allow Board members the opportunity to fully engage in specific topic areas, the HPC's Board is divided into two standing policy committees and a standing committee to oversee the agency's administration and finances. These committees are organized around specific functions of the HPC and have both monitoring and operational responsibilities.

MARKET OVERSIGHT AND TRANSPARENCY

The Market Oversight and Transparency (MOAT) committee is focused on strengthening market functioning and increasing system transparency. MOAT furthers the HPC's statutory commitment to deliver a more value-based health care market and examine market trends and factors to support evidence-based strategies to increase the efficiency of the state's health care system. MOAT's focus areas include: evaluation of provider market changes, monitoring of the health care cost growth benchmark, oversight of the performance improvement plans (PIPs) process and registration of provider organizations (RPO) program, and support of the HPC's research and analytic activities.

CARE DELIVERY TRANSFORMATION

The Care Delivery Transformation (CDT) committee aims to promote an efficient, high-quality health care system with aligned incentives in Massachusetts. CDT advances the HPC's mission to develop strategies to promote care delivery and payment system transformation, and supports the administration and evaluation of the HPC's strategic investment programs. CDT's focus areas include: oversight of the HPC's certification programs, investment programs, learning and dissemination activities, program evaluation, expansion of alternative payment methods (APMs), quality measurement alignment and improvement, administration of the Office of Patient Protection (OPP), and support of related research.

ADMINISTRATION AND FINANCE

The Administration and Finance (ANF) committee's responsibilities include: review of the HPC's annual operating budget, financial controls, financial status and financial reports, oversight of independent audits, and evaluation of the Executive Director's performance and compensation.

ADVISORY COUNCIL

To ensure that a broad range of stakeholders have an opportunity to provide input on the work of the HPC, the Executive Director is required by Chapter 224 to convene an Advisory Council. First established in March 2013, the Advisory Council consists of 30 representatives from health insurers, health care providers, small and large business, state policy makers, the pharmaceutical and biotech industries, and behavioral health and consumer advocacy groups. Membership is assessed every two years. The current term runs from January 1, 2019 to December 31, 2020.

The Advisory Council supports the agency's work by:

- Providing input on the HPC's operations and policy initiatives;
- Contributing feedback on proposed investment priorities;
- Facilitating connections between HPC staff, HPC commissioners, and health care industry participants and stakeholders; and
- Serving as a network for communicating the HPC's work to the larger community.

POLICY PROGRAMS

The HPC's goal is better health and better care at a lower cost across the Commonwealth. The agency works to attain this goal through various programs and research as authorized by Chapter 224, such as:

1. **Research** and publication of annual reports and hearings on health care cost trends;
2. Market **monitoring** through provider notices of material change and cost and market impact reviews;
3. Analysis of structure of the care delivery system through the **certification** of accountable care organizations and the registration of provider organizations;
4. **Investment** in more efficient care through innovative investment programs; and
5. **Safeguarding** the rights of health care consumers by regulating health insurance appeals processes and administering reviews for health insurance and accountable care organization consumers.

Through these and other policy initiatives, the HPC strives to promote the development of a high-value health care system in the Commonwealth.

RESEARCH AND ANALYSIS

The HPC publishes a variety of comprehensive reports and policy briefs to build an evidence-base, support policy development, and provide the Commonwealth with independent, data-driven information on pressing health policy issues. A full list of publications at time of issuance can be found in Appendix 1.

HEALTH CARE COST GROWTH BENCHMARK

Chapter 224 requires the HPC to set health care cost growth goals.

The HPC establishes the state's health care cost growth benchmark, an annual statewide target for the rate of growth of total health care expenditures. The benchmark seeks to keep health care cost growth in line with the state's overall economy. For 2013-2017, the health care cost growth benchmark was set at 3.6%. For 2018 and 2019, the HPC set the benchmark at 3.1%.

Annually in September, the Center for Health Information and Analysis (CHIA) releases a report on the Commonwealth's performance against the benchmark. Following this report, the HPC conducts research assessing the factors contributing to the Commonwealth's performance and completes in-depth analyses of areas of particular concern.

HEALTH CARE COST TRENDS HEARING

Chapter 224 requires the HPC to hold an annual public hearing process to create dialogue and accountability towards the health care cost containment goals.

The annual health care cost trends hearing is a public examination of the drivers of health care costs and an opportunity to engage with experts and witnesses to identify challenges and opportunities within the Commonwealth's health care system. The HPC conducts the hearing in coordination with the Office of the Attorney General (AGO) and CHIA.

The prominent, two-day hearing features in-person testimony from top health care executives, industry leaders, and government officials on the state of the health care delivery and payment system, factors that contribute to cost growth, and strategies to contain costs while improving patient care. The HPC and the AGO also request written (pre-filed) testimony from over 50 organizations. Testimony from the hearing informs various research and policy workstreams.

ANNUAL HEALTH CARE COST TRENDS REPORT

Chapter 224 requires the HPC to analyze and report cost trends through data examination.

Consistent with the statutory mandate of the HPC, the annual health care cost trends report presents an overview of health care spending and delivery in Massachusetts, opportunities to improve quality and efficiency, and progress in key areas and contains recommendations for strategies to increase quality and efficiency in the Commonwealth.

Reports from 2013 to 2019 have identified specific opportunities in the areas of (1) strengthening market function and transparency and (2) promoting an efficient, high-quality health care delivery system.

The annual cost trends report provides recommendations to the Legislature, market participants, and state agencies to fulfill the goals of Chapter 224. The reports also express the HPC's commitments to action in service of those goals.

BEHAVIORAL HEALTH RESEARCH

Chapter 224 requires the HPC to promote the integration of mental health, substance use disorder, and behavioral health services.

The successful integration of identification and treatment for mental illnesses and substance use disorders (collectively referred to as behavioral health) into the broader health care system is essential for realizing the Commonwealth's goals of improving outcomes and containing overall cost growth. Prior research from the HPC indicates that patients with one or more behavioral health conditions have higher average medical costs.

In May of 2019, building on the HPC's report and chartpack on opioid use disorder completed in 2016 and 2017, the HPC completed research on the availability of providers to treat co-occurring mental health and substance use disorders.

ONGOING RESEARCH AGENDA

The HPC complements its annual cost trends report by publishing a number of policy and research briefs on key topics. Like the cost trends report, these briefs employ rigorous methods to examine relevant and actionable issues. The briefs typically offer an in-depth study of one issue, although a May 2018 publication analyzed opportunities for savings in health care across a range of areas.

As part of the HPC's ongoing research agenda, HPC staff presented at the 2019 Academy Health Annual Research Conference on the following topics:

- Lower Health Care Spending and Similar Quality at Physician-Led Provider Groups vs Academic Medical Center-Anchored Groups
- Rapid Expansion of Urgent Care Centers in Massachusetts
- Tip of the Iceberg: Follow-on Costs of Low Value PAP Cytology in Massachusetts
- Variation in Rates of Hospital Admission Following a Visit to the Emergency Department

In 2017, the HPC launched HPC DataPoints, a series of online briefs to spotlight new research and data findings relevant to the HPC's mission to drive down the cost of health care. This publication series showcases brief overviews and interactive online graphics on relevant health policy topics. In 2018 and 2019, the HPC published DataPoints issues on the following topics:

- Opioid-related emergency department utilization
- Cracking open the black box of pharmacy benefit managers
- Insulin price growth and patient out-of-pocket spending
- Health care cost growth benchmark
- Office of Patient Protection medical necessity appeals
- Urgent care centers and retail clinics
- Variation in imaging spending
- Provider organization performance variation
- Quality measurement misalignment

THE ALL-PAYER CLAIMS DATABASE

The Massachusetts All Payer Claims Database (APCD) is the most comprehensive source of health claims data from public and private payers in Massachusetts. With information on the vast majority of Massachusetts residents, the APCD promotes transparency and affords a deep understanding of the Massachusetts health care system. It is used by the HPC and health care providers, health plans, researchers, and others to address a wide variety of issues, including price variation, population health, and quality measurement.

Chapter 224 directs the HPC to use data collected by CHIA in preparing the annual cost trends report. Past reports have featured person- and provider-level analyses based on commercial claims from the APCD. In addition, the HPC has employed the APCD to analyze health care market functioning, including examining market share and assessing the cost and access impacts of proposed transactions. The research staff represent the HPC within the broader research and analytic community, and carries out special research projects as determined by the Executive Director and the Board, including an ongoing effort to advance and improve the HPC's use of the state's APCD

The HPC plans to continue to expand its APCD work to include data for a larger number of commercial plans, Medicaid managed care organizations, and Medicare fee-for-service.

MARKET OVERSIGHT AND TRANSPARENCY

Given the central importance of a well-functioning health care market to sustainable cost containment, a major aim of Chapter 224 and a core policy priority for the HPC is supporting transparency and accountability among health care providers and payers.

MATERIAL CHANGE NOTICES

Chapter 224 requires the HPC to monitor changes within the health care marketplace.

Provider changes, including consolidations and alignments, have been shown to impact health care market functioning, and thus the performance of the Commonwealth's health care system in delivering high quality, cost effective care. As such, providers and provider organizations must submit a material change notice (MCN) to the HPC not fewer than 60 days before the proposed effective date of any proposed transaction that qualifies as a material change.

Based on criteria articulated in statute and informed by the facts of each proposed transaction, the HPC analyzes the likely impact of the transaction. The HPC's work includes a review of the parties' stated goals for the transaction and an assessment of whether, how, and when the transaction would impact costs, quality, and access to care in Massachusetts, based on publicly available data and information provided by the parties.

More information on MCNs may be found here.

COST AND MARKET IMPACT REVIEWS

Chapter 224 requires the HPC to review the impact of proposed changes within the health care marketplace.

The HPC may engage in a more comprehensive review of particular material changes anticipated to have a significant impact on health care costs or market functioning. The result of a cost and market impact review (CMIR) is a public report detailing the HPC's findings. In order to allow for public assessment of the findings, the transactions may not be finalized until 30 days after the HPC issues its final report. Where appropriate, such reports may identify areas for further review or monitoring, or be referred to other state agencies in support of their work on behalf of health care consumers.

Through the CMIR process the HPC can seek to improve understanding of market developments affecting short- and long-term health care spending, quality, and consumer access.

In addition, CMIR reviews enable the HPC to identify particular factors for market participants to consider in proposing and responding to potential future organizational changes. Through this process, the HPC seeks to encourage providers and payers alike to prospectively evaluate and minimize negative impacts and enhance positive outcomes of proposed transactions.

The HPC has released several CMIR reports, available here.

MASSACHUSETTS REGISTRATION OF PROVIDER ORGANIZATIONS

Chapter 224 requires the HPC and CHIA to enhance the transparency of provider organizations.

Provider organizations that meet certain thresholds are required to register biennially with the HPC and to submit a related annual filing to CHIA. To streamline these dual reporting requirements, the HPC and CHIA have created a single program – the Massachusetts Registration of Provider Organizations (MA-RPO) program – that incorporates the required data elements from both the HPC and CHIA statutes. Under the MA-RPO program, a provider organization submits an annual filing to the Commonwealth which satisfies its obligations under both M.G.L. c. 6D, § 11 and M.G.L. c. 12C, § 9.

The launch of the MA-RPO program makes Massachusetts the first state to have transparent, publicly available information about the corporate, contracting, and clinical relationships of its largest health systems.

This public resource contributes to a foundation of information necessary for government, researchers, and market participants to evaluate and improve MA's health care system.

Provider organizations submitted their initial registration data in the fall of 2015. Cleaned data can be found here. The HPC is using this data to enhance its work in other policy areas, including reviewing notices of material change, setting standards for certifying accountable care organizations, and analyzing cost trends and the Commonwealth's progress in meeting the health care cost growth benchmark.

In 2018, the MA-RPO program worked with 56 provider organizations on the submission of their filings. Data from this submission is available as of June 2019.

PERFORMANCE IMPROVEMENT PLANS (PIPS)

Chapter 224 requires the HPC to reduce health care cost growth by requiring certain health care organizations to file and implement a performance improvement plan.

The HPC's enabling legislation, Chapter 224, outlines a process for the state to require certain health care payers and providers to enter into Performance Improvement Plans (PIPs) to improve efficiency and reduce cost growth. Each year, CHIA identifies payers and/or providers whose cost growth is excessive and who threaten the state health care cost growth benchmark, and the HPC must provide notice to those identified entities.

2016 was the first time that the HPC was tasked with reviewing payers and providers identified by CHIA. Following thorough review, the HPC's Board opted not to pursue any PIPs.

For 2019, the HPC is actively engaged in analyzing payers' and providers' 2015-2016 spending trends.

The HPC developed a regulation governing the PIPs process. If required to file, the payer or provider must develop a PIP and propose it to the HPC for approval. The PIP must identify the causes of the entity's cost growth and include specific strategies the entity will implement to improve cost performance. Implementation of a PIP will involve reporting, monitoring, and assistance from the HPC.

REGULATIONS

As part of the development of various programs and operational procedures, the HPC may be required to promulgate regulations.

To date, the HPC has promulgated nine regulations (958 CMR 2.00 – 958 CMR 10.00). A full list of HPC regulations can be found in Appendix 2.

STRATEGIC INVESTMENTS

In order to enhance the delivery of effective, efficient care and promote innovative care delivery models, the HPC provides investments to various organizations across the Commonwealth. While many of these investments are focused on provider organizations, they emphasize the importance of community partnerships to ensure that the HPC's programs are best serving residents of the Commonwealth.

CHART INVESTMENT PROGRAM

Chapter 224 requires the HPC to invest in community hospitals and other providers to support the transition to new payment methods and care delivery models.

The Community Hospital Acceleration, Revitalization, and Transformation (CHART) Investment Program was a $100 million grant program funded by an assessment on large health systems and commercial insurers. The CHART program made two phased investments into eligible Massachusetts community hospitals to enhance the delivery of efficient, effective care. CHART hospitals shared the common characteristics of being non-profit, non-teaching hospitals with lower relative prices than other hospitals in the Commonwealth.

In October 2013, the HPC solicited responses from eligible community hospitals to participate in CHART Phase 1. A total of $9.2 million was distributed to 28 community hospitals. These foundational investments in system transformation primed the hospitals for transformation and enabled the HPC to assess awardees for capability and capacity for performance improvement.

In October 2014, the HPC's Board authorized over $60 million in investments for CHART Phase 2. CHART Phase 2 focused on Driving System Transformation in three key areas:

- Maximizing appropriate hospital use;
- Enhancing behavioral health care;
- Improving hospital-wide (or system-wide) processes to reduce unnecessary spending and improve quality and safety.

Funded hospitals engaged in projects aiming to reduce acute care utilization as measured by admissions, readmissions, emergency department revisits, or emergency department length of stay, with a focus on behavioral health integration and enhanced services.

In 2017, the remaining funds, intended for Phase 3 of the CHART Investment Program, were defunded or "swept" by the Executive Branch to cover a budget shortfall in the Commonwealth's General Fund.

In 2019, the final payments to CHART hospital programs were disbursed.

INNOVATION INVESTMENT PROGRAMS

Chapter 224 requires the HPC foster innovation in health care payment and service delivery through competitive investment opportunities.

In March of 2016, the HPC released requests for proposals (RFPs) for the Health Care Innovation Investment (HCII) Program. Authorized by Chapter 224 and supported with the HPC's trust funds and specific legislative authorizations, HCII is an $11.3 million grant program to drive innovation in health care delivery and payment in Massachusetts. HCII encompasses three investment tracks with awards that range from $250,000 to $1,000,000: the Targeted Cost Challenge Investments (TCCI), the Telemedicine Pilot Initiatives, and the Mother-and Infant-Focused Neonatal Abstinence Syndrome (NAS) Interventions.

TCCI funding was awarded to ten provider organizations to support innovative delivery and payment models that are poised to be taken to scale and make a meaningful impact on the health care cost growth benchmark. Applicants for funding chose one of eight "challenge areas" to address through their initiative that were identified by the HPC as health care cost drivers. After launching between June and July 2017, funded organizations completed 18-month programs targeting behavioral health integration, post-acute care, serious advancing illness and end-of-life care, site and scope of care, and the social determinants of health.

Pursuant to Section 161 of Chapter 46 of the Acts of 2015, four Telemedicine Pilot Initiative awards were granted to provider organizations to enact initiatives that implemented telemedicine-based services. After launching between May and July 2017, funded organizations completed 12-month programs to enhance access to behavioral health care for populations in Massachusetts with unmet behavioral health needs – older adults aging in place, adults with a substance use disorder, and children and adolescents.

Authorized by the Legislature in Chapter 46 of the Acts of 2015, the Neonatal Abstinence Syndrome (NAS) awards were granted to birthing hospitals in Massachusetts. After launching between March and June 2017, funded organizations completed 12-month programs designed to improve

care for infants with NAS and for women in treatment for opioid use disorder during and after pregnancy.

A summary of each HCII award can be found here.

CARE DELIVERY INVESTMENT PROGRAM

In January 2018, the HPC's Board voted to approve a new investment program, the SHIFT-Care Challenge. This new competitive grant program allocates $10 million from the Distressed Hospital and Payment Reform Trust Funds to foster innovations in health care delivery that promote community-based, collaborative approaches to care delivery and drive reductions in avoidable acute care utilization.

In July 2018, the HPC's Board authorized nearly $10 million in funding to 15 awardees. Five provider organizations, of which 4 are HPC-certified ACOs, will identify and serve patients who have unmet health-related social needs, partnering with community-based providers to address patients' needs, while seeking to reduce acute care utilization. Ten provider organizations will implement initiatives to provide access to timely behavioral health care, with the majority of initiatives aimed at providing pharmacologic treatment and connections to ongoing community-based treatment for patients with opioid use disorder (OUD).

The SHIFT-Care Challenge awards launched between February and June 2019. A summary of each SHIFT-Care award can be found here.

CARE DELIVERY TRANSFORMATION

Under Chapter 224, the HPC is responsible for developing a coordinated strategy to advance accountable care in the Commonwealth by collaborating with the leaders of reforms in the payer and provider community, partnering with senior policymakers at other state agencies, enhancing data transparency, and identifying key barriers and accelerators of reform.

PATIENT-CENTERED MEDICAL HOMES

Chapter 224 requires the HPC to develop and implement standards of certification for patient-centered medical homes (PCMHs).

The HPC is required to develop and implement standards of certification for patient-centered medical homes (PCMHs). In response to this charge, the HPC, in collaboration with the National Committee for Quality Assurance (NCQA), developed the PCMH PRIME Certification Program in 2016.

PCMH PRIME emphasizes the importance of behavioral health integration in primary care, identifies components key to the integration of behavioral health care, and certifies practices that meet a majority of those criteria.

In the first three years of the program (January 2016 - December 2018), some 80 practices achieved PCMH PRIME Certification. In 2017 and 2018, the HPC made available to interested practices a technical assistance program that included one-on-one practice coaching to help practices implement new workflows, tools, and team-based care approaches to support behavioral health integration.

PCMH PRIME has helped advance behavioral health integration standards not only in Massachusetts but nationally; in 2018, NCQA launched a Distinction in Behavioral Health Integration program incorporating many of the standards originally developed for PCMH PRIME. In light of these developments, beginning in 2019 the HPC will grant PCMH Certification to practices that achieve NCQA Distinction in Behavioral Health Integration, and the previous PCMH PRIME standards will be retired.

ACCOUNTABLE CARE ORGANIZATIONS

Chapter 224 requires the HPC to develop and implement standards of certification for Accountable Care Organizations (ACOs).

The HPC is charged with developing and implementing standards of certification for accountable care organizations (ACOs) in the Commonwealth. ACOs are groups of physicians, hospitals, and other health care providers who work together to provide patient-centered, coordinated care to a defined group of patients, with the goal of improving quality and reducing health care spending growth.

The ACO Certification program defines core competencies that are relevant to any ACO patient population in a framework applicable to a range of provider organizations, from those with substantial experience in value-based care delivery to those newly transitioning to accountable care.

Since the program launch in 2016, the HPC has certified 18 ACOs, including all of the ACOs contracted by MassHealth to deliver services to approximately 850,000 members across the Commonwealth.

Over time, the HPC envisions refining the certification criteria to recognize ACOs that deliver high quality care and control total medical expenditure cost growth. The HPC is closely aligning with MassHealth and the GIC to ensure that the ACO Certification program is flexible, evidence-based, feasible, and supplements existing ACO-type payment arrangements and initiatives already in place in Massachusetts.

DIGITAL HEALTH PARTNERSHIPS

In 2018, the HPC began a new collaboration aimed at harnessing innovations in digital health to support the agency's goals of improving access to and quality of care. The HPC established a partnership with MassChallenge HealthTech (MCHT) to promote community-based provider access to digital health solutions, and to identify and support digital health startups that address areas of high priority, such as promoting timely access to behavioral health care, addressing social determinants of health, and reducing avoidable emergency department use.

The HPC and MCHT are supporting these startups by providing direct resources to implement solutions at community-based provider systems, and by co-authoring a resource guide to promote linkages between digital health startups and community-based providers.

QUALITY MEASURE ALIGNMENT

In the spring of 2017, the HPC joined other state agencies and stakeholders in an initiative aimed at aligning quality measurement, specifically for global budget risk-based contracts. The HPC conducted research to document the extensive variability in the use of quality measures in contracts between providers and payers.

Building on this work, in 2018 the HPC assisted the Executive Office of Health and Human Services in leading a Taskforce to help define an aligned measure set for use in risk contracts. Through a series of meetings, the taskforce endorsed an aligned set of quality measures, and recommended that payers and providers voluntarily adopt the Massachusetts Aligned Measure Set and incorporate the measures into contracts with ACOs with renewal dates on or after January 1, 2020.

The taskforce also selected four strategic priority areas for quality measure development in 2019, which include an outcome measure for depression remission or response, a patient reported outcomes measure for joint replacement, a measure of kindergarten readiness, and stratification of measures to understand equities and disparities.

ADDRESSING THE SOCIAL DETERMINANTS OF HEALTH

In its role as a convener of important conversations to advance innovative and more equitable approaches to patient care, the HPC has engaged in this important topic through its research, policy, investment, technical assistance, certification, and stakeholder engagement workstreams. Throughout this work, the HPC is committed to strengthening its adoption of a "health equity lens" in order to better identify and address inequities in the health care system.

As part of the new MassUP initiative, the HPC, in collaboration with the Department of Public Health (DPH), MassHealth, and the AGO, has adopted a common framework for reducing health disparities that focuses on both upstream and downstream social determinants of health and health-related social needs.

The HPC's strategic investments are the most direct impact that the agency has on patient's lives, by investing in innovative care delivery models that address the whole-person needs of patients, while accelerating health system transformation. All of the HPC's investment programs are focused on high-need populations that have largely been underserved by the health care system.

The HPC hosted an event in May 2018, *Partnering to Address the Social Determinants of Health*, that brought together over 150 national and Massachusetts-based provider leaders and other stakeholders to discuss new care models for integrating the social determinants of health into the health care system.

LEARNING AND DISSEMINATION

Through the Learning and Dissemination (L+D) initiative, the HPC gathers insights and lessons learned from ACO Certification and strategic investment programs to share with a broad audience of providers, policymakers, state agencies, and other interested parties.

The L+D initiative leverages information submitted to the HPC by awardees of investment programs and applicants of certification programs to identify opportunities to develop outputs, including policy briefs, webinars, and infographics, with the goal of advancing best practices and innovation for care delivery transformation.

In 2019, the HPC developed a practical guide to implementing telemedicine for behavioral health. The guide features overarching themes and quotes from investment program awardees and patient-centered medical homes during a convening and knowledge sharing session that took place during the HCII Telemedicine Pilot implementation period.

In keeping with one of the core goals of the ACO Certification program – to add to public transparency and knowledge about ACOs – the HPC issued three policy briefs and a packet of profiles about the certified ACOs, all based on information submitted for certification. The HPC also highlighted four certified ACOs in a webinar, *Serious and Advancing Illness Care in Value-Based Payment Models: What ACOs in Massachusetts are doing to document and honor patients' wishes*, co-facilitated with the Massachusetts Coalition for Serious Illness Care. The HPC presented aggregate data from ACO Certification applications regarding ACOs efforts to develop programs to address the needs of patients with serious and advancing illness.

The HPC regularly shares insights from the L+D initiative through the monthly Transforming Care newsletter, which spotlights awardee care models, patient stories, HPC presentations, and newly released HPC resources.

BUDGET OVERVIEW
FY2013 – FY2019

OVERVIEW OF HPC TRUST FUNDS

For state fiscal years 2013 to 2016 (FY13-FY16), the HPC and its work was solely funded by two trust funds: The Health Care Payment Reform Trust Fund (HCPRTF) and the Distressed Hospital Trust Fund (DHTF). In FY17, the HPC moved onto the state budget with operating expenses supported by a line item appropriation that is fully assessed on certain large health care providers and payers.

Chapter 224 of the Acts of 2012 dedicated $130 million in one-time revenues to be administered by the HPC through an assessment on certain health care market participants and a portion of one-time gaming license fees. These funds, allocated to the Health Care Payment Reform Trust Fund (HCPRTF) and/or the Distressed Hospital Trust Fund (DHTF), collectively supported the HPC operations, policy programs, professional services, investment programs, market monitoring, and provider engagement initiatives necessary to promote a more affordable, effective, and accountable health care system in Massachusetts.

Health Care Payment Reform Trust Fund

The Health Care Payment Reform Trust Fund (HCPRTF) was established in Chapter 194 of the Acts of 2011, An Act Establishing Expanded Gaming in the Commonwealth. The HCPRTF receives revenue from the following sources:

- Chapter 224 one-time industry assessment (~$11 million total over four years, ending in FY16)
- A portion of gaming license fees (23%) as administered by the Office of the State Comptroller ($40 million)

The main purposes of this fund are to support the establishment of the programs and operations of the HPC, foster innovation in health care payment and service delivery through a competitive grant program, and provide direct technical assistance and support for the HPC's certification programs.

Since FY17, this trust fund has exclusively supported grants under the HPC's innovation investment programs and technical assistance for the HPC's certification and investment programs.

Distressed Hospital Trust Fund

Chapter 224 established the (originally) ~$120 million Distressed Hospital Trust Fund (DHTF) to provide investments in the Commonwealth's community hospitals. For FY13-FY20, the balance of the DHTF will be used to support the CHART Investment Program and other community hospital investments.

In addition to direct funding to community hospitals through the CHART Program, up to 10% of the DHTF is authorized by Chapter 224 for administrative costs related to the CHART Program, including program development, program operations, and financial controls.

In 2017, the Executive Branch diverted $25 million in funds from this trust fund to the Commonwealth's General Fund to help balance the state's budget.

FY19 BOARD APPROVED BUDGET

On July 18, 2018, the Board approved the operating budget for fiscal year 2019. The total budget, including assessments for fringe benefits and for use of the state's accounting system, but not including direct provider investments, was $13,998,166. This budget supports all of the programs and activities described in this report.

ANNUAL INDUSTRY ASSESSMENT

FY16 was the final year of collections for the Chapter 224 one-time assessment on certain hospitals and health plans. From FY17 onward, the HPC's operations and programs are funded by a new annual assessment on acute care hospitals, surgery centers, and health plans. The amount of the assessment will be determined through the state budget process. The assessment process is similar to the current financing mechanism for the Center for Health Information and Analysis (CHIA).

HPC BALANCE SHEETS

For more information on the HPC's annual budget and actual spending, please see the balance sheets on pages 17 and 18, which depict the HPC's spending from each trust fund from FY13 to FY19 (estimated; full fiscal year closeout of state accounts occurs in October on an annual basis).

Health Care Payment Reform Trust Fund	FUND STATEMENT (actual spend from trust fund by FY)						ESTIMATED REVENUE & EXPENSES
	FY13*	FY14	FY15	FY16	FY17	FY18	FY19***
Sources of Funds							
Beginning Balance							
	$ -	$ 2,280,191	$ 2,959,749	$ 15,149,622	$ 14,611,263	$ 14,310,202	$ 10,075,757
Revenue							
Ch. 224 Industry Assessment	$ 2,280,191	$ 3,851,548	$ 2,528,290	$ 2,452,396	$ 155,215	$ -	$ -
Casino Gaming Licenses	$ -	$ 1,725,000	$ 38,525,000	$ -	$ -	$ -	$ -
MassHealth Federal Matching	$ -	$ -	$ -	$ 6,153,885	$ -	$ -	$ -
Penalty Assessment	$ -	$ -	$ -	$ -	$ 41,753	$ 76,081	$ -
Net OPP Collections	$ -	$ -	$ -	$ -	$ 1,775	$ -	$ -
Private Foundation Grant	$ -	$ -	$ -	$ 268,575	$ (4,839)	$ 1,780	$ -
Exec. Director Travel Reimbursement	$ -	$ -	$ -	$ -	$ -	$ 751	$ -
Total Revenue	$ 2,280,191	$ 5,576,548	$ 41,053,290	$ 8,874,856	$ 193,904	$ 78,612	$ -
Total	$ 2,280,191	$ 7,856,739	$ 44,013,039	$ 24,024,478	$ 14,805,167	$ 14,388,814	
Uses of Funds							
Expenditures							
Payroll/Benefits	$ -	$ 2,757,960	$ 3,826,455	$ 4,919,953	$ -	$ -	$ -
Rent/Utilities^	$ -	$ 149,356	$ 215,420	$ 569,538	$ -	$ -	$ -
Professional Services	$ -	$ 1,682,053	$ 1,151,528	$ 2,175,683	$ -	$ -	$ -
Administration/IT Support^	$ -	$ 307,621	$ 721,921	$ 571,619	$ -	$ -	$ -
Private Foundation Grant	$ -	$ -	$ -	$ -	$ 124,971	$ -	$ -
OPP Expenses	$ -	$ -	$ -	$ -	$ 2,362	$ 2,669	$ 2,000
Total Expenditures	$ -	$ 4,896,990	$ 5,915,323	$ 8,236,794	$ 127,333	$ 2,669	$ 2,000
State Levies							
CTR Trust Fund Assessment	$ -	$ -	$ 269,525	$ 591,895	$ 19,925	$ 20,500	$ 2,000
Total Levies	$ -	$ -	$ -	$ 591,895	$ 19,925	$ 20,500	$ 2,000
Investments							
Health Care Innovation Investment	$ -	$ -	$ -	$ -	$ 158,870	$ 4,087,557	$ 1,808,000
PCMH/ACO Technical Assistance	$ -	$ -	$ -	$ -	$ 189,018	$ 202,331	$ 251,000
Total Investments	$ -	$ -	$ -	$ -	$ 347,888	$ 4,289,888	$ 2,059,000
Transfers Out							
State Budget Shortfall	$ -	$ -	$ 10,000,000	$ 500,000	$ -	$ -	$ -
MassHealth Rate Reimbursements	$ -	$ -	$ 12,307,769	$ -	$ -	$ -	$ -
CHIA RPO	$ -	$ -	$ 313,599	$ 88,212	$ -	$ -	$ -
CHIA Survey	$ -	$ -	$ 57,200	$ -	$ -	$ -	$ -
Total Transfers Out	$ -	$ -	$ 22,678,568	$ 588,212	$ -	$ -	$ -
Total	$ -	$ 4,896,990	$ 28,863,416	$ 9,416,900	$ 495,146	$ 4,313,057	
Balance Forward							
Ending Balance							
	$ 2,280,191	$ 2,959,749	$ 15,149,622	$ 14,607,578	$ 14,310,021	$ 10,075,757	

* HPC received $683,098 from three General Fund sources in FY13. All expenditures in FY13 were from the General Fund. Total expenditures were $562,707 and accounted for mostly staff payroll.

** Final fund statement for FY19 will be available in Fall 2019. Numbers reflect estimated spending as of June 2019 and are subject to revision.

^ HPC moved locations in FY15. Increases in Administrative/IT Support and Rent/Utilities reflect moving costs.

^^ Effective January 1, 2015, HPC trust funds were subject to an assessment on payroll and professional services paid to the Office of the State Comptroller.

Distressed Hospital Trust Fund	FUND STATEMENT (actual spend from trust fund by FY)					ESTIMATED REVENUE & EXPENSES
	FY13*	FY14	FY15	FY16	FY17	FY18	FY19***
Sources of Funds							
Beginning Balance							
	$ -	$ 25,994,173	$ 57,906,278	$ 74,566,988	$ 82,644,534	$ 33,538,752	$ 17,033,481.76
Revenue							
Ch. 224 Industry Assessment	$ 25,994,173	$ 40,410,479	$ 25,637,017	$ 26,725,035	$ 573,101	$ -	$ -
TCPI UMS Collections	$ -	$ -	$ -	$ -	$ 1,423	$ 433	$ -
Grant Return of Funds	$ -	$ -	$ -	$ -	$ -	$ 1,180	$ -
Total Revenue	$ 25,994,173	$ 40,410,479	$ 25,637,017	$ 26,725,035	$ 574,524	$ 1,613	$ -
Total	$ 25,994,173	$ 66,404,652	$ 83,543,295	$ 101,292,023	$ 83,219,058	$ 33,540,365	
Uses of Funds							
Expenditures							
Payroll/Benefits	$ -	$ 259,789	$ 751,189	$ 1,286,354	$ 1,381,640	$ 818,583	$ 604,000
Rent/Utilities^	$ -	$ 17,603	$ 52,095	$ 100,508	$ 108,300	$ 109,552	$ 110,000
Professional Services	$ -	$ 220,885	$ 1,144,789	$ 833,695	$ 481,453	$ 421,103	$ 436,000
Administration/IT Support^	$ -	$ 42,449	$ 193,796	$ 100,702	$ 143,485	$ 91,740	$ 52,000
Total Expenditures	$ -	$ 540,726	$ 2,141,870	$ 2,321,260	$ 2,114,878	$ 1,440,978	$ 1,202,000
State Levies							
CTR Trust Fund Assessment	$ -	$ -	$ 117,988	$ 180,458	$ 206,724	$ 432,573	$ 86,000.00
Total Levies	$ -	$ -	$ 117,988	$ 180,458	$ 206,724	$ 432,573	$ 86,000.00
Investments							
CHART Investments	$ -	$ 7,957,648	$ 6,716,450	$ 16,145,771	$ 23,070,574	$ 12,258,863	$ 237,000.00
Health Care Innovation Investments	$ -	$ -	$ -	$ -	$ 117,199	$ 1,651,044	$ 653,000.00
Provider Supports	$ -	$ -	$ -	$ -	$ 495,000	$ 214,051	$ -
DPH ISA for NAS	$ -	$ -	$ -	$ -	$ 175,932	$ 509,374	$ 354,000.00
Total Investments	$ -	$ 7,957,648	$ 6,716,450	$ 16,145,771	$ 23,858,705	$ 14,633,332	$ 1,244,000.00
Transfers Out							
State Budget Shortfall	$ -	$ -	$ -	$ -	$ 23,500,000	$ -	$ -
Total Transfers Out	$ -	$ -	$ -	$ -	$ 23,500,000	$ -	$ -
Total	$ -	$ 8,498,374	$ 8,976,307	$ 18,647,489	$ 49,680,307	$ 16,506,883	
Balance Forward							
Ending Balance							
	$ 25,994,173	$ 57,906,278	$ 74,566,988	$ 82,644,534	$ 33,538,751	$ 17,033,482	

* HPC did not expend any funds from the DHTF in FY13. The first investment program (CHART) was formalized in FY14.

** Final fund statement for FY18 will be available in Fall 2018. Numbers reflect estimated spending as of June 2018 and are subject to revision.

^ HPC moved locations in FY15. Increases in Administrative/IT Support and Rent/Utilities reflect moving costs.

^^ Effective January 1, 2015, HPC trust funds were subject to an assessment on payroll and professional services paid to the Office of the State Comptroller.

APPENDIX 1: PUBLICATIONS

ANNUAL COST TRENDS REPORT

2018 Cost Trends Report and Chartpack (February 2019)

2017 Cost Trends Report and Chartpack (March 2018)

2016 Cost Trends Report (February 2017)

2015 Cost Trends Report (January 2016)

2015 Cost Trends Report: Provider Price Variation (January 2016)

2014 Cost Trends Report (January 2015)

Cost Trends Report: July 2014 Supplement (July 2014)

2013 Cost Trends Full Report (January 2014)

POLICY REPORTS

Review of Third-Party Specialty Pharmacy Use for Clinician-Administered Drugs (Published July 2019)

Co-Occurring Disorders Care in Massachusetts: A Report on the Statewide Availability of Health Care Providers Serving Patients with Co-Occurring Substance Use Disorder and Mental Illness and Interactive Map (May 2019)

Opioid Use Disorder Report (September 2016)

Summary Report: Provider Price Variation Stakeholder Discussion Series (July 2016)

Community Hospitals at a Crossroads: Findings from an Examination of the Massachusetts Health Care System (March 2016)

A Report on Consumer-Driven Health Plans: A Review of the National and Massachusetts Literature (April 2013)

COST AND MARKET IMPACT REVIEW REPORTS

HPC-CMIR-2017-2: Beth Israel Lahey Health (September 2018)

HPC-CMIR-2017-1: Partners HealthCare System, Inc., Massachusetts Eye and Ear Infirmary, and Massachusetts Eye and Ear Associates and Affiliates (January 2018)

HPC-CMIR-2015-1, HPC-CMIR-2015-2, and HPC-CMIR-2016-1: Beth Israel Deaconess Care Organization, New England Baptist Hospital, and New England Baptist Clinical Integration Organization (September 2016)

HPC-CMIR-2013-3: Lahey Health System, Inc. and Winchester Hospital (May 2014)

HPC-CMIR-2013-2: Partners HealthCare System, Inc. and South Shore Hospital (February 2014)

HPC-CMIR-2013-1: Partners HealthCare System, Inc. and South Shore Hospital (February 2014)

BRIEFS AND CHARTPACKS

HPC DataPoints Series

- Issue 13: Opioid-Related Emergency Department Utilization (June 26, 2019)
- Issue 12: Cracking Open the Black Box of Pharmacy Benefit Managers (June 5, 2019)
- Issue 11: Insulin Price Growth and Patient Out-of-Pocket Spending (May 1, 2019)
- Issue 10: Health Care Cost Growth Benchmark (February 11, 2019)
- Issue 9: Office of Patient Protection Medical Necessity Appeals (December 2018)
- Issue 8: Urgent Care Centers and Retail Clinics (August 2018)

- Issue 7: Variation in Imaging Spending (May 2018)
- Issue 6: Provider Organization Performance Variation (March 2018)
- Issue 5: Quality Measurement Misalignment in MA (January 2018)
- Issue 4: The Growing Opioid Epidemic in MA Hospitals (July 2017)
- Issue 3: The ACA's Preventative Coverage Mandate and MA (June 2017)
- Issue 2: Avoidable Emergency Department Use in MA (May 2017)
- Issue 1: Update on Preventable Oral Health ED Visits in MA (April 2017)

Opioid-Related Acute Hospital Utilization in Massachusetts Chartpack (June 2019)

ACO Profiles (September 2018, updated 2019)

Opportunities for Savings in Health Care 2018 (May 2018)

ACO Policy Briefs

- ACO Brief #3: Risk Contracts and Performance Management Approaches of Massachusetts (June 2019)
- ACO Brief #2 - Transforming Care: How ACOs in Massachusetts Manage Population Health (September 2018)
- ACO Brief #1 - Transforming Care: An Introduction to Accountable Care Organizations in Massachusetts (Published April 2018)

Behavioral Health-Related Emergency Department Boarding (November 2017)

Opioid Chart Pack (August 2017)

Research Brief: Serious Illness and End of Life Care in the Commonwealth (November 2016)

Policy Brief: Oral Health (August 2016)

Research Brief: Behavioral Health Compendium (March 2016)

Policy Brief: Out-of-Network Billing (January 2016)

APCD Almanac - Chartbook (July 2014)

ACADEMY HEALTH ANNUAL RESEARCH CONFERENCE POSTERS

2019

- Lower Health Care Spending and Similar Quality at Physician-Led Provider Groups vs Academic Medical Center-Anchored Groups
- Rapid Expansion of Urgent Care Centers in Massachusetts
- Tip of the Iceberg: Follow-on Costs of Low Value PAP Cytology in Massachusetts
- Variation in Rates of Hospital Admission Following a Visit to the Emergency Department

2018

- Coordinating Care for Drug Court Participants
- Coordinating Care for Pregnant and Postpartum Women with Opioid Use Disorder
- Have Community Hospitals Been More Successful in Retaining Local Care After Affiliating with Larger Health Care Systems?
- Out-of-Network Billing in Massachusetts
- Price Variation by Provider Organization in Massachusetts

- Price Variation for Chemotherapy Drugs in Massachusetts
- Addressing Stigma in a Hospital Setting

2017

- Factors Underlying Variation in Inpatient Hospital Prices
- Inadequate Access to Care May be Associated with Long ED Stays for BH Patients
- The Impact of the ACAs Preventative Coverage Mandate on Spending and Utilization of Contraception in Massachusetts
- Variation in Intensity of Care and Hospice Use at the End of Life in Massachusetts
- Bridging the Dissemination Gap: Building a Stakeholder-Informed Learning Strategy

2016

- Emerging Evidence to Effectively Treat Neonatal Abstinence Syndrome (NAS) with Higher Quality and Lower Cost: Lessons from Massachusetts
- Enabling Tools and Technologies to Support Delivery of High Value, Coordinated Health Care: Event Notification Systems
- Retail Clinics Reduce Avoidable Emergency Department Visits in Massachusetts
- When an APCD is Not Enough (You need RPO): Developing a System to Map the Structures and Relationships of Massachusetts' Largest Healthcare Providers
- Price variation for common lab tests and factors associated with selection of low cost sites
- The Opioid Epidemic in Massachusetts: Findings on Hospital Impact and Policy Options
- Spending for low-risk deliveries in Massachusetts varies two-fold, with no measurable quality

PUBLICATIONS RELATED TO THE INVESTMENT PROGRAMS

HCII Awardee Profiles:

- Neonatal Abstinence Syndrome Investments (June 2019)
- Targeted Cost Challenge Investments (June 2019)
- Telemedicine Investments (August 2018)

Integrating Telemedicine for Behavioral Health: Practical Lessons from the Field (May 2019)

SHIFT-Care Challenge Factsheet (August 2018)

HCII Summary (March 2018)

CHART Phase 2 and HCII Factsheet (May 2017)

Chart Phase 1 Factsheet (March 2017)

CHART Phase 2 Hospital Factbook (August 2016)

CHART Phase 1 Report (June 2015)

CHART Phase 1 Hospital Factbook (June 2015)

CHART Case Study: Deploying Effective Management and Leadership Strategies to Drive Transformation (March 2015)

CHART Case Study: Use of Locally Derived Data to Design, Develop, and Implement Population Health Management Intervention (February 2015)

CHART Leadership Summit: Proceedings Report (September 2014)

OFFICE OF PATIENT PROTECTION REPORTS

2017 Office of Patient Protection Annual Report (January 2019)

2016 Office of Patient Protection Annual Report (March 2018)

2015 Office of Patient Protection Annual Report (March 2017)

2014 Office of Patient Protection Annual Report (November 2015)

2013 Office of Patient Protection Annual Report (November 2014)

APPENDIX 2: HPC REGULATIONS

REGULATIONS

One-Time Assessment Regulation (958 CMR 2.00)

For Fiscal Years 2013-2016, the HPC was partially funded through a one-time assessment on certain Massachusetts payers and providers. The HPC's first regulation governs said payments to the HPC and provides details on which acutehospitals and surcharge payers must contribute to the assessment.

Health Insurance Consumer Protection Regulation (958 CMR 3.00)

The Office of Patient Protection facilitates independent external reviews of certain health insurance decisions. This regulation establishes the requirements for carriers in administering their internal grievance procedures and conducting external reviews of carriers' medical necessity adverse determination. The regulation also sets out requirements for continuity of care, referral to specialty care, and carrier reporting requirements.

Health Insurance Open Enrollment Waivers Regulation (958 CMR 4.00)

Massachusetts and federal law establishes open enrollment periods during which individuals and families may buy non-group health insurance coverage. This regulation establishes the requirements for requests by consumers who wish to enroll in a non-group health plan outside of the open enrollment periods. The HPC is updating this regulation to comply with the Affordable Care Act and new Massachusetts laws.

CHART Investment Program Regulation (958 CMR 5.00)

Chapter 224 created the CHART Investment Program, a phased grant program that invests in eligible Massachusetts community hospitals to enhance their delivery of efficient, effective care. This regulation governs the procedures and criteria used to award grants to certain qualifying acute hospitals, as authorized by the HPC Board. This regulation specifies how the HPC administers the grant program.

Registration of Provider Organization Regulation (958 CMR 6.00)

Chapter 224 directs the HPC to develop and administer a registration program for provider organizations, through which those entities subject to the law submit information on their organizational and operational structure and governance. This regulation governs the procedures and criteria used to administer the provider organization registration program. It specifies the criteria for who must register and what information must be submitted to complete registration.

Notices of Material Change and Cost and Market Impact Reviews Regulation (958 CMR 7.00)

Chapter 224 directs the HPC to monitor changes in the health care marketplace, including consolidations and alignments that have been shown to impact health care market functioning, and thus the performance of our health care system in delivering high quality, cost effective care. This regulation governs certain procedures for filing Notices of Material Change as well as the procedures by which the HPC will review Notices of Material Change and conduct Cost and Market Impact Reviews.

ICU Nurse Staffing Regulation (958 CMR 8.00)

Chapter 155 of the Acts of 2014 established patient assignment limits for registered nurses in intensive care units in acute hospitals and charged the HPC with promulgating regulations governing the implementation and operation of the law including. This regulation establishes Patient Assignment limits for Registered Nurses in Intensive Care Units in Acute Hospitals licensed by the MA Department of Public Health and in hospitals operated by the Commonwealth, including the process for selecting or developing an Acuity Tool and required elements of the Acuity Tool.

Annual Assessment Regulation (958 CMR 9.00)

Beginning in FY 2017, the HPC's operating budget is funded through an annual assessment on certain payers, providers, and ambulatory services centers. This regulation governs the process through which the assessment is collected.

Performance Improvement Plan Regulation (958 CMR 10.00)

Chapter 224 directs the HPC to evaluate payer and provider health care spending trends and require certain entities to file and implement a Performance Improvement Plan (PIP). This regulation governs the process and criteria used to require a PIP and assess its effectiveness.

RBPO/ACO Appeals Regulation (958 CMR 11.00)

Chapter 224 requires the Office of Patient Protection (OPP) to develop requirements for internal appeals and an external review process for patients of certain provider organizations. This regulation mandates internal appeal processes of DOI-certified Risk Bearing Provider Organizations (RBPO) and HPC-certified Accountable Care Organizations (ACO) and allows for an external review process for patients to obtain third party review of such appeals.

For more information about HPC regulations, please visit here.

APPENDIX 3: HPC BOARD AND ADVISORY COUNCIL MEMBERSHIP

HPC COMMISSIONERS

Health Policy Commission Board, July 2019			First Term			Second Term			Third Term		
Statutory Requirement	Appointing Authority	Appointee	Term Start Date	Term*	Term End Date	Appointment/ Reappointment Date	Term	Term End Date	Appointment/ Reappointment Date	Term	Term End Date
One member, designated as chairperson	Governor	Altman, Stuart	11/1/2012	3 years	11/1/2015	1/15/2016	5 years	11/1/2020			
One member with demonstrated expertise in the development and utilization of innovative medical technologies and treatments for patient care.	Auditor	Everett, Wendy	11/1/2012	2 years	11/1/2014	3/6/2015	5 years (served 4 years, 1 month)	RESIGNED 12/13/2018			
	Auditor	Blakeney, Barbara				2/27/2019	8 months Remainder of Term	11/1/2019			
One member with demonstrated expertise in representing the health care workforce as a leader in a labor organization.	Auditor	Turner, Veronica	11/1/2012	4 years	RESIGNED 11/1/2016						
	Auditor	Foley, Timothy	10/12/2016	Remainder of Term	10/31/2016	11/1/2016	5 years	10/31/2019			
One member with demonstrated expertise as a purchaser of health insurance representing business management or health benefits administration	Auditor	Lord, Richard	11/1/2012	3 years	11/1/2015	12/1/2015	5 years	11/1/2020			
One member who is a health economist.	Attorney General	Cutler, David	11/1/2012	3 years	11/1/2015	12/1/2015	5 years	11/1/2020			
One member with expertise in health care consumer advocacy.	Attorney General	Hattis, Paul	11/1/2012	2 years	11/1/2014		1 year Holdover Appointee	12/31/2015			
		Berwick, Donald				1/1/2016	4 years Remainder of Term	11/1/2019			
One member with expertise in behavioral health, substance use disorder, and mental health services	Attorney General	Sudders, Marylou	11/1/2012	1 year	11/1/2013	9/23/2013	4 years (served 14 months)	RESIGNED 1/1/2015			
		Cohen, Martin				4/23/2015	3 years, 6 months Remainder of Term	11/1/2018	11/13/2018	5 years	11/12/2023
One member with demonstrated expertise in health plan administration and finance	Governor	Yang, Jean	11/1/2012	4 years (served 28 months)	RESIGNED 2/2015						
		Mastrogiovanni, Renat	5/19/2015	1 year, 5 months Remainder of Term	11/1/2016	11/1/2016	5 years	11/12/2021			
One member who is a primary care physician	Governor	Allen, Carole	11/1/2012	5 years	11/1/2017						
		Kryder, John Christian				1/31/2018	5 years	11/13/2022			
Secretary of Administration and Finance	Governor	Shor, Glen	Ex-Officio								
		Lepore, Kristen	Ex-Officio								
		Heffernan, Michael	Ex-Officio								
Secretary of Health and Human Services	Governor	Polanowicz, John	Ex-Officio								
		Sudders, Marylou	Ex-Officio								

*Please Note: Chapter 224 set staggered initial terms for all appointed seats. The terms began in November 2012. All subsequent appointments and reappointments are for five years.

DR. STUART ALTMAN, CHAIR

Statutory Requirement: One member, designated as chairperson, with demonstrated expertise in health care delivery, health care management at a senior level, or health care finance and administration, including payment methodologies. (Appointed by the Governor)

Stuart Altman, P.h.D., is the Sol C. Chaikin Professor of National Health Policy at The Heller School for Social Policy and Management at Brandeis University. He is an economist with approximately five decades of experience working closely with issues of federal and state health policy within government, the private sector, and academia.

Dr. Altman has served on numerous government advisory boards on both the federal and state levels. Between 1971 and 1976, Dr. Altman was Deputy Assistant Secretary for Planning and Evaluation/Health at the U.S. Department of Health Education and Welfare (HEW). While serving in that position, he was one of the principal contributors to the development and advancement of a National Health Insurance proposal. From 1972 to 1974, he also served as the Deputy Director for Health as part of President Nixon's Cost-of-Living Council, where he was responsible for developing the council's program on health care cost containment.

For twelve years, from 1984 to 1996, he was the Chairman of the Prospective Payment Assessment Commission (ProPac), which was responsible for advising the U.S. Congress and the administration on the functioning of the Medicare Diagnosis-Related Group (DRG) Hospital Payment System and other system reforms. He was appointed in 1997 by President Clinton to the National Bipartisan Commission on the Future of Medicare. From 2000 to 2002, he was Co- Chair of the Legislative Health Care Task Force for the Commonwealth of Massachusetts.

Dr. Altman is a published author of numerous books and journal articles, the most recent, *Power, Politics and Universal Health Care: The Inside Story of a Century-Long Battle* (2011). He has been recognized as a leader in the health care field by *Health Affairs* and by *Modern Healthcare*, which named him in 2006 among the 30 most influential people in health policy over the previous 30 years, and which from 2003 to 2011 named him one of the top 100 most powerful people in health care. Dr. Altman earned his M.A. and Ph.D. degrees in economics from UCLA.

DR. WENDY EVERETT, VICE CHAIR *(Retired December 13, 2018)*

Statutory Requirement: One member with demonstrated expertise in the development and utilization of innovative medical technologies and treatments for patient care. (Appointed by the State Auditor)

Wendy Everett, Sc.D., recently retired as the President of NEHI, a national health policy research institute focused on enabling innovation to improve health care quality and lower costs. She was appointed as the organization's first president in July 2002.

Dr. Everett has more than 40 years of experience in the health care field. She has held executive positions at the University of California, San Francisco Medical Center (UCSF) and at Brigham and Women's Hospital in Boston. She has directed national demonstration programs for The Robert Wood Johnson and the Kaiser Family Foundations. In the mid-1990s, Dr. Everett became a Director of the Institute for the Future, leading the Health and Health Care research team for six years and overseeing the creation of ten-year, national forecasts in health and health care.

Dr. Everett earned two Bachelor of Science degrees, and she holds master's and doctoral degrees in health policy and management from Harvard University.

DR. DONALD BERWICK

Statutory Requirement: One member with expertise in health care consumer advocacy. (Appointed by the Attorney General)

Donald M. Berwick was President and CEO of the Institute for Healthcare Improvement (IHI) for nearly 20 years. In July 2010, President Obama appointed Dr. Berwick to the position of Administrator of the Centers for Medicare & Medicaid Services, a position he held until December 2011. He was formerly Clinical Professor of Pediatrics and Health Care Policy at the Harvard Medical School, and Professor in the Department of Health Policy and Management at the Harvard School of Public Health. Dr. Berwick has served as vice chair of the US Preventive Services Task Force, the first "Independent Member" of the American Hospital Association Board of Trustees, and chair of the National Advisory Council of the Agency for Healthcare Research and Quality. An elected member of the Institute of Medicine (IOM), Dr. Berwick served two terms on the IOM's governing Council and was a member of the IOM's Global Health Board. He served on President Clinton's Advisory Commission on Consumer Protection and Quality in the Healthcare Industry. He is a recipient of several awards and author of numerous articles and books, including *Curing Health Care* and *Escape Fire*.

MS. BARBARA BLAKENEY

Statutory Requirement: One member with demonstrated expertise in the development and utilization of innovative medical technologies and treatments for patient care. (Appointed by the State Auditor)

Barbara Blakeney, MS, RN, FNAP, is the past President of the American Nurses' Association, and has maintained a passion for providing access to high quality, affordable health care throughout her career. As a clinician, she focused her practice in poor communities, both urban and rural, and from that learned the power of resilience and the oppression of poverty. Barbara is the recipient of many awards and honors including the Pearl McIvor Public Health Nursing Award from the American Nurses' Association, the Chief Nurse Award of the US Public Health Service,and is a Distinguished Alumni at the University of Massachusetts at Amherst. Barbara has served on the National Advisory Board for the Joint Commission and as a member of the advisory group for the first nursing sensitive quality indicators for the National Quality Forum. Barbara is a Distinguished Public Policy Fellow of the National Academies of Practice. Barbara has served on many boards of directors including as a founding member and current Vice-Chair of the Boston Health Care for the Homeless Program, the American Nurses Association, the American Nurses Credentialing Center, Health Care Without Harm, Practice Green Health, and the Center for Education and Research on Therapeutics (CERTS). Barbara served as an Innovation Advisor to the Centers for Medicare and Medicaid Innovation Center. In that capacity, she led highly successful projects to improve care, decrease delays in care, and improve efficiency at the clinical Microsystems level. She is a co-author of a first of its kind study of equine assisted learning and Nurse Presence. (10.1177/0898010112474721 http://jhn.sagepub.com)

MR. MARTIN COHEN

Statutory Requirement: One member with expertise in behavioral health, substance use disorder, and mental health services. (Appointed by the Attorney General)

Martin D. Cohen is the president/CEO of the MetroWest Health Foundation, a community health philanthropy serving the MetroWest area of Massachusetts. Mr. Cohen has more than 30 years of experience working with federal and state policy-makers to plan and implement comprehensive strategies for improving public mental health services. Prior to joining the foundation, Mr. Cohen served as the executive director of the Technical Assistance Collaborative, Inc., a national health and human services consulting firm. He previously served as a deputy program director and senior program consultant for the Robert Wood Johnson Foundation, and was a deputy assistant secretary in the Massachusetts Executive Office of Health & Human Services. He serves on the board of advisors of the David and Lura Lovell Foundation and the Harvard Pilgrim Health Care Foundation. Cohen holds both a BA and MSW from Boston University.

DR. DAVID CUTLER

Statutory Requirement: One member who is a health economist. (Appointed by the Attorney General)

David Cutler, P.h.D., is the Otto Eckstein Professor of Applied Economics in the Department of Economics at Harvard University and holds secondary appointments at Harvard's Kennedy School of Government and the Harvard School of Public Health. David served as Assistant Professor of Economics from 1991 to 1995, was named John L. Loeb Associate Professor of Social Sciences in 1995, and received tenure in 1997. Professor Cutler was associate dean of the Faculty of Arts and Sciences for Social Sciences from 2003-2008.

Honored for his scholarly work and singled out for outstanding mentorship of graduate students, Professor Cutler's work in health economics and public economics has earned him significant academic and public acclaim. Professor Cutler served on the Council of Economic Advisers and the National Economic Council during the Clinton Administration and has advised the Presidential campaigns of Bill Bradley, John Kerry, and Barack Obama as well as being Senior Health Care Advisor for the Obama Presidential Campaign and a Senior Fellow for the Center for American Progress.

Professor Cutler is author of two books, several chapters in edited books, and many of published papers on the topic s of health care and other public policy topics. Author of Your Money Or Your Life: Strong Medicine for America's Health Care System, published by Oxford University Press, this book, and Professor Cutler's ideas, were the subject of a feature article in the New York Times Magazine, The Quality Cure, by Roger Lowenstein. Cutler was recently named one of the 30 people who could have a powerful impact on healthcare by Modern Healthcare magazine and one of the 50 most influential men aged 45 and younger by Details magazine. Professor Cutler earned an A.B. from Harvard University and his P.h.D. in Economics from MIT (1991).

MR. TIMOTHY FOLEY

Statutory Requirement: One member with demonstrated expertise in representing the health care workforce as a leader in a labor organization. (Appointed by the State Auditor)

Tim Foley is a Vice President for 1199SEIU, the state's largest union of health care workers. He has worked for SEIU for 11 years, starting out as a political director, then being elected to a Vice President position. Mr. Foley has worked for the Massachusetts AFL-CIO and the Massachusetts Coalition for Adult Education. He holds a bachelor's degree in political science from the University of Delaware and a masters' degree in public affairs from the University of Massachusetts- Boston.

SECRETARY MICHAEL J. HEFFERNAN, EXECUTIVE OFFICE OF ADMINISTRATION AND FINANCE

Statutory Requirement: Secretary of Administration and Finance (Appointed by the Governor, Ex-Officio)

Michael J. Heffernan joined Governor Charlie Baker's cabinet as Secretary of the Executive Office for Administration and Finance in August 2017. In his role, Secretary Heffernan is in charge of formulating the governor's budget plan, providing guidance on the economy, and implementing the state government's $40 billion operating and $2 billion capital budgets. Secretary Heffernan also manages numerous state administrative agencies including the Department of Revenue (tax administration and economic forecasting), the Human Resources Division (talent recruitment and management), the Group Insurance Commission (employee and retiree health insurance), the Operational Services Division (procurement), and the Department of Capital Asset Management and Maintenance (state facilities).

Mike previously served as Commissioner of the Department of Revenue for the Commonwealth of Massachusetts where he was responsible for administrating tax, revenue collection, child support, and municipal finance laws. Following his campaign for Massachusetts state treasurer in 2014, Mike served on Governor Charlie Baker's transition team and was appointed to the boards of Massachusetts Pension Reserves Investment Management Board (PRIM) and the MBTA Retirement Fund in early 2015.

In the private sector, Mike spent nearly two decades in increasingly senior roles at Citigroup and its predecessor firm, Salomon Brothers, as a managing director in its markets and banking division. He previously served as a Vice President in capital markets at NatWest Markets and EF Hutton & Co. Most recently, he co-founded the Massachusetts tech startup Mobiquity in 2011.Mike has been involved with a number of non-profits focused primarily on education and healthcare. He holds an MBA in finance from New York University, an MPA from the Harvard Kennedy School and a bachelor's degree in economics from Georgetown University where he sits on the Georgetown College Board of Advisors and chairs the Georgetown Library Board.

DR. JOHN CHRISTIAN KRYDER

Statutory Requirement: One member who is a primary care physician. (Appointed by the Governor)

Dr. John Christian Kryder is currently an Executive Partner at Flare Capital, a Boston-based healthcare technology investment group. In addition to chairing the Board of Directors at a telemedicine services organization, InfiniteMD, Dr. Kryder has also recently been an Advisor at GE Ventures, a venture capital subsidiary of General Electric that enables entrepreneurship in the healthcare industry. He spent twenty-five years as a Clinical Instructor in Medicine in the Medical Engineering and Medical Physics Program at Harvard Medical School, HST Division.

Dr. Kryder currently serves on the Board of Trustees at Tufts Medical Center. Previously, Dr. Kryder spent over ten years at several Waltham-based healthcare organizations—as Chief Executive Officer at Verisk Health, Co-Founder of Generation Health and Chief Executive Officer and Founder of D2Hawkeye.

Dr. Kryder received a Doctorate of Medicine from Georgetown University and completed his internal medicine residency training in the Harvard Primary Care Program at Mount Auburn Hospital in Cambridge. He also received a Master's in Business Administration from the Sloan School at Massachusetts Institute of Technology. He received a Bachelor of Arts in History from the University of Buffalo.

MR. RICHARD LORD

Statutory Requirement: One member with demonstrated expertise as a purchaser of health insurance representing business management or health benefits administration. (Appointed by the State Auditor)

Richard C. Lord is President and Chief Executive Officer of Associated Industries of Massachusetts (AIM). AIM is a state-wide employer advocacy and service organization of more than 5,000 member companies. Mr. Lord joined AIM in 1991 and served as Executive Vice President for Legislative Policy where he was responsible for AIM's public policy advocacy on health care, economic development, taxation, worker's compensation and other issues of interest to employers in the Commonwealth. He has been President and CEO since 1999.

Prior to joining AIM, Mr. Lord served as Chief of Staff for the Committee on Ways and Means of the Massachusetts House of Representatives. The Committee is responsible for all legislation involving state funds and revenues, including the Commonwealth's annual budget and all tax related matters. Mr. Lord was employed by the Committee for six years, serving as the Budget Director before being promoted to the Chief of Staff position. Mr. Lord is a 1977 Phi Beta Kappa graduate of Williams College where he earned a B.A. degree in Economics and Psychology.

MR. RENATO "RON" MASTROGIOVANNI

Statutory Requirement: One member with demonstrated expertise in health plan administration and finance. (Appointed by the Governor)

Ron Mastrogiovanni, President and Chief Executive Officer of HealthView Services, has more than 25 years of experience in management consulting, financial services and health care software design. He is responsible for developing the HealthView platform, a solution-based planning system that integrates health care cost projections, Medicare means testing, long-term care expenses and Social Security optimization into the retirement planning process. Mr. Mastrogiovanni has emerged as a widely respected thought leader in the area of health care costs

projections, and has co-authored several white papers on such topics as the Annual Health Care Cost Data Report and the Impact of Medicare Means Testing on Future Retirees.

Prior to HealthView, Mr. Mastrogiovanni was the co-founder of FundQuest, one of the first fee-based asset management companies that provided financial institutions - including banks, insurance companies, and brokerage firms – with wealth management solutions. Mr. Mastrogiovanni, who designed the firm's asset allocation and money management process, was responsible for overseeing the management over $12 billion in client assets. The company was acquired by BNP Paribas, a global leader in banking and financial services. HealthView Services and Mr. Mastrogiovanni have been featured in several national publications, including The Wall Street Journal, CNBC, and MarketWatch. Mr. Mastrogiovanni received a B.S. degree from Boston State College and an M.B.A. from Babson College.

SECRETARY MARYLOU SUDDERS, EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

Statutory Requirement: Secretary of Health and Human Services (Appointed by the Governor, Ex-Officio)

Appointed as Secretary of the Executive Office of Health and Human Services (EOHHS) by Governor Charlie Baker in January 2015, Marylou Sudders leads the largest executive agency in state government, a $19.4 billion state budget with 22,000 dedicated public servants, and oversees critical services that touch one in four residents of the Commonwealth. Professionally trained as a social worker, Sudders has dedicated her life to public service and to some of our most vulnerable citizens. She has been a public official, provider executive, advocate and college professor.

She was the Massachusetts Commissioner of Mental Health from 1996 to 2003, championing significant legislative reforms including insurance parity, fundamental patient rights and the first children's mental health commission. In 2012, Sudders was appointed to the state's Health Policy Commission (HPC) for her behavioral health expertise; she remains on this important Commission in her capacity as Secretary.

For almost ten years, she headed the Massachusetts Society for the Prevention of Cruelty to Children, promoting the rights and well-being of some 24,000 children and families. Just prior to her appointment as Secretary, Sudders was an associate professor and Chair of Health and Mental Health at Boston College's Graduate School of Social Work. Sudders has served on many charitable boards throughout her career, including the Pine Street Inn, Massachusetts Association for Mental Health and the National Alliance on Mental Illness.

Secretary Sudders' talent and dedication has been recognized multiple times. She received an Honorary Doctorate from the Massachusetts School of Professional Psychology and was named Social Worker of the Year from the Massachusetts Chapter of the National Association of Social Workers. She was also nationally recognized with the Knee-Whitman Outstanding Achievement for Health & Mental Health Policy from the National Association of Social Workers Foundation.

HPC ADVISORY COUNCIL
(January 1, 2019- December 31, 2020)

1. Ms. Dianne Anderson, President and CEO, Lawrence General Hospital
2. Mr. Richard Buckley, Vice President of Corporate Affairs for North America, AstraZeneca
3. Mr. Michael Caljouw, Vice President of Government & Regulatory Affairs, Blue Cross Blue Shield of Massachusetts
4. Mr. Christopher Carlozzi, State Director, National Federation of Independent Business (NFIB)
5. Dr. Abbie Celniker, Partner, Third Rock Ventures
6. Mr. JD Chesloff, Executive Director, Massachusetts Business Roundtable
7. Dr. Cheryl Clark, Director of Health Equity Research and Intervention, Brigham and Women's Hospital
8. Dr. Ronald Dunlap, Cardiologist and Past President, Massachusetts Medical Society
9. Ms. Audrey Gasteier, Chief of Policy and Strategy, Massachusetts Health Connector
10. Ms. Bonny Gilbert, Co-Chair of GBIO Healthcare Action Team, Greater Boston Interfaith Organization (GBIO)
11. Ms. Tara Gregorio, President, Mass Senior Care Association
12. Dr. Roberta Herman, Executive Director, Group Insurance Commission (GIC)
13. Ms. Margaret Hogan, Chief Executive Officer of Boston Senior Home Care, Mass Home Care
14. Mr. James Hunt, President and CEO, Massachusetts League of Community Health Centers
15. Mr. Jon Hurst, President, Retailers Association of Massachusetts
16. Ms. Pat Kelleher, Executive Director, Home Care Alliance of Massachusetts
17. Mr. David Matteodo, Executive Director, Massachusetts Association of Behavioral Health Systems
18. Dr. Danna Mauch, President and CEO, Massachusetts Association for Mental Health
19. Ms. Cheryl Pascucci, Family Nurse Practitioner, Baystate Franklin Medical Center
20. Ms. Carlene Pavlos, Executive Director, Massachusetts Public Health Association
21. Ms. Lora Pellegrini, President and CEO, Massachusetts Association of Health Plans
22. Mr. Christopher Philbin, Vice President of Office of Government Affairs, Partners HealthCare System
23. Ms. Julie Pinkham, Executive Director, Massachusetts Nurses Association
24. Ms. Amy Rosenthal, Executive Director, Health Care For All
25. Ms. Christine Schuster, President and CEO, Emerson Hospital
26. Ms. Marci Sindell, Chief Strategy Officer and Senior Vice President of External Affairs, Atrius Health
27. Ms. Emily Stewart, Executive Director, Casa Esperanza, Inc./Nueva Vida, Inc.
28. Mr. Daniel Tsai, Assistant Secretary for MassHealth, Executive Office of Health and Human Services
29. Dr. Michael Wagner, Interim CEO and Chief Physician Executive, Wellforce
30. Mr. Steven Walsh, President and CEO, Massachusetts Health and Hospital Association

APPENDIX 4:
STAFF DEPARTMENTS

HPC STAFF DEPARTMENTS

The HPC's Board appoints an Executive Director to lead the administrative affairs, general management, and operations of the agency. The first Executive Director of the HPC, David Seltz, was appointed in December 2012 and reappointed in 2017.

Under the leadership of the Executive Director, each HPC department or office works on focused areas as well as collaborative, intra-agency projects to ensure that the HPC's statutory deadlines are met in a robust, transparent, and timely manner. Two executive departments have oversight and administrative duties, while five other departments focus on policy, research, regulatory oversight, and program administration.

OFFICE OF THE CHIEF OF STAFF

The Office of the Chief of Staff (COS) ensures that the HPC delivers high-quality, transparent work on the Massachusetts health care system through its role as a convener, researcher, partner, and watchdog. COS is also responsible for guaranteeing that HPC deliverables are communicated transparently to various audiences and stakeholders. This is completed through COS management of the HPC's Board of Commissioners and all external affairs efforts, including media, public, legislative, intergovernmental, and stakeholder relations. COS also manages the administration and finance of the HPC, including agency operations, human resources/personnel, fiscal management, special projects, and public events. Since January 2013, Coleen Elstermeyer, MPP, Deputy Executive Director, has led this department. She also provides strategic and operational support to the Executive Director and Board members.

OFFICE OF THE GENERAL COUNSEL

The Office of the General Counsel provides legal counsel and advice on a wide range of strategic, policy, and operational issues for the agency. The Legal department is responsible for supporting agency compliance functions and the HPC's policy and programmatic work, including the development of regulations. The Office of the General Counsel is led by Lois H. Johnson, Esq.

CARE DELIVERY TRANSFORMATION

The Care Delivery Transformation (CDT) department is responsible for developing a coordinated strategy to advance care delivery and payment system transformation in the Commonwealth by collaborating on reform efforts with payers and providers, and partnering with policymakers at other state agencies. CDT fulfills the HPC's statutory charges to develop and implement state certification programs for patient-centered medical homes (PCMHs) and accountable care organizations (ACOs), and promote the integration of behavioral health with primary care. CDT also works to develop policy recommendations to support these care delivery models, enhance data transparency, promote better alignment of models, and identify key barriers and accelerators of reform.

MARKET PERFORMANCE

The Market Performance (MP) department is responsible for advancing the HPC's statutory charge to encourage a more value-based health care market. This includes developing and implementing a first-in-the-nation Registration of Provider Organizations (RPO) program to provide transparency on the composition and function of provider organizations in the health care system, tracking and evaluating the impact of significant health care provider changes on the competitive market and on the state's ability to meet the health care cost growth benchmark through review of material change notices (MCNs) and cost and market impact reviews (CMIRs), evaluating the performance of individual health care providers and payers which threaten the health care cost growth benchmark and overseeing Performance Improvement Plans (PIPs) to improve the cost performance of such entities, and collaborating with other HPC departments to catalyze improvements in the performance of the health care system. MP is led by Kate Scarborough Mills, Esq., MPH.

OFFICE OF PATIENT PROTECTION

The Office of Patient Protection (OPP) safeguards important rights of health insurance consumers. Implementing certain provisions of M.G.L. Chapter 176O, OPP regulates the internal grievance process for consumers who wish to challenge denials of coverage by health plans and regulates and administers the external review process for consumers who seek further review of adverse determinations by health plans based on medical necessity. OPP is also charged with regulating similar internal and external review processes for patients of Risk Bearing Provider Organizations and HPC -certified ACOs. OPP also administers and grants enrollment waivers to eligible individuals who seek to purchase non-group

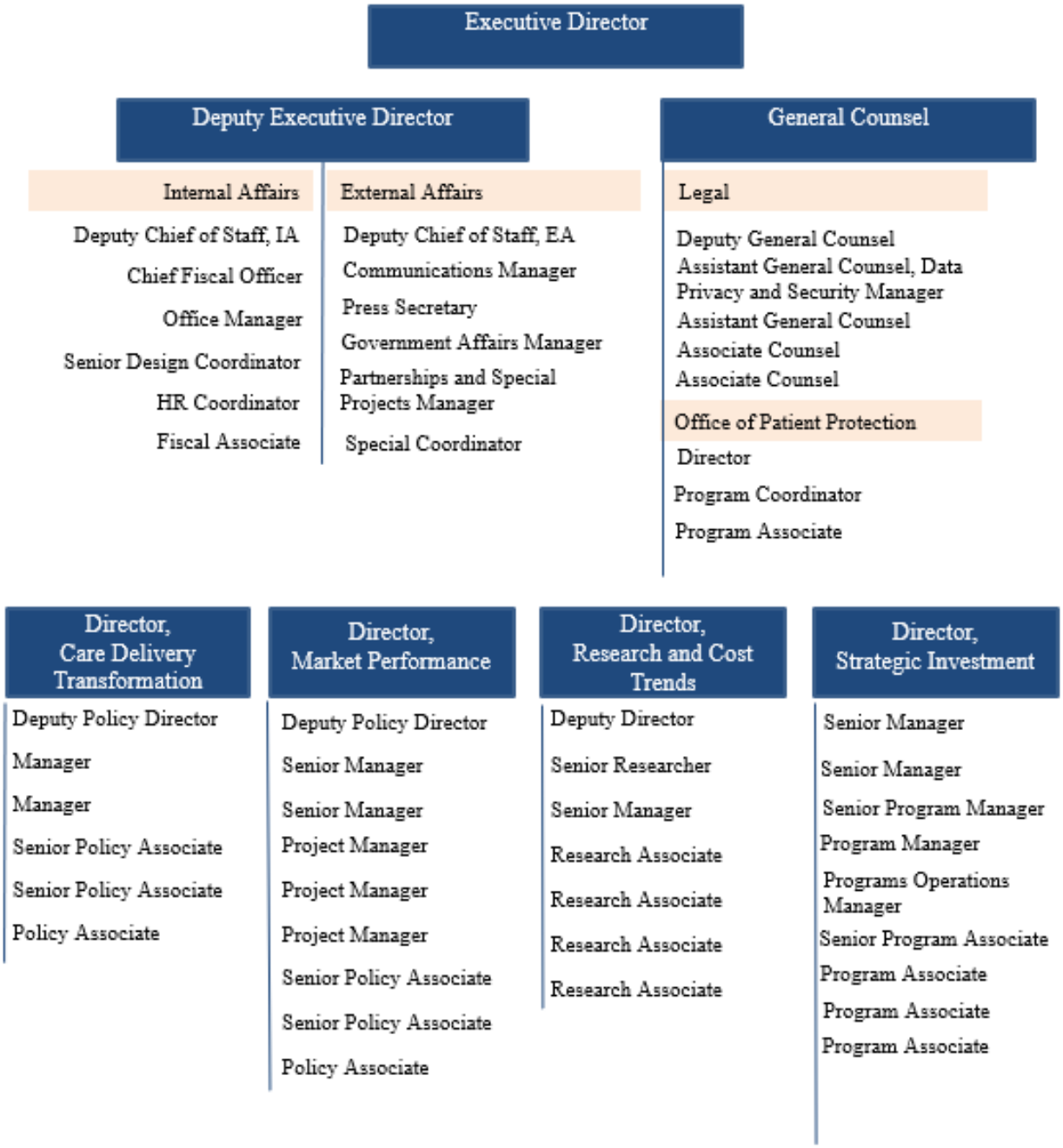
insurance when open enrollment is closed. Additionally, OPP assists consumers with general questions or concerns relating to health insurance. OPP is led by Nancy K. Ryan, Esq., MPH.

RESEARCH AND COST TRENDS

The Research and Cost Trends (RCT) department fulfills the HPC's statutory charge to examine spending trends and underlying factors and to develop evidence-based recommendations for strategies to increase the efficiency of the health care system. Using key data sources such as the state's all-payer claims database (APCD) and cutting edge methods, RCT draws on significant research and analytical expertise to inform, motivate, and support action to achieve the benchmark and the goals of Chapter 224. RCT is responsible for producing the HPC's annual health care cost trends report and contributes subject matter expertise to the annual hearing on cost trends as well as special research projects as determined by the Executive Director and the Board. RCT is led by David Auerbach, PhD.

STRATEGIC INVESTMENT

The Strategic Investment (SI) department is responsible for developing and implementing the agency's investment strategy, including administering several grant programs designed to catalyze care delivery transformation in the Commonwealth. The Community Hospital Acceleration, Revitalization, and Transformation (CHART) program, the Health Care Innovation Investment (HCII) program, and the SHIFT-Care Challenge collectively represent a key component of the HPC's efforts to increase health care quality and access while reducing cost growth in the Commonwealth. The SI department manages the administration and operations of the programs, engages with investment awardees, designs and implements evaluation, and promotes learning through the broad dissemination of key lessons and promising practices.



MASSACHUSETTS HEALTH POLICY COMMISSION

Updated January 1, 2019