

The Commonwealth of Massachusetts

HEALTH POLICY COMMISSION

50 Milk Street, 8th Floor Boston, Massachusetts 02109 (617) 979-1400

> DAVID M. SELTZ EXECUTIVE DIRECTOR

By E-mail

September 30, 2022

Dr. Anne Klibanski Chief Executive Officer Mass General Brigham 399 Revolution Drive, Suite 660 Somerville, MA 02145

RE: Performance Improvement Plan Proposal Approval

Dear Dr. Klibanski:

On September 27, 2022, the Health Policy Commission voted to approve Mass General Brigham's (MGB) Performance Improvement Plan (PIP) proposal dated September 20, 2022. The PIP implementation period shall run from October 1, 2022 through March 31, 2024.

MGB will be required to meet with and report to the HPC periodically during the 18-month implementation period and for a reasonable period thereafter, as may be further specified by the HPC, consistent with <u>958 CMR 10.11</u>. Specifically, MGB will be required to provide data and documentation sufficient for the HPC to determine the extent to which the PIP is successful, including whether the proposed interventions and strategies are implemented as described, progress toward savings targets, including the extent to which the savings from each strategy are in line with estimates, and the impact of the PIP strategies on MGB's overall spending performance.

Consistent with its commitments in the PIP, MGB shall submit written reports every six months (which shall include public-facing and confidential submissions) on progress toward savings targets for each PIP strategy and their impact on overall spending. In addition, HPC staff will meet quarterly with MGB for progress updates. MGB shall support such reports and progress updates by providing data and documents, as will be specified from time to time by the HPC, including but not limited to:

- Evidence of pricing adjustments, such as copies of contract amendments or rate sheets showing revised rates and effective dates;
- Data on revenue and spending and utilization trends, (e.g., payer-generated cost and use and settlement reports); and

• Evidence of MGB's stated commitment to continuing its comprehensive market solution, subsequent to the implementation period, to address the role of pricing in cost growth in the Commonwealth, to continuing to decrease price variation between MGB and the marketplace, and to ensuring that the value of pricing actions included in the PIP are not recouped through rate increases (as evaluated in the context of underlying market rates), which may include rate increase tables or other contract excerpts.

Pursuant to 958 CMR 10.14, the HPC shall keep confidential all nonpublic clinical, financial, strategic or operational documents or information submitted to the HPC in connection with a PIP, including such material submitted in attachments, and shall not disclose the information or documents, except in summary form in evaluative reports or if the HPC believes that such disclosure should be made in the public interest.

MGB may file proposed amendments to the PIP pursuant to 958 CMR 10.12 in a manner specified by the HPC. Significant amendments require approval by a vote of the Board.

The HPC will follow up separately with MGB on its request for technical assistance.

Thank you for your cooperation in this important process that furthers the Commonwealth's health care cost containment efforts. If you have any questions, please contact Lois Johnson, General Counsel, at lois.johnson@mass.gov.

Sincerely,

David M. Seltz Executive Director

CC: Gregg S. Meyer, MD