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hcfama.org

Massachusetts Department of Public Health Determination of Need Program Attn: DoN Support 67 Forest Street Marlborough, MA 01752

June 2, 2021

Submitted electronically to DPH.DON@State.MA.US

Re: Mass General Brigham Incorporated – Multisite - 21012113-AS Application

On behalf of Health Care For All, thank you for the opportunity to submit written comments regarding the Massachusetts General Brigham, Inc.'s (MGB) application for Determination of Need (DoN) 21012113, as filed on February 12, 2021, for the construction and development of three ambulatory care centers located in Westborough, Westwood, and Woburn. Health Care For All (HCFA) is a statewide organization that advocates for health justice in Massachusetts by working to promote health equity and ensure coverage and access for all. We are writing to share concerns regarding how this proposed expansion could increase health care costs and negatively impact health equity and to urge the Department of Public Health to closely analyze whether MGB's application meets the DoN criteria regarding health equity, cost containment and public health outcomes.

Increased cost of care

First, we believe that the proposed MBG expansion into Woburn, Westborough and Westwood would increase the cost of care in those communities without significantly improving the quality of care for patients. Due to the economic impact of the pandemic, many Massachusetts families and individuals are just barely making ends meet. However, health care costs continue to climb, straining family budgets and putting care out of reach for many individuals and families across the state.

According to the 2021 Center for Health Information and Analysis (CHIA) annual report, total health care expenditures in Massachusetts rose 4.3 percent in 2019, exceeding the 3.1 percent benchmark, to \$64.1 billion.¹ Massachusetts' consumer costs – co-pays, deductibles and insurance premiums – also continued to rise, growing twice as fast as overall health costs in some recent years.² Even prior to the COVID-19 pandemic, more than a quarter of Massachusetts residents went without necessary medical or dental

¹ Center for Health Information and Analysis, "Performance of the Massachusetts Health Care System: Annual Report March 2021." Available at: <u>https://www.chiamass.gov/assets/2021-annual-report/2021-Annual-Report.pdf</u>. ² Center for Health Information and Analysis, "Performance of the Massachusetts Health Care System: Annual Report October 2019." Available at <u>https://www.chiamass.gov/assets/2019-annual-report/2019-Annual-Report.pdf</u>. <u>Report.pdf</u>

care due to cost, despite the fact that most had health insurance coverage at the time.³ Massachusetts residents identified lowering health care costs as their top priority for state policymakers, with 66% saying it was very important according to a January 2021 poll by the MassINC Polling Group.⁴ Further increases to health care costs through the proposed MGB expansion would come at a significant cost to individuals and families who simply cannot afford it.

We are concerned that MGB's expansion plans would threaten the financial viability of local lower-cost providers and community health care systems, as higher-priced providers and services replace existing providers. For example, according to CHIA, among the six highest-volume hospitals in the state, payments per major outpatient surgery were nearly twice as high at Mass General and Brigham and Women's hospitals as the lowest-paid high-volume hospital.⁵ Furthermore, the size and market influence of MGB will make it more difficult for commercial insurers to negotiate rates and ultimately lower the cost of health care services, which in turn translates to higher costs for both consumers and small businesses.

Health equity

Equally important, we are concerned that MGB's proposed expansion into Woburn, Westborough and Westwood would likely worsen existing health disparities. Health care affordability and accessibility are fundamentally health equity issues. More Black (20%) and Latinx (19%) families report problems paying medical bills than white families (16.1%). Black families are also more likely than white families to report medical debt—19.6% compared to 17.4%.⁶ Racial disparities are also reflected in health care access, utilization, and chronic disease burden. Black and Latinx families have lower rates of visits with both general doctors and specialists, and they are less likely to report taking one or more prescription medications. Latinx residents are also most likely to have unmet behavioral health needs due to cost.⁷

The proposed MGB expansion sites are targeted to predominantly white, higher-income communities that have a disproportionate share of commercially insured patients. In contrast, the locations are not easily accessible to residents of lower-income communities who already face barriers to health care. As a result, the new MGB sites would likely draw commercially insured patients from the target communities away from the local lower-cost and safety-net providers, thus removing a key revenue stream that helps to subsidize patients who are insured by public programs such as MassHealth or Medicare, or who are uninsured. While we hope that these local providers will continue to serve those

 ³ Center for Health Information and Analysis, "Findings from the 2019 Massachusetts Health Insurance Survey." (April 2020). Available at: <u>https://www.chiamass.gov/assets/docs/r/survey/mhis-2019/2019-MHIS-Report.pdf</u>
⁴ The MassINC Polling Group, "Feeling the effects of the pandemic, voters seek robust recovery plan." (January 13, 2021). Available at: <u>https://www.massincpolling.com/the-topline/state-budget-poll</u>

⁵ Center for Health Information and Analysis, "Findings from the 2019 Massachusetts Health Insurance Survey." (April 2020). Available at: https://www.chiamass.gov/assets/docs/r/survey/mhis-2019/2019-MHIS-Report.pdf

⁶ Center for Health Information and Analysis, "Findings from the 2019 Massachusetts Health Insurance Survey." (April 2020) Available at: https://www.chiamass.gov/assets/docs/r/survey/mhis-2019/2019-MHIS-Report.pdf ⁷ Ibid.

patients even if their commercial volume is down, these same providers may be financially forced to close or reduce much-needed medical, behavioral health and other services, which will in turn reduce safety net care for the most vulnerable patients, while the most privileged migrate to MGB.

Due to these concerns, we urge you to closely analyze whether MGB's application meets the state's health care priorities of health care cost containment, access and health equity. We request that an additional public hearing be scheduled after the independent cost analysis has been conducted in order to more accurately understand the impact of this proposal. Thank you for your consideration of our comments. If you have any questions or would like to discuss our concerns further, please contact Alyssa Vangeli and <u>avangeli@hcfama.org</u> or

Sincerely, Comy Rosenthal

Amy Rosenthal Executive Director