

MINUTES OF THE HEALTH POLICY COMMISSION

Meeting of April 27, 2016

MASSACHUSETTS HEALTH POLICY COMMISSION

Date of Meeting: Wednesday, April 27, 2016
Start Time: 12:09 PM
End Time: 2:57 PM

	Present?	ITEM 1: Minutes from March 2, 2016	ITEM 2: Approval of RBPO/ACO Appeal Interim Guidance	ITEM 3: Approval of ACO Certification Criteria
Carole Allen	X	2 nd	X	X
Stuart Altman*	X	X	M	M
Don Berwick	X	X	X	X
Martin Cohen	X	X	2 nd	2 nd
David Cutler	A	A	A	A
Wendy Everett	X	M	X	X
Rick Lord	X	X	X	X
Ron Mastrogiovanni	X	X	X	X
Marylou Sudders	X	X	X	X
Kristen Lepore	X	X	X	X
Veronica Turner	A	A	A	A
Summary	9 Members Attended	Approved with 9 votes in the affirmative	Approved with 9 votes in the affirmative	Approved with 9 votes in the affirmative

Presented below is a summary of the meeting, including time-keeping, attendance, and votes.

*Chairman

(M): Made motion; (2nd): Seconded motion; (ab): Abstained from Vote; (A): Absent from Meeting

Proceedings

A regular meeting of the Massachusetts Health Policy Commission was held on Wednesday, April 27, 2016 at 12:00 PM.

Commissioners present included Dr. Stuart Altman (Chair); Dr. Wendy Everett (Vice Chair); Dr. Donald Berwick; Dr. Carole Allen; Mr. Martin Cohen; Mr. Rick Lord; Mr. Ron Mastrogiovanni; Secretary Kristen Lepore, Executive Office of Administration and Finance; and Secretary Marylou Sudders, Executive Office of Health and Human Services.

Chair Altman called the meeting to order at 12:09 PM and reviewed the agenda.

ITEM 1: Approval of Minutes from March 2, 2016

Dr. Altman solicited comments on the minutes from March 2, 2016. Seeing none, he called for a motion to approve the minutes, as presented. **Dr. Everett** made a motion to approve the minutes. **Dr. Allen** seconded. Voting in the affirmative were the nine members present. There were no abstentions and no votes in opposition.

ITEM 2: Update on *Gobeille v. Liberty Mutual Insurance Company* Supreme Court Decision

Dr. Altman introduced the Supreme Court Case *Gobeille v. Liberty Mutual Insurance Company*. He thanked Secretary Sudders, the Office of the Attorney General (AGO), and HPC staff for their work in reviewing the case's implications in Massachusetts. He introduced Secretary Sudders to provide an update on the Commonwealth's actions in this area.

Secretary Sudders described how *Gobeille v. Liberty Mutual Insurance Company* will impact Massachusetts and the All Payer Claims Database (APCD). She said the Massachusetts Executive Office of Health and Human Services (EOHHS) has responded to the Court's decision by creating a cross agency working group (including the HPC, CHIA, and AGO) on the value of the APCD. Secretary Sudders stated that the Center for Health Information and Analysis (CHIA) has released a document for businesses on the value of the APCD in controlling the cost of health care.

Mr. Seltz stated that the HPC has had multiple conversations with its sister agencies as part of this working group. He stated that the HPC will continue to engage in these conversations.

Secretary Sudders acknowledged the work of the health plans and state agencies in addressing this issue. She also acknowledged the service of Mr. Áron Boros, CHIA Executive Director. Dr. Altman thanked Mr. Boros for his work.

Mr. Lord asked how many employers in Massachusetts are self-insured. He further asked whether these self-insured employers would have to opt-in to the APCD. Secretary Sudders responded that self-insured employers would need to opt-in to the APCD. She stated that approximately 60% of the Employee Retirement Income Security Act (ERISA) plans will need to opt-in to the APCD.

Dr. Altman asked for clarification on which agency is leading the Massachusetts working group on this issue. Secretary Sudders responded that the AGO is leading cross-state communications. Ms. Lois Johnson, HPC General Counsel, stated that CHIA has been in contact with the National Counsel of APCDs to discuss petitioning the US Department of Labor.

Mr. Seltz reviewed the meeting's agency and votes.

ITEM 3: Quality Improvement and Patient Protection

Mr. Cohen, the Chair of the Quality Improvement and Patient Protection Committee provided an update on meetings and notices since the last board meeting. He provided a summary of the April 6, 2016 joint QIPP/CTMP listening session on out-of-network billing and announced a second listening session for May 18, 2016.

ITEM 3a: Update on Out-of-Network Billing

Ms. Johnson provided an update on the HPC's work relative to Out-of-Network Billing. For more information, see slides eight and nine.

Dr. Altman asked staff to provide a breakdown of how the financial burden of such billing affects health plans and consumers.

Dr. Berwick asked for more information on New York's process to judge payment disputes. Ms. Johnson responded that the HPC's policy brief contains more information on this issue. She stated that New York has a binding arbitration process, but this is not the case in all states.

ITEM 3b: Approval of RBPO/ACO Appeal Interim Guidance

Ms. Johnson introduced Mr. Steven Belec, the Director of the Office of Patient Protection (OPP). She discussed the proposed appeal interim guidance for risk-bearing provider organizations (RBPOs) and Accountable Care Organizations (ACOs). More information can be found on slides 11-19.

Dr. Altman noted that the addition of appeals processes for RBPOs and ACOs is a significant expansion of patient protection efforts. He noted that it broadens the responsibility of patient protection to the provider system.

Dr. Everett asked whether a majority of the appeals were for cases related to behavioral health. Ms. Johnson responded that this is true for OPP's external review process.

Dr. Berwick asked whether the HPC's reaches out to patients and families who have been through the appeals process about their experience. Ms. Johnson responded that such a touch point could be added to the process. She noted that OPP has a direct phone line through which staff may advise consumers in this process. She further noted that the HPC has partnered with a variety of consumer advocacy groups in this area. Secretary Sudders emphasized that valuing the patient's opinion can go a long way.

Dr. Allen asked whether the RBPO and ACO appeals process would apply to Medicaid and Medicare patients. Ms. Johnson responded that the HPC is working with MassHealth to determine if the appeals process would affect MassHealth patients. Secretary Sudders stated that the appeals process should not be redundant with existing CMS guidelines.

Dr. Allen asked how providers will notify patients of their right to appeal. Ms. Johnson responded that notification will be difficult. She stated that one such way would be through a targeted mailing. Mr. Seltz stated that the HPC is developing a sample patient notice. Ms. Johnson stated that the HPC will continue to work with provider organizations to determine the best ways for patients to get notice of the appeals process.

Mr. Cohen recognized the work of Ms. Johnson and the HPC staff.

Dr. Everett asked whether there will be an opportunity for the HPC to receive feedback on the guidelines. Ms. Johnson responded that there will be additional guidance. Mr. Seltz stated that the HPC can host an informational session with the providers on the new guidance.

Dr. Altman motioned for approval of the interim guidance. Mr. Cohen seconded. The motion passed unanimously.

ITEM 4: Care Delivery and Payment Transformation

Dr. Allen, the Chair of the Care Delivery and Payment System Transformation Committee provided an update on meetings and notices since the last board meeting.

Mr. Seltz discussed the evolution of the HPC's ACO and patient-centered medical home (PCMH) certification programs. He thanked Dr. Allen for her work on these certification programs. He also recognized the partnership with Secretary Sudders and MassHealth.

ITEM 4a: Update on PCMH Certification Program

Ms. Catherine Harrison, Senior Manager for Care Delivery, provided an update on the HPC PCMH PRIME program. More information can be found on slides 23 and 24.

ITEM 4b: Approval of ACO Certification Criteria

Ms. Katherine Shea Barrett, Policy Director for Accountable Care, provided an overview of the HPC's ACO certification program, including information on public comment, minimizing burden to providers, and program values. More information can be found on slides 26 to 31.

Dr. Berwick stated that the program's values should be a living document that incorporates learnings from organizations seeking ACO certification. He noted that the HPC will likely have to update this document over time. Ms. Barrett responded that the HPC is aiming to achieve policy and care delivery goals while also meeting the needs of market participants.

Dr. Everett asked for clarification on the number of ACOs in Massachusetts. Ms. Barrett responded that 28 bear down-side risk while approximately 50 bear up-side risk. She stated that the HPC anticipates 25-30 will participate in this program.

Mr. Seltz stated that the HPC's ACO certification program will provide information on who is an ACO, which is difficult to find online presently.

Ms. Harrison presented the proposed final assessment criteria and supplemental criteria for the HPC's ACO certification program. Detailed information can be found on slides 31 to 40.

On slide 35, Dr. Berwick noted that there is a good case for having more than one consumer advocate on a governance structure.

Mr. Mastrogiovanni asked how organizations will submit their materials for certification. Ms. Barrett responded that the HPC is working with GovNext, a team within MassIT, to develop an online certification platform. Mr. Mastrogiovanni asked whether the information would be stored on the Commonwealth's servers. Ms. Coleen Elstermeyer, HPC Chief of Staff, replied in the affirmative.

On slide 37, Ms. Harrison noted updates from the previous CDPST meeting to include the word substantive in the criterion.

Dr. Altman noted that the HPC is not being prescriptive on the structure of the ACOs, but rather is emphasizing the key role of quality.

Dr. Allen stated that the HPC wants to move towards higher quality care with the goal of improved health.

Dr. Berwick noted that he endorsed the emphasis on quality. He noted that the HPC should be working towards cost savings through improved care.

Secretary Sudders stated that if we are able to manage care well as a Commonwealth, then we can manage the costs of that care.

On slide 38, Mr. Harrison noted updates from the previous CDPST meeting to include the words "at least" in the final sentence of the criterion.

On slide 39, Mr. Harrison reviewed cross continuum care coordination with behavioral health, hospital, specialists, and long-term care services.

Mr. Mastrogiovanni asked how such arrangements work and on what basis the ACO will assess quality at the hospitals. Mr. Seltz replied that the arrangement would likely be a memorandum of understanding or a contract. Ms. Barrett added that ACOs will have to establish protocols certain hospitals that allow for a measurement of quality during hospital visits. Mr. Seltz further added that MassHealth's ACO program emphasizes having strong relationships with other community providers.

Dr. Berwick stated that ACOs should create relationships that make the program attractive to patients. He added that the ACO will need to know whether patients are staying in network and, if not, why.

Secretary Sudders emphasized that the distinction between the MassHealth and HPC ACO programs.

Dr. Altman stated that the HPC should continue to move the system forward with the goal of improving health and testing various models of care.

Mr. Mastrogiovanni asked at what level the organizations would be expected to report data on quality. Mr. Seltz replied that the HPC is focused on collecting data to better understand the relationship between ACOs and providers. Mr. Seltz noted that individual organizations would not be expected to report data; rather data would be reported by the ACO as a whole.

Dr. Allen emphasized that the HPC needs such data to understand ACOs' expectations of outside providers.

Ms. Barrett reviewed confidentiality and transparency considerations as well as the process for certifying new ACOs.

Dr. Berwick asked whether the HPC expects to certify any non-hospital sponsored ACOs. Ms. Barrett responded in the affirmative, citing that the Medicaid model encourages community health centers. Secretary Sudders clarified that the MassHealth pilot will be launching on 10/1/17.

Dr. Altman motioned to approve the ACO certification criteria. Mr. Cohen seconded. The motion passed unanimously.

ITEM 4c: Update on Registration of Provider Organizations Program

Mr. Seltz updated the Board on the Registration of Provider Organization (RPO) program. More information can be found on slides 47 to 50.

Mr. Lord asked when the HPC expected to release data relative to this program. Mr. Seltz responded that the HPC hopes to do an initial data release this summer. Ms. Kate Mills, Policy Director for Market Performance, stated that the HPC plans a phased data release with information in a variety of formats for different audiences. Mr. Seltz noted that the HPC has already released small sections of the data to other agencies to help facilitate their work.

Secretary Sudders left the meeting. Her designee, Undersecretary Alice Moore, joined the meeting in her stead.

ITEM 5: Cost Trends and Market Performance

In the absence of Dr. Cutler, Mr. Seltz provided an update on the Cost Trends and Market Performance Committee's meetings and notices since the last board meeting.

ITEM 5a: Update on Notice of Material Changes

Ms. Megan Wulff, Deputy Director of Market Performance, updated the Board on notices of material change (MCN). More information can be found on slides 53 to 56.

Relevant to the MCN on the proposed acquisition of RiverBend Medical Group by Sisters of Providence Health System, Dr. Berwick asked whether the transaction includes a facility fee. Ms. Wulff responded that HPC staff engaged in a confidential discussion of facility fees relative to this transaction.

Dr. Altman emphasized the need for the HPC to create a cohesive picture of consolidation and transactions since the implementation of the MCN process. He noted that this would allow the Commonwealth to better understand market change. Mr. Seltz stated that the RPO program could be helpful in this area.

Dr. Berwick asked whether the HPC reviews prior transactions for their impact on the market. Mr. Seltz responded that the HPC had a panel at the 2015 Cost Trends Hearing with representatives from organizations that have gone through the MCN process. Mr. Seltz said the HPC can look retrospectively at how organizations fared with promises they made in past MCNs.

Dr. Allen asked how insurance coverage relationships will be affected by MCNs. Ms. Mills said that insurance coverage is reviewed during transactions. She added that robust data is imperative to doing the work rigorously.

ITEM 5b: Update on the HPC's Stakeholder Discussions of Provider Price Variation

Mr. Seltz provided background on the stakeholder discussions of Provider Price Variation, presented on slides 58-62.

Dr. Altman commented that there is no single model at the national level that the HPC could use as a starting point in this discussion.

Commissioners discussed the increasing prices in the Commonwealth, noting the importance of reviewing quality as well as cost.

Dr. Berwick highlighted the importance of discussing drug prices. Mr. Seltz stated that the HPC will be examining this topic.

Undersecretary Moore left the meeting.

ITEM 6: Community Health Care Investment and Consumer Improvement

Mr. Lord, the Interim Chair of the Community Health Care Investment and Consumer Involvement Committee provided an update on meetings and notices since the last board meeting.

ITEM 6a: Update on HPC Innovation Investments

Mr. Seltz updated the Board on the HPC's three innovation investments. More information can be found on slides 65 to 68.

Mr. Lord asked for clarification on the number of awards that would be distributed through these programs. Mr. Seltz responded approximately 8-12 awards across the three programs. He noted that the HPC is encouraging organizations to partner on projects and build a learning network.

ITEM 6b: Update on CHART Investment Program

Mr. Seltz gave an update on the CHART investment program. More information can be found on slides 70 and 71.

ITEM 7: Report from the Executive Director

Mr. Seltz provided a brief update on the HPC's statutory responsibilities under Chapter 224. More information can be found on slides 68 to 73

Dr. Everett said she has been astonished by work the HPC has accomplished. Dr. Altman stated that the HPC is the beacon for what a state can do to maintain and improve a healthcare system that it can afford. Dr. Berwick said the work of the HPC has been superb.

ITEM 8: Schedule of Next Meeting (June 1, 2016)

Dr. Altman concluded the formal agenda. He stated that the next board meeting will take place on June 1, 2016 at the Health Policy Commission's offices.

ITEM 9: Public Comment

Dr. Altman asked for public comment. Seeing none, he adjourned the meeting at 2:52PM.