

**MEETING MINUTES:  
MARKET OVERSIGHT AND TRANSPARENCY COMMITTEE**

**Meeting of June 13, 2018**

**MASSACHUSETTS HEALTH POLICY COMMISSION**

Market Oversight and Transparency Committee  
Health Policy Commission  
50 Milk Street, 8th Floor  
Boston, MA

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Docket: Wednesday, June 13, 2018, 9:30 AM

## **PROCEEDINGS**

The Massachusetts Health Policy Commission's (HPC) Market Oversight and Transparency (MOAT) Committee held a meeting on Wednesday, June 13, 2018, at the HPC's offices, 50 Milk Street, 8th Floor, Boston, MA.

Members present included Dr. David Cutler (Chair); Mr. Richard Lord; and Mr. Renato Mastrogiovanni. Dr. Donald Berwick was also in attendance.

The meeting notice and agenda can be found [here](#).  
The presentation from the meeting can be found [here](#).  
A recording of the meeting can be found [here](#).

Dr. Cutler called the meeting to order at 9:32 AM. He welcomed members of the public to the meeting.

### **ITEM 1: APPROVAL OF MINUTES FROM FEBRUARY 14, 2018 MEETING**

Dr. Cutler asked for a motion to approve the minutes from the Market Oversight and Transparency Committee meeting held on February 14, 2018. Mr. Mastrogiovanni motioned to approve the minutes. Dr. Berwick seconded. Committee members voted unanimously to approve the minutes, as presented.

Dr. Cutler outlined the day's agenda.

### **ITEM 2: RECAP OF HPC DATAPOINTS, ISSUE 7: VARIATION ON IMAGING SPENDING**

Ms. Kate Mills, Policy Director, Market Performance, noted that this meeting would primarily focus on the work by the Research Cost and Trends team. She noted that the Market Performance Team is currently working on the cost and market impact review (CMIR) of the proposed Beth Israel Lahey Health (BILH) transaction merger, and would have the preliminary report by the next regular Board meeting on July 18.

Dr. Cutler briefly reviewed the CMIR process. Ms. Mills added that the parties have 30 days to respond following the release of the preliminary report.

Ms. Mills introduced Ms. Sara Sadownik, Deputy Director, Research and Cost Trends. Ms. Sadownik introduced Mr. Lyden Marcellot, Research Associate, Research and Cost Trends, to present on variation of imaging spending.

Mr. Marcellot reviewed the findings relative to the top 20 procedures in Massachusetts or the U.S. by total spending per beneficiary. He noted that these 20 procedures accounted for 60 percent of total imaging spending. For more information, see slides 8-10.

Mr. Marcellot reviewed the key findings on spending on medical imaging. For more information, see slide 11.

Dr. Cutler asked how much of the 14 percent was due to price difference versus quantity difference. Ms. Sadownik responded that staff did not do a decomposition of these factors, but that the variation in price was very small and that facility use was a much larger driver. Dr. Cutler asked Ms. Sadownik if she therefore thought quantity was the main contributor. She responded that all of the factors staff examined were main contributors.

Dr. Berwick asked if staff had examined information on inappropriate use of care. Mr. Marcellot responded that that information would be covered later in the meeting during the low value care presentation. He noted that this research focused on procedures, rather than conditions.

### **ITEM 3: FULLY INSURED VS. SELF-INSURED IN THE APCD AND THE IMPACT OF THE GOBEILLE DECISION**

Dr. David Auerbach, Director, Research and Cost Trends, introduced Dr. Laura Nasuti, Senior Researcher, Research and Cost Trends.

Dr. Auerbach reviewed the differences between the fully insured and the self-insured in the 2015 claims in the All-Payer Claims Database (APCD) as a result of the Gobeille decision. For more information, see slides 14-22.

Mr. Lord asked whether the one half of the commercially insured market indicated on slide 14 meant half of firms. Dr. Auerbach said that it referred to half of the individuals enrolled.

Mr. Mastrogiovanni asked if there was a trend for which companies are not reporting data. Dr. Auerbach responded that staff had not yet received the data for 2016 yet and so that information was not yet available.

Dr. Berwick asked what Harvard Pilgrim and Tufts are doing with the information they are not submitting to the APCD. A staff member from the Center for Health Information and Analysis (CHIA) in the audience said she did not know the specifics, but stated that some of the information is reported to the Group Insurance Commission (GIC).

Mr. Lord asked Dr. Auerbach how the 75 percent of data present in the APCD for Harvard Pilgrim Health Plan referenced on slide 15 was calculated. Dr. Auerbach responded that CHIA was using the claims lines they had obtained from the payer in 2015 and compared them to 2016.

Dr. Cutler noted that the graphs on slide 22 presented a worst-case scenario for the data and asked whether it might be worth doing a weighted adjustment to account for this. Dr. Auerbach confirmed that this was a worst-case scenario but noted that even with a weighted adjustment staff would still prefer to have data from Blue Cross Blue Shield of Massachusetts (BCBSMA) because it represents more than half of the data.

Dr. Berwick asked whether Blue Cross' deviation from the other payers would lead to distortions in the estimates for the relative cost trends for Blue Cross compared to others. Dr. Auerbach responded that this year the HPC did not examine cost trends in this manner. Dr. Auerbach noted that there are differences in payers.

### **ITEM 4: LOW VALUE CARE**

Dr. Nasuti introduced Ms. Rose Kerber, Research Associate, Research and Cost Trends.

Dr. Nasuti explained the study design for how low value care was measured. For more information, see slides 24-26.

Dr. Berwick asked if all of the data analyzed were for outpatient services. Dr. Nasuti responded that she did not believe so. She noted that Ms. Kerber would be reviewing the 19 specific measures later in the presentation.

Ms. Kerber summarized individual measures that were determined to be low value. For more information, see slides 27-29.

Dr. Cutler asked if the HPC was looking into low value screening as it relates to false positives and follow-on costs and procedures. Ms. Kerber responded that a framework was being developed for looking at this information.

Dr. Berwick asked for clarification on how individual members were attributed in slide 30. Noting that there were more details in the 2017 Health Care Cost Trends Report, Ms. Kerber said that if an individual is in a health maintenance organization (HMO), his or her membership eligibility file will indicate the primary care provider and that provider organizations can also be indicated by wellness and sick visits. Dr. Nasuti added that the fact that an individual is listed under a specific provider does not mean that he or she received all services from that provider.

Dr. Cutler asked if organizations have looked into low value care. Ms. Kerber responded that she did not know. Dr. Cutler responded that it would be interesting to show to insurance carriers that one third of members are receiving low value care. Mr. David Seltz, Executive Director, said that, following a previous HPC report on low value care, staff had had conversations with organizations. He recalled that Boston Medical Center (BMC) had provided information on strategies they had used including: data tracking, flags in electronic health records, and the use of clinical champions who worked with colleagues on reducing the provision of low value care. Mr. Seltz added that the HPC also communicated with organizations that had higher rates of low value care and hoped that this information could be useful to the organizations that may not know where they stand compared to their peers.

Ms. Kerber noted that every organization had a lot of room for improvement. She asked the Commissioners if they had any further questions.

Dr. Cutler asked how the approximately \$80 million spent on low value care over the period being examined fit into the opportunities for health care savings identified by the HPC. Dr. Auerbach said that the \$80 million was in the range of the other cost savings opportunities. Dr. Cutler responded that it made sense for the HPC to focus more on low value care.

Dr. Berwick echoed Dr. Cutler's comments but added a cautionary note that just because a procedure was listed in this presentation did not mean that it should never be done. Ms. Kerber agreed and noted that this data excluded anyone for whom there was an indication that a procedure should have been done. She noted that there was a high number of exclusions.

Dr. Cutler added that this was a similar problem to utilization of post-acute care as there are a certain number of patients for whom that care is appropriate.

Dr. Cutler thanked the presenters.

**ITEM 5: GUEST PRESENTATION- RAY CAMPBELL, EXECUTIVE DIRECTOR, CENTER FOR HEALTH INFORMATION AND ANALYSIS**

Ms. Mills introduced Mr. Ray Campbell, executive director of CHIA presented on CHIA's transparency agenda. His presentation is available [here](#).

**ITEM 7: ADJOURNMENT**

Dr. Cutler reviewed the meeting calendar for the coming months.

Dr. Cutler adjourned the meeting at 11:01 AM.