# MEETING MINUTES: MARKET OVERSIGHT AND TRANSPARENCY COMMITTEE

Meeting of May 6, 2020

MASSACHUSETTS HEALTH POLICY COMMISSION

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

Docket: Wednesday, May 6, 2020, 10:00 AM

#### **PROCEEDINGS**

The Massachusetts Health Policy Commission's (HPC) Market Oversight and Transparency (MOAT) Committee held a virtual meeting on Wednesday, May 6, 2020, at 10:00 AM.

Members present included Dr. David Cutler (Chair); Mr. Ron Mastrogiovanni; and Ms. Cassandra Roeder, designee for Secretary of Administration and Finance Michael Heffernan.

Dr. Stuart Altman, HPC Chair, Mr. Marty Cohen, HPC Vice Chair, Ms. Barbara Blakeney, Dr. Don Berwick, and Mr. Timothy Foley, were also in attendance virtually.

The meeting notice and agenda can be found <a href="here">here</a>. The presentation from the meeting can be found <a href="here">here</a>. A video of the meeting can be seen <a href="here">here</a>.

Mr. David Seltz, Executive Director, provided an intro to the virtual meeting. He turned the presentation over to Dr. Altman, who gave opening remarks.

Mr. Seltz and Ms. Coleen Elstermeyer, Deputy Executive Director, provided an update on the HPC's work since the last public meeting including the transition to a fully remote work environment. For more information, see slides 5-9.

Mr. Seltz turned the presentation over to Dr. Cutler who gave a brief overview of the agenda.

#### ITEM 1: APPROVAL OF MINUTES FROM THE JANUARY 14, 2020 MEETING

Dr. Cutler called for a motion to approve the minutes from the January 14, 2020, meeting. Ms. Roeder motioned to approve the minutes. Mr. Mastrogiovanni seconded the motion. The vote was taken by roll call. The minutes were approved unanimously.

## ITEM 2: – NEW CHIA REPORTING TIMETABLE AND IMPLICATIONS FOR THE HPC'S CALENDAR IN 2020-2021

Mr. Seltz gave an update on the changes to the Center For Health Information and Analysis (CHIA) reporting timetable. For more information, see slides 14-16.

Regarding the revised timeline on slide 15, Dr. Cutler asked if CHIA anticipated the calculation of total medical expenditure (TME) to return to its original timing after this year. Mr. Seltz said that this was still an open question. He said that one benefit of the September timing was that it would likely be sufficient to have final data from the previous calendar year. He noted that both CHIA and the HPC had heard from many health plans that a six to 12 month run-out was necessary in order to adjudicate all of their claims and have final data. He said the hope was that this nine-month time period from the previous calendar year would result in over 95 percent data collection and accuracy.

Dr. Altman said that while 2020 may prove to be anomalous from a health care spending perspective, the concept of the cost growth benchmark remained important. He said that he had had concerns about the lag time for data in the past and that this new timeline addressed some of those issues. He said that he hoped the change would become permanent. Mr. Seltz thanked Dr. Altman for this comment. He noted that the benchmark was an important organizing principle.

Dr. Berwick said that he liked the new timeline quite a bit for the reasons that had been highlighted by other commissioners. He noted that the longer timeline was also respectful of the stresses on the health care delivery system in the midst of a pandemic. He noted that at the federal level, the Centers for Medicare & Medicaid Services (CMS) were currently working on the question of how to benchmark accountable care organizations (ACOs) for their savings and said that it might be interesting to examine how they were attributing costs related to COVID.

Mr. Cohen said that he also supported the timeline changes. He asked what the implications on the performance review plan (PIP) process would be of the adjusted calendar. Mr. Seltz noted that the HPC was currently in a review process and was continuing to examine the spending performance of the entities that had been referred by CHIA. He said that due to the COVID crisis, however, the HPC had paused the outreach process to these entities for further documentation so as to not overburden them.

## ITEM 3: NATIONAL DATA ON IMPACT OF COVID-19 PANDEMIC ON HEALTH SYSTEM UTILIZATION AND SPENDING

Mr. Seltz introduced the presentation on the national impact of the pandemic on health system utilization and spending. He turned the meeting over to Dr. David Auerbach, Director, Research and Cost Trends. For more information, see slides 18-21.

Dr. Altman said that it would be valuable to get a better break-down of the financial impact of COVID on hospitals. He said from what he had seen, the impact on hospitals seemed to vary greatly depending on type. He noted that rural and community hospitals appeared to have taken the brunt of the reductions in admissions as most of the sickest patients had ended up in larger academic medical centers (AMCs). He asked that staff, to the extent possible, examine the differential impact on smaller hospitals compared to AMCs and what the lasting impacts of those trends might be. He added that the health system was currently highly decentralized. He said that the HPC should look at this as well and consider ways to buttress this decentralized system to improve its ability to respond during future crises. Mr. Seltz thanked Dr. Altman for these comments and said that he agreed with these points. He said that understanding the impact of all of these factors would be critical for informing future policy action.

Mr. Seltz presented on some of the potential implications of the COVID crisis on the HPC's future work. For more information, see slide 22.

Regarding the first bullet on slide 22, Mr. Cohen asked that behavioral health (BH) providers be added to the list of types of provider organizations. He noted that BH issues were likely to increase substantially given that the entire population was being subjected to a traumatic event. He said that these impacts tended to show up three to four months after a disaster. He said that the extent of the individual loss caused by COVID from deaths, illnesses, economic impacts, and lost social connections made it particularly important that the HPC pay attention to the BH implications. Mr. Seltz thanked Mr. Cohen and said that he strongly agreed with this point.

Mr. Foley said that the role of the HPC in state's recovery from the COVID crisis was crucial. He echoed Mr. Cohen's comments regarding the importance of BH. He said that the pandemic had exposed and exacerbated existing disparities in the state's health care system and that it was important for the HPC to consider some of the ways in which it could work to address these disparities. He said that it was important to understand how the pandemic was impacting care delivery. He added that paying more attention to nursing and long-term care facilities as a part of the delivery system and the issues that had arisen there during the pandemic was also crucial. Mr. Seltz thanked Mr. Foley and said he agreed with his comments. He noted that slide 22 was not exhaustive in terms of all the different provider types and organizations being impacted. He added that the HPC had identified major disparities and inequities in the health care system that existed prior to COVID and that it was important the HPC consider how it could continue to do positive work in this area.

Dr. Berwick echoed Mr. Foley's point regarding disparities in the system. He said that the racial disparity was particularly acute and there was a dramatic difference in COVID burden and outcomes for communities of color. He said that the pandemic had intensified this long-standing issue in the Commonwealth. He noted that Massachusetts, like the rest of the U.S., had not been prepared for COVID and that to be prepared for future crises there would need to be investments on both the public and private side. He said that the changes in telehealth brought about by the pandemic were positive and that he hoped those trends would continue. He said that it remained an open question as to whether COVID would actually ever go away and that there were now indications that there might be multiple waves over the course of several years. He said that hopefully this would not be the case but that it was important to consider that possibility when thinking about the HPC's work moving forward. Mr. Seltz thanked Dr. Berwick for his comments.

Dr. Cutler said that there was more uncertainty about forecasting the health care system than he had seen at any other point in his career. He said that he wondered whether it would be possible to get more frequent refreshes of the All-Payer Claims Database (APCD) data. He said it would be helpful for the HPC to be able to monitor the health system closer to real-time rather than always retrospectively. He said that surveying physician practices might also be an option. He noted that several issues that the HPC had been vocal about in the past such as telemedicine and scope of practice restrictions were becoming increasingly important during the pandemic. He said the HPC's role here would be to provide information about how these changes were going. Mr. Seltz thanked Dr. Cutler. He noted that CHIA had been thinking about different ways to accelerate its data reporting both with the APCD and with hospital discharge data.

Mr. Mastrogiovanni thanked the staff for their work. He echoed Mr. Foley's comments about the disparate impacts of the pandemic and suggested that the HPC consider the impact on individual zip codes when considering potential future investments or analysis. Mr. Seltz thanked Mr. Mastrogiovanni.

Dr. Altman said that slide 22 provided a snapshot of what would be the HPC's dominant discussion over the next several years. He said that it was crucial to closely monitor all of the impacts of the pandemic on the health care system moving forward.

Mr. Seltz thanked the commissioners for their comments.

### **ITEM 4: OUT-OF-NETWORK BILLING CHARTPACK**

Mr. Seltz provided an introduction on out-of-network billing in Massachusetts. Dr. Auerbach briefly presented on the Out-of-Network Billing Chartpack. For more information, see slides 24-31. The full chartpack is available <a href="here">here</a>.

### **ITEM 5: ADJOURNMENT**

Mr. Seltz thanked the Committee and the staff. The meeting adjourned at 11:15 AM.