AGENDA

- Welcome by HPC Chair Stuart Altman
- Approval of Minutes from September 15, 2020 Meeting *(VOTE)*
- Executive Director’s Report
- Notices of Material Change
- Impact of COVID-19 Pandemic on Health Care Spending and Costs
- Drug Pricing Review
- Investment Program Launch: Cost-Effective, Coordinated Care for Caregivers and Substance Exposed Newborns (C4SEN) *(VOTE)*
- Adjournment
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VOTE: Approving Minutes

MOTION: That the Commission hereby approves the minutes of the Commission meeting held on September 15, 2020 as presented.
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Recap: 2020 Health Care Cost Trends Hearing

**KEYNOTE ADDRESS**

Covid-19: Challenges and Opportunities of Addressing Health Equity in MA

Dr. David Williams

**SPOTLIGHT VIDEO**

Healing Together: Voices of the Commonwealth During the COVID-19 Pandemic
New Health Equity Webpage

The HPC is excited to share its new dedicated Health Equity webpage.

On this page, you will find:

- Background on Health Equity
- Imperative for Action
- Racism Directly Affects Health Outcomes
- Health Equity Principles
- Accountability and Action Plan
- Our Health Equity Work
- Resources
- Related
In Review: HPC Publications Released in 2020

2019 Health Care Cost Trends Report *(February)*

DataPoints Issue 16: The Doctor Will (Virtually) See You Now *(March)*

HPC Policy Brief: The Nurse Practitioner Workforce and its Role in the Massachusetts Health Care Delivery System *(May)*

Out of Network Billing in Massachusetts Chartpack *(May)*

SHIFT-Care Challenge Awardee Profiles *(June)*

DataPoints Issue 17: Changes in the Massachusetts Physician Market: Data from the Massachusetts Registration of Provider Organizations (MA-RPO) Program *(June)*

Prescription Drug Coupon Study *(July)*

CHART Playbook *(September)*

Telemedicine Pilot Program Impact Brief *(September)*

CHART Investment Program: Phase 2 Evaluation Report *(September)*

Policy Brief: Serious Illness Care in Massachusetts: Differences in care received at the end of life by race and ethnicity *(September)*

Accountable Care Organizations in Massachusetts: Profiles of the 2019 HPC-Certified ACOs *(October)*

DataPoints Issue 18: HPC-Certified Accountable Care Organizations in Massachusetts *(October)*

Telemedicine Pilot Investment Program Evaluation Report *(November)*
The **Telemedicine Pilot Investment Program Evaluation Report** evaluates the successes and challenges faced by the four awardee organizations that received $1.7 million in funding to expand access to behavioral health care.

- **Heywood Hospital** - *SCHOOL-BASED* telemedicine
  - Target population: **ADOLESCENTS**

- **Pediatric Physicians Organization at Children’s** - *PEDIATRICIAN-BASED* telemedicine
  - Target population: **CHILDREN AND ADOLESCENTS**

- **Riverside Community Care, Inc.** - *HOME-BASED* telemedicine
  - Target population: **HOMEBOUND OLDER ADULTS**

- **UMass Memorial Medical Center** - *HOSPITAL-BASED* telemedicine
  - Target population: **PATIENTS WITH SUD**
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Adjournment
### Types of Transactions Noticed

<table>
<thead>
<tr>
<th>TYPE OF TRANSACTION</th>
<th>NUMBER</th>
<th>FREQUENCY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formation of a contracting entity</td>
<td>27</td>
<td>23%</td>
</tr>
<tr>
<td>Physician group merger, acquisition, or network affiliation</td>
<td>24</td>
<td>21%</td>
</tr>
<tr>
<td>Clinical affiliation</td>
<td>24</td>
<td>21%</td>
</tr>
<tr>
<td>Acute hospital merger, acquisition, or network affiliation</td>
<td>22</td>
<td>19%</td>
</tr>
<tr>
<td>Merger, acquisition, or network affiliation of other provider type (e.g., post-acute)</td>
<td>14</td>
<td>12%</td>
</tr>
<tr>
<td>Change in ownership or merger of corporately affiliated entities</td>
<td>5</td>
<td>4%</td>
</tr>
<tr>
<td>Affiliation between a provider and a carrier</td>
<td>1</td>
<td>1%</td>
</tr>
</tbody>
</table>
Notices Currently Under Review

A proposed joint venture between Baystate Medical Center and Kindred Healthcare to build and operate a new DMH-licensed behavioral health hospital.

A proposal by Lawrence General Hospital to form an integrated delivery network called the Lawrence Integrated Health Provider Network.

A proposed affiliation between Baystate Medical Practices (Baystate), a subsidiary of Baystate Health, and Valley Medical Group (VMG), in which VMG would lease its practice locations and assign its professional revenue to Baystate in exchange for lease payments.

A proposed acquisition of Community Visiting Nurses Association, based in Attleboro, by HopeHealth, a Rhode Island-based nonprofit system that provides home health and hospice care services in Massachusetts and Rhode Island.
Elected Not to Proceed

A proposal by **South Shore Health System**, the parent corporation of South Shore Hospital, to form a new contracting entity called the South Shore Health Integrated Delivery Network.

A proposed joint venture between **Emerson Hospital** and **Physicians Endoscopy** to develop a free-standing ambulatory surgery center providing outpatient endoscopy services.

A proposed joint venture between **Lowell General Hospital** and **Chelmsford ASC Holding Company**, a corporation formed by Shields Health Care Group and a group of physicians affiliated with Lowell General. The joint venture would acquire and manage the existing Lowell General ambulatory surgery center at 10 Research Place in North Chelmsford.
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The COVID-19 pandemic led to dramatic drops in health care use nationwide. By October, total outpatient visits returned to baseline levels.

Percent change in outpatient visits from baseline: visit counts include telehealth

Note: Data are presented as a percentage change in the number of visits in a given week from the baseline week (March 1–7).

Source: Ateev Mehrotra et al., The Impact of the COVID-19 Pandemic on Outpatient Care: Visits Return to Pre-pandemic Levels, but Not for All Providers and Patients (Commonwealth Fund, Oct. 2020). https://doi.org/10.26099/41xy-9m57
The rebound in visits has been stronger for larger physician practices, due in part to their ability to make greater use of telehealth.

Data are presented as a percentage change in the number of visits in a given week from the baseline week (March 1–7). The size of the provider organization is based on the total number of providers of any specialty. We show data only for adult primary care providers to demonstrate that there is variation even within a given specialty.

Source: Ateev Mehrotra et al., *The Impact of the COVID-19 Pandemic on Outpatient Care: Visits Return to Prepandemic Levels, but Not for All Providers and Patients* (Commonwealth Fund, Oct. 2020). https://doi.org/10.26099/41xy-9m57
ED and inpatient visits in Massachusetts also dropped dramatically due to COVID-19, with both remaining below 2019 levels through September 2020.

7-day average ED and inpatient visits relative to one year prior to the date shown

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The data for this analysis was supplied by Collective Medical, a care coordination software company based in Utah. Collective Medical offers a data-aggregation, analytics, and care collaboration platform that links hospitals, health plans, outpatient providers for real-time identification and support of high-risk individuals as they move across the care continuum. The platform links to hospital operations and electronic medical records systems as well as other provider and health plan systems.
The drop in health care employment in Massachusetts has been larger than in the U.S., except for hospital employment.

Employment by sector in August 2020 relative to February 2020; Massachusetts and the U.S. overall.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Massachusetts</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall (total nonfarm)</td>
<td>-9.9%</td>
<td>-5.5%</td>
</tr>
<tr>
<td>Overall health care</td>
<td>-7.5%</td>
<td>-9.4%</td>
</tr>
<tr>
<td>Hospitals</td>
<td>-3.8%</td>
<td>-6.2%</td>
</tr>
<tr>
<td>Offices of physicians</td>
<td>-5.1%</td>
<td>-3.9%</td>
</tr>
<tr>
<td>Outpatient care centers</td>
<td>-5.2%</td>
<td>-3.9%</td>
</tr>
<tr>
<td>Nursing and residential care facilities + home health care</td>
<td>-5.8%</td>
<td>-5.5%</td>
</tr>
</tbody>
</table>

Source: HPC analysis of Data from the US Bureau of Labor Statistics
Since March 2020, MassHealth enrollment has increased 7.8% while commercial enrollment has declined 1.6%.

Data from CHIA, “Massachusetts Health Insurance Enrollment, March 2019 through August 2020. MassHealth includes those with primary coverage through MassHealth.”
Hospital discharges in Massachusetts dropped by nearly one third in April 2020, except for OB-related discharges.

Inpatient discharges, by category, in a sample of Massachusetts acute care hospitals*

Source: Massachusetts Center for Health Information and Analysis (CHIA) based on 15 voluntary reporting hospitals: Beth Israel Deaconess Hospital – Milton; Beth Israel Deaconess Hospital – Plymouth; Boston Children’s Hospital; Boston Medical Center; Emerson Hospital; Harrington Memorial Hospital; Health Alliance-Clinton Hospital; Holyoke Medical Center; Lowell General Hospital; Marlborough Hospital; Signature Healthcare Brockton Hospital; Southcoast Hospitals Group; Steward Good Samaritan Medical Center; Tufts Medical Center; UMass Memorial Medical Center
The drop in discharges in April 2020 (by primary diagnosis) was dramatic even for chronic and severe diagnoses.

Percent change in discharges for month shown relative to baseline (Oct ‘19 to Feb ‘20 average)

Source: Massachusetts Center for Health Information and Analysis (CHIA) based on 15 voluntary reporting hospitals: Beth Israel Deaconess Hospital – Milton; Beth Israel Deaconess Hospital – Plymouth; Boston Children’s Hospital; Boston Medical Center; Emerson Hospital; Harrington Memorial Hospital; Health Alliance-Clinton Hospital; Holyoke Medical Center; Lowell General Hospital; Marlborough Hospital; Signature Healthcare Brockton Hospital; Southcoast Hospitals Group; Steward Good Samaritan Medical Center; Tufts Medical Center; UMass Memorial Medical Center
Many top discretionary inpatient procedures returned significantly by June, 2020.

Percent change in procedures for month shown relative to baseline (Oct ‘19 to Feb ‘20 average)

Source: Massachusetts Center for Health Information and Analysis (CHIA) based on 15 voluntary reporting hospitals: Beth Israel Deaconess Hospital – Milton; Beth Israel Deaconess Hospital – Plymouth; Boston Children’s Hospital; Boston Medical Center; Emerson Hospital; Harrington Memorial Hospital; Health Alliance-Clinton Hospital; Holyoke Medical Center; Lowell General Hospital; Marlborough Hospital; Signature Healthcare Brockton Hospital; Southcoast Hospitals Group; Steward Good Samaritan Medical Center; Tufts Medical Center; UMass Memorial Medical Center
Black and Hispanic patients accounted for 38.3% of COVID-related inpatient discharges from April to June compared to 20.5% of non-COVID discharges.

COVID-related and non-COVID-related discharges between April and June 2020

% of non-COVID discharges | % of COVID discharges
--- | ---
Non-Hispanic White | 66.5% | 52.8%
Non-Hispanic Black | 10.5% | 20.7%
Non-Hispanic Asian | 3.0% | 4.3%
Hispanic | 10.0% | 17.6%
Other | 10.0% | 4.6%

Source: Massachusetts Center for Health Information and Analysis (CHIA) based on selected voluntary reporting hospitals: Beth Israel Deaconess Hospital – Milton; Beth Israel Deaconess Hospital – Plymouth; Boston Children’s Hospital; Boston Medical Center; Emerson Hospital; Harrington Memorial Hospital; Health Alliance-Clinton Hospital; Holyoke Medical Center; Lowell General Hospital; Marlborough Hospital; Signature Healthcare Brockton Hospital; Southcoast Hospitals Group; Steward Good Samaritan Medical Center; Tufts Medical Center; UMass Memorial Medical Center
Hospitals sustained losses in March and April, but COVID-19 relief funds (light blue) led to large positive margins in June (12%) and July (22%).

Aggregate hospital expenses and revenues, by source

Massachusetts Center for Health Information and Analysis (CHIA) based on selected voluntary reporting from 37 of 61 Acute care hospitals. Base period represents monthly average for all of CY 2019.
Community hospitals experienced greater losses in April and May, but saw larger positive margins than other acute care hospitals by July 2020.

Median total hospital margins with and without COVID-19 Relief Funds, by cohort

Massachusetts Center for Health Information and Analysis (CHIA) based on selected voluntary reporting from 37 of 61 Acute care hospitals. Base period represents monthly average for all of CY 2019.
A research collaboration across faculty from the state’s medical schools in conjunction with HPC, the Massachusetts Chapter of the American College of Physicians, and other academic partners produced a targeted survey of provider practices (mainly primary care, specialist physician, behavior health)* from late May to early June 2020 on the impacts of COVID-19.

Practices were re-surveyed September – October 2020.

- Survey responses (including partially-completed surveys)
  - **Round 1**: 953
  - **Round 2**: 325
  - **Both rounds**: 127

- Practice-level results are weighted, where appropriate, by clinician FTE
- Convenience sample – not necessarily representative

**NOTE: Results are preliminary**
## Broad Themes of Open-Text Responses

<table>
<thead>
<tr>
<th>Practices Struggling</th>
<th>Providers find telehealth difficult to provide and/or clinically inadequate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Reduced patient volume, including related to patients’ lack of access to telehealth</td>
</tr>
<tr>
<td></td>
<td>Providers are burned out and feel that the future of their practice is uncertain/are considering early retirement</td>
</tr>
<tr>
<td>Practices Thriving</td>
<td>Increased patient volume related to increased need for mental/behavioral health care</td>
</tr>
<tr>
<td></td>
<td>Increased patient volume/contact related to increased access via telehealth</td>
</tr>
<tr>
<td>Additional Challenges</td>
<td>Staffing challenges, including difficulties related to lack of childcare</td>
</tr>
<tr>
<td></td>
<td>Stress for patients and providers alike</td>
</tr>
<tr>
<td></td>
<td>Disrupted access to care</td>
</tr>
</tbody>
</table>

*Massachusetts provider survey: Impacts of COVID-19*
Some practices rebounded, while others continue to struggle.

**Spring 2020**

- **Rebounding practice**
  
  “I continue to pay for office space that I can’t use. Now I have to pay for a telemedicine service also…because I’m simultaneously homeschooling my daughter, I can’t work as many hours. My husband was furloughed so we’re desperate financially.”
  
  – *Independent BH practice 1*

- **Struggling practice**
  
  “Many adolescents do not want to meet using telehealth. They do not feel the privacy is the same as in person. As such, I have had a drastic decrease in my client caseload. I am using my personal funds to keep my practice open.”
  
  – *Independent BH practice 2*

**Fall 2020**

“Initially, I lost work and was very low in income, thought I would have to close the practice. As the quarantine went longer, clients’ mental health worsened, and they made more efforts to connect via telehealth…Now I can’t keep up with the demand.”

– *Independent BH practice 1*

“The inability to meet clients in person has affected the clients’ sense of confidentiality.”

– *Independent BH practice 2*

“Consideration for early retirement & dramatic consolidation.”

– *Independent specialist practice*
**Challenges**

“Many patients are still afraid to be seen. It is difficult to know when to follow up with patients when you do not have any idea when they are going to be seen.”

- Primary care practice

“Put on hold a tremendous amount of chronic disease management and patient contact.”

- Primary care practice

“There is a general impression that in-person care is not available.”

- Independent BH practice 3

**Opportunities**

“We have learned that telehealth is a viable option for many cognitive services…and we will continue doing this going forward. I’m hoping the options for primary care will diversify so people use ED less.”

- Independent BH practice 4

“I’m happy telehealth is here to stay as it is a good answer for a lot of frail patients. We also started drive through flu clinics for our patients to keep them safe. It was very popular.”

– Primary care practice
Behavioral health practices were back to pre-COVID visit levels by summer 2020 due to telehealth while visits at all other practices were roughly 20% below baseline.

Visit volume for BH and all other practice types relative to pre-COVID levels (defined as 100%), split by in-person and telehealth

<table>
<thead>
<tr>
<th></th>
<th>In-Person Visits</th>
<th>Telehealth Visits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BEHAVIORAL HEALTH</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Before March</td>
<td>99.9%</td>
<td>0.1%</td>
</tr>
<tr>
<td>March-May</td>
<td>77.0%</td>
<td>14.8%</td>
</tr>
<tr>
<td>June-August</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td><strong>ALL OTHER</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Before March</td>
<td></td>
<td>37.9%</td>
</tr>
<tr>
<td>March-May</td>
<td>27.6%</td>
<td></td>
</tr>
<tr>
<td>June-August</td>
<td></td>
<td>40.3%</td>
</tr>
</tbody>
</table>

Data based on Round 2 of survey of Massachusetts provider practices, "Impact of COVID-19 on provider practices, Round 2" fielded Sept-Oct, 2020
Many of the staff who were furloughed in all settings were eventually rehired, though this was not the case in BH practices for both clinical and non-clinical staff.

Data based on Round 2 of survey of Massachusetts provider practices, “Impact of COVID-19 on provider practices, Round 2” fielded Sept-Oct, 2020
Some independent primary care practices have undergone, or are considering, major changes.

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Not considering</th>
<th>Considering: unlikely</th>
<th>Considering: likely</th>
<th>Already done</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evolve toward concierge</td>
<td>32%</td>
<td>11%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Consolidate with other practices</td>
<td>13%</td>
<td>41%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Consolidate with hospitals</td>
<td>15%</td>
<td>38%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Sell practice</td>
<td>39%</td>
<td>47%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Close practice</td>
<td>41%</td>
<td>59%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td></td>
<td>40%</td>
<td>57%</td>
<td>2%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Data based on Round 2 of survey of Massachusetts provider practices, "Impact of COVID-19 on provider practices, Round 2" fielded Sept-Oct, 2020
Providers expressed the most concern about the socioeconomic impacts of COVID-19 on patients and staff through stress and burnout.

Data based on Round 2 of survey of Massachusetts provider practices, “Impact of COVID-19 on provider practices, Round 2” fielded Sept-Oct, 2020

### How concerned is your practice about the impact of the COVID-19 pandemic on the following (1-100)?

<table>
<thead>
<tr>
<th>Impact Description</th>
<th>Concern Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Socioeconomic effects of COVID-19 on patients (e.g. job loss, evictions, food insecurity)</td>
<td>94.8</td>
</tr>
<tr>
<td>Impact on clinical or non-clinical staff (e.g. stress or burnout)</td>
<td>92.8</td>
</tr>
<tr>
<td>Mental Health effects of COVID-19 on patients</td>
<td>89.2</td>
</tr>
<tr>
<td>Physical Health effects of COVID-19 on patients</td>
<td>83.2</td>
</tr>
<tr>
<td>Access to in-person care (e.g. reduced hours or closures)</td>
<td>71.2</td>
</tr>
<tr>
<td>Access to telehealth (e.g. technologic or language barriers)</td>
<td>60.2</td>
</tr>
</tbody>
</table>
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Drug Pricing Review

- Investment Program Launch: Cost-Effective, Coordinated Care for Caregivers and Substance Exposed Newborns (C4SEN) (VOTE)
- Adjournment
The MassHealth Process

**Direct Negotiations**

MassHealth negotiates directly with a drug manufacturer for a supplemental rebate.

**Proposed Value & Public Input**

If negotiations fail for high cost drugs, MassHealth may propose a value for the drug and solicit public input on the proposed value for the drug.

**Further Negotiations**

MassHealth updates its proposed value for the drug as necessary and solicits further negotiations with the manufacturer.

**Referral to the HPC**

If negotiations with the manufacturer fail, MassHealth may refer the manufacturer to the HPC for review.

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The HPC Process
Within 60 days of receiving completed information from the manufacturer, HPC issues a determination on whether the manufacturer’s pricing of the drug is unreasonable or excessive in relation to HPC’s proposed value for the drug.

HPC determines that a manufacturer’s pricing is potentially unreasonable or excessive, notifies the manufacturer of the need for additional review, and requests additional information, including the manufacturer’s justification of its pricing of the drug.

HPC reviews information submitted by the manufacturer and solicits information from stakeholders.

Within 60 days of receiving completed information from the manufacturer, HPC issues a determination on whether the manufacturer’s pricing of the drug is unreasonable or excessive in relation to HPC’s proposed value for the drug.
Process for Drug Pricing Reviews

**INPUTS**
- Data and documents:
  - From EOHHS, including information supporting its target value;
  - From the Manufacturer, including:
    - Its own assessment of value;
    - Responses to Standard Reporting Form and other HPC requests; and
    - Other information the Manufacturer believes pertinent to HPC review; and
  - From patients, clinicians, and other stakeholders, including information provided in response to information requests;
- Publicly available information, including assessments from health technology assessment bodies;
- Support from expert consultants; and
- Feedback from Commissioners.

**OUTPUTS**
- The HPC will issue a determination of whether pricing for a Drug is unreasonable or excessive in relation to the HPC’s proposed value of the Drug.
  - Before making a final determination, the HPC must give notice to the Manufacturer that the pricing is potentially unreasonable or excessive and solicit additional information.
- Data and documents disclosed by a Manufacturer must remain confidential, and the HPC cannot identify specific prices or rebates for drugs.
- The HPC will disclose third party analyses it relies upon, and will carefully consider their methodologies and models, as well as assumptions and limitations.
Factors for Review

- Information on clinical efficacy, effectiveness and outcomes
- Characteristics of the drug, including side effects, interactions and contraindications, potential for misuse or abuse
- Existence of therapeutic equivalents
- Seriousness and prevalence of the condition
- Extent to which Drug addresses unmet need
- Impact on subpopulations
- Impact on reducing need for other care, reducing caregiver burden or enhancing quality of life
- Extent of utilization and expected utilization
- Information on the pricing of the Drug, including prices paid by other countries
- Net price compared to therapeutic benefits
- Analyses by independent third parties, including consideration of methods, models, assumptions and limitations
- Other factors the HPC considers relevant, e.g.
  - Information from the Standard Reporting Form, including the Manufacturer’s pricing strategy, research and development expenditures for the drug, etc.
Example Drug Pricing Review Questions

### Drug Pricing Review

#### Net Benefits
- Clinical benefits
- Benefits to society

#### Pricing and Cost

#### Other Considerations

- What clinical benefits are offered by the Drug compared to alternatives (e.g. impacts on clinical outcomes, quality of life, need for other care or caregiver burden, ease of treatment regimen), including differences for subpopulations?
- What are the potential negative impacts from the Drug compared to alternatives (e.g. side effects, interactions or contraindications, potential for misuse), including differences for subpopulations?
- What societal benefits are offered by the Drug? For example, to what extent does the Drug address an unmet need or treat a rare or serious disease for which limited alternatives are available? How does the Drug impact disadvantaged or underserved populations?

Across each domain, the HPC will also assess the quality of the evidence, models or methodologies underlying analyses, and assumptions or limitations.
Example Drug Pricing Review Data Sources

Across each domain, the HPC will also assess the quality of the evidence, models or methodologies underlying analyses, and assumptions or limitations.

**Drug Pricing Review**

**Net Benefits**
- Clinical benefits
- Benefits to society

**Pricing and Cost**

**Other Considerations**

- Clinical trial results
- Research literature, e.g., studies assessing comparative effectiveness, observational studies of real-world use, information about patient population and sub-populations
- Data from the Manufacturer, including clinical evidence provided with the standard reporting form, the Manufacturer’s estimation of value, and any additional information provided
- Information from MassHealth such as Drug and other health care utilization
- Clinical guidelines and input from clinicians, e.g., treatment recommendations, nuances or gaps in the evidence base, and other relevant context
- Input from patients and caregivers, e.g., their experiences and perspectives on the evidence base and treatment options
- Documents and findings by regulatory and health technology assessment bodies
Example Drug Pricing Review Questions

Drug Pricing Review

Net Benefits
• Clinical benefits
• Benefits to society

Pricing and Cost

Other Considerations

Across each domain, the HPC will also assess the quality of the evidence, models or methodologies underlying analyses, and assumptions or limitations

- How does pricing for the Drug compare to alternative treatments and the costs for care that could be avoided?
- What does formal economic analysis indicate as a value-based pricing range?
- How does pricing compare between different payers (e.g., MassHealth, other Medicaid programs, VA, Medicare, commercial, and international)?
- What would the budget impact be to MassHealth based on pricing at different levels?
- What does the Manufacturer describe as the value of the drug and the rationale for its pricing, including any price increases over time?
- What were the manufacturer’s costs to develop, manufacture and distribute the drug and how do those compare to its pricing?
Example Drug Pricing Review Data Sources

Drug Pricing Review

Net Benefits
• Clinical benefits
• Benefits to society

Pricing and Cost

Other Considerations

Across each domain, the HPC will also assess the quality of the evidence, models or methodologies underlying analyses, and assumptions or limitations

• Information from EOHHS, including information about MassHealth spending and the target value for the Drug
• Data from the Manufacturer, including pricing and utilization information from the standard reporting form, estimation of value, rationale on pricing, and anything else they provide as pertinent to an assessment of value
• Data from proprietary subscription services, e.g. competitive pricing history and market share
• Economic analyses conducted by academic experts and as part of health technology assessments
• Input from experts, patients, and clinicians regarding limitations in existing economic models and methodologies
• Financial filings and investor materials regarding the Manufacturer’s costs and spending, e.g., for research and development
Example Drug Pricing Review Questions

Drug Pricing Review

Net Benefits
• Clinical benefits
• Benefits to society

Pricing and Cost

Other Considerations

- Are there any special considerations relating to the Drug not included elsewhere?
- Are there any special considerations regarding the condition, the affected populations, or treatment with the Drug that are not included elsewhere?

Across each domain, the HPC will also assess the quality of the evidence, models or methodologies underlying analyses, and assumptions or limitations.
Incorporating Input from Clinicians, Patients, and Caregivers

HPC seeks to develop a robust process to incorporate clinician, patient, and caregiver input into the HPC’s drug pricing reviews.

<table>
<thead>
<tr>
<th>Goals for Clinician Input</th>
<th>Goals for Patient and Caregiver Input</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Understand the <strong>nature of the disease</strong> and how the Drug works to treat patients with the condition</td>
<td>• Learn from patients and caregivers about the <strong>impact of the disease</strong> on health, function and quality of life</td>
</tr>
<tr>
<td>• Learn from <strong>real world practice</strong>, including how the Drug fits in to the standard of care for treating patients, including why a physician might prescribe the Drug over another treatment option.</td>
<td>• Understand the <strong>benefits and disadvantages of the Drug</strong> under review compared to alternative treatment options from a patient and caregiver perspective, including benefits not fully captured in studies, and any unmet need addressed.</td>
</tr>
<tr>
<td>• Understand the <strong>evidence for the Drug</strong>, including whether outcomes captured in studies are clinically meaningful and whether study design reflects real world clinical practice</td>
<td>• Understand if the outcomes in the clinical studies and as captured in economic analyses, including any measurements of quality of life, are <strong>meaningful to patients or have limitations.</strong></td>
</tr>
<tr>
<td>• Identify if the Drug addresses <strong>treatment gaps or treats patients with unmet need</strong>, including any subpopulations of patients who might experience differential treatment effects</td>
<td>• Understand the <strong>diversity of experience</strong> between different patients, including differences based on severity, course of illness, and different socioeconomic and life circumstances.</td>
</tr>
</tbody>
</table>
AGENDA

- Welcome by HPC Chair Stuart Altman
- Approval of Minutes from September 15, 2020 Meeting (VOTE)
- Executive Director’s Report
- Notices of Material Change
- Impact of COVID-19 Pandemic on Health Care Spending and Costs
- Drug Pricing Review
- Investment Program Launch: Cost-Effective, Coordinated Care for Caregivers and Substance Exposed Newborns (C4SEN) (VOTE)
- Adjournment
During the FY20 state budget process, policymakers identified expanded access to evidence-based, appropriate addiction treatment as a priority.

To help achieve this goal, the HPC’s line-item included a new $300,000 appropriation and a mandate to create and administer an early childhood grant program to support families with substance exposed newborns.¹

In order to expand this opportunity to support multiple potential awardees across the Commonwealth, the HPC is proposing to supplement this funding with $900,000 dollars from the Distressed Hospital Trust Fund. This will allow for an additional three awards to be authorized for eligible community hospitals to participate in the program.

¹ G.L. c. 6D, s. 19 and Chapter 41 of the Acts of 2019 (1450-1200)
C4SEN extends the impact of the HPC’s previous investments to support Substance Exposed Newborns (SEN).

**During pregnancy (prenatal care)**

**Post-delivery and during inpatient care**

**Post-discharge to six months post-partum**

**Beyond six months post-discharge**

**HPC NAS Program:**
- 4 Awards, 1 year
- $1,000,000

**SAMHSA-Funded DPH Moms Do Care Program:**
- 2 Awards, 3 years
- $3,000,000

**HPC Moms Do Care Initiatives:**
- 2 Awards, 2 years
- $2,000,000

**HPC C4SEN Investment Program:**
- 4 Awards, 2 years

**Baystate Medical Center, UMass Memorial, BMC, Lawrence General**

**Cape Cod, UMass Memorial**

**Beverly Hospital, Lowell General Hospital**

**Awardees TBD**
Support **Massachusetts providers** in implementing models of care and services that better address **medical, behavioral, and social needs** of **substance exposed newborns and their families** beyond the hospital, after discharge, and into outpatient follow-up care.

Purpose of Next Investment

Extend impact of previous investments to:

- Post-discharge to six months post-partum
- Beyond six months post-discharge
COVID-19

- COVID-19 has **both exacerbated the opioid crisis and created opportunities** to improve treatment (e.g. buprenorphine initiation and follow-up by video or telephone visit).
- SEN investment program design includes **opportunities to use funds to modify existing practice** to enable greater access (e.g. convert some aspects of the care model from in-person to telemedicine).

Health Equity

- SEN RFP includes specific language acknowledging health equity as a priority.
- Requires provision of **Culturally Competent Care that is free of stigma and bias**
- Includes **Principles for Promoting Racial Equity** (from DPH).
- Asks Awardees to collect and analyze data relevant to understanding the target population and any related health inequities in access to MAT and other services.
Stakeholder Engagement
Themes from Stakeholder Engagement

Opportunities and potential value

- While many successful investments have focused on inpatient and immediate post-partum care, it would be valuable to have investments target six months post partum and beyond\(^1\).
- Innovative, integrated care models coordinate children’s care with their parents’ and are already demonstrating potential to improve continuity from inpatient to post-discharge care.
- Partnership and coordination with early intervention providers, social service agencies, and other local institutions through referrals and transitions are essential.
- Investment in targeted care models may help facilitate additional study of substance exposed newborns and their outcomes, which has been limited.

Clinical and operational considerations

- There has been limited academic study of substance exposed newborns, so there is a need to support and collect data from promising models.
- Mothers’ experiences of stigma and fear of separation from their children complicate care.
- Care coordination models must acknowledge that longer term outcomes for SEN cannot improve unless their caregivers are being provided the support that they need.
- A few promising local models have been funded by donations, small grants, or funds reserved from provider systems – need more data to solidify the case for sustainability to allow for long-term dedication of resources and staff to care for this population.
- It is important to clearly define a target population (e.g., SEN, NAS, opioid exposure).

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C4SEN Investment Program Objectives

- Invest in the programs that care for SEN and their Caregivers for **at least 12 months** to ensure care during the **most vulnerable period** for postpartum substance use relapse.

- Support development of innovative programs that **promote collaboration** among appropriate primary care and specialty providers, behavioral health providers, community-based organizations, and social service agencies to better **coordinate care delivery** to ensure access to high-quality care for SEN and their Caregivers.

- Connect SEN and their Caregivers to **cost-effective treatments and care options** that will help **mitigate future health care and systemic costs**, including Early Intervention and MAT programs.

- Contribute to the **evidence base** to support the adoption of a standard model of holistic care for this population.
C4SEN Program Structure

**$1.2 Million**
The HPC will invest $1.2 million dollars in the C4SEN Investment Program.

**24 Months**
The Period of Performance will be 24 months – comprised of a Planning Period of 3 months & an Implementation Period of 21 Months.

**4 Awards**
The HPC will fund up to 3 DHTF-eligible hospitals up to $300,000 & 1 other provider organization up to $300,000.

**6 Months**
Following the Period of Performance, there will be a 6-month evaluation period where the HPC will conduct an evaluation, and Awardees will participate in evaluation-related activities.
### RFP Elements: Required Operational Components of Proposed Models

<table>
<thead>
<tr>
<th></th>
<th>Requirement</th>
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<tbody>
<tr>
<td>1</td>
<td>Support infant and caregiver for a minimum of 12 months.</td>
</tr>
<tr>
<td>2</td>
<td>Coordinate with outpatient providers and/or directly provide access to pediatric services, adult primary care, and adult behavioral health care (including MAT for the Caregiver)</td>
</tr>
<tr>
<td>3</td>
<td>Provide Culturally Competent Care that is free of stigma and bias</td>
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<tr>
<td>4</td>
<td>Collaborate with at least one community-based or social service organization to meet the non-medical needs (including health-related social needs) of Caregivers and SEN</td>
</tr>
<tr>
<td>5</td>
<td>Ensure that SEN who are experiencing or at risk for developmental delays have access to supportive services, including Early Intervention</td>
</tr>
</tbody>
</table>
RFP Elements: Health Equity Considerations

Outline understanding of the **demographics** of patients they intend to serve and explain how this has **informed program design**.

Describe **community and/or stakeholder engagement** activities that have been completed to **inform program design**.

Identify **inequities** that exist in access to care for target population and explain how program seeks to **address them**.

Describe how program will ensure provision of **culturally competent care** that is free of stigma and bias.
C4SEN Period of Performance

The Period of Performance will consist of a **Planning Period** and an **Implementation Period**.

- **Planning Period**:
  - Deepen understanding of target population and any existing inequities
  - Establish data-sharing approach to enable care coordination
  - Formalize relationships with provider partners and CBOs
  - Develop Implementation and Measurement Plans

- **Implementation Period**:
  - Provide services to patients
  - Continue engagement with patients and community to support process & program improvements
  - Participate in contract management and evaluation activities
  - Contribute to the HPC’s Learning and Dissemination efforts

The HPC has identified a set of **Core Measures** that all Awardees will be required to report on.

- Patient demographics & clinical history
- Total number of unique caregivers and SEN enrolled
- Attendance rates at clinical visits
- Caregiver initiation and retention in treatment
- SEN referrals to EI
- Connections to supports for HRSN
- Patient reported experience of care

Applicants will be required to propose **three Secondary Measures**. They must propose 1 measure for each of the following domains:

- Improving access to care
- Improving quality of care
- Improving efficiency
## Selection Criteria

<table>
<thead>
<tr>
<th>Category</th>
<th>Criteria</th>
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<tbody>
<tr>
<td><strong>APPLICANT</strong></td>
<td>▪ Demonstrated need for enhanced services for SEN and Caregivers in Applicant’s community</td>
</tr>
<tr>
<td></td>
<td>▪ Demonstrated need for the investment as detailed in ORT</td>
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<tr>
<td></td>
<td>▪ Past performance in HPC investment programs</td>
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<td></td>
<td>▪ Financial health of the organization</td>
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<tr>
<td><strong>PROPOSED PROGRAM</strong></td>
<td>▪ Alignment of Program with C4SEN opportunity</td>
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<tr>
<td></td>
<td>▪ Strength of evidence base that has informed program design</td>
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<td></td>
<td>▪ Feasibility and reliability of care coordination approach</td>
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<td></td>
<td>▪ Clarity and quality of approach to data collection</td>
</tr>
<tr>
<td><strong>APPLICATION OF A HEALTH EQUITY LENS</strong></td>
<td>▪ Strength of plans to ensure provision of Culturally Competent care that is free of stigma &amp; bias</td>
</tr>
<tr>
<td></td>
<td>▪ Strength of approach to addressing any disparities identified within target population, including patient engagement &amp; data collection</td>
</tr>
<tr>
<td><strong>PROGRAM OPERATIONS AND BUDGET</strong></td>
<td>▪ Clarity, feasibility, and appropriateness of proposed activities</td>
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<tr>
<td></td>
<td>▪ Appropriate resource allocation &amp; efficiency of budget</td>
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<tr>
<td></td>
<td>▪ Amount of staff support, other resources dedicated by Applicant</td>
</tr>
<tr>
<td><strong>SUSTAINABILITY</strong></td>
<td>▪ Feasibility, strength of approach to sustaining Program</td>
</tr>
<tr>
<td></td>
<td>▪ Projected impact on improved quality of care, patient experience, access to community-based services, and referrals for evidence-based treatment for SUD.</td>
</tr>
</tbody>
</table>
## Anticipated C4SEN Investment Program Timeline

### 2020

#### November
- Issue RFP (**Today!**) – following Board Approval
- Begin to collect and track questions, release FAQs

### 2021

#### January
- Final day for questions: **January 8**
- Proposals due: **January 22, 3 pm**

#### February & March
- Review proposals and select awardees

#### April
- Announce awardees: **April 7**
- Begin contracting

#### July
- Program launch
Motion: That the Commission hereby approves the proposal for an investment program to support community hospitals and other providers to expand access to appropriate treatment for substance-exposed newborns and their caregivers, and authorizes the Executive Director to issue a Request for Proposals (RFP) to solicit competitive proposals according to the framework described in the documents presented and pursuant to G.L. c. 6D, § 19, G.L. c. 29, § 2GGGG, Chapter 41 of the Acts of 2019 (1450-1200), and 958 CMR 5.04, as applicable.
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- Adjournment
Upcoming 2020 Meetings and Contact Information

Advisory Council

Wednesday, December 2

Contact Us

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@Mass_HPC
HPC-Info@mass.gov