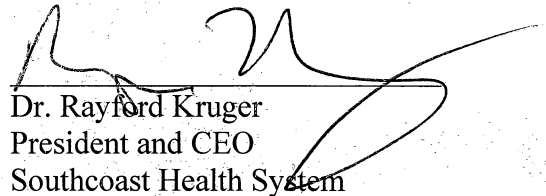


Attestation
Southcoast Hospitals Group, Inc.

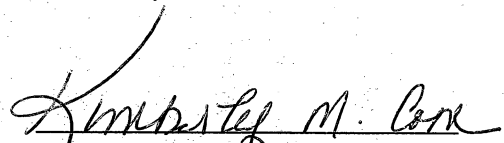
I, Rayford Kruger, being the duly authorized President and CEO of Southcoast Health System (the "Company"), having been duly sworn, do hereby attest that I am legally authorized and empowered to represent the Company for the purposes of the foregoing testimony, and that the foregoing testimony is provided under the pains and penalties of perjury and is true and accurate to the best of my knowledge and belief.

IN WITNESS WHEREOF, I have hereunto set my hand as President and CEO of the Company this 23rd of October 2023.


Dr. Rayford Kruger
President and CEO
Southcoast Health System

COMMONWEALTH OF MASSACHUSETTS):ss New Bedford
COUNTY OF BRISTOL)

The foregoing attestation was acknowledged before me this 23rd day of October 2023 by Dr. Rayford Kruger, as President and CEO of Southcoast Health System as his free act and deed.


Kimberley M. Coon
NOTARY PUBLIC
My Commission Expires: 3/17/28



Kimberly M. Coon
NOTARY PUBLIC
Commonwealth of
Massachusetts
My Commission Expires
3/17/2028



ՀԱՅԱՍՏԱՆԻ ՀԱՆՐԱՊԵՏՈՒԹՅԱՆ
ՊԱՐԹՈՒՆԱԿԱՆ ԴՈՒՄԱՐՈՒՄ
ԲԱՆԻՍՏԱՆՈՒԹՅԱՆ
ԿԵՆՏՐԱԼ ԿԱԶՄԱՆԴԱՐԱՆ
ԿԵՆՏՐԱԼ ԿԱԶՄԱՆԴԱՐԱՆ



MASSACHUSETTS
HEALTH POLICY COMMISSION

2023 Pre-Filed Testimony PROVIDERS



**As part of the
*Annual Health Care
Cost Trends Hearing***

Massachusetts Health Policy Commission
50 Milk Street, 8th Floor
Boston, MA 02109

INSTRUCTIONS FOR WRITTEN TESTIMONY

If you are receiving this, you are hereby required under M.G.L. c. 6D, § 8 to submit written pre-filed testimony for the [2023 Annual Health Care Cost Trends Hearing](#).

On or before the close of business on **Friday, October 27, 2023**, please electronically submit testimony as a Word document to: HPC-Testimony@mass.gov. Please complete relevant responses to the questions posed in the provided template. If necessary, you may include additional supporting testimony or documentation in an appendix. Please submit any data tables included in your response in Microsoft Excel or Access format.

We encourage you to refer to and build upon your organization's pre-filed testimony responses from 2013 to 2022, if applicable. If a question is not applicable to your organization, please indicate that in your response.

Your submission must contain a statement from a signatory that is legally authorized and empowered to represent the named organization for the purposes of this testimony. The statement must note that the testimony is signed under the pains and penalties of perjury. An electronic signature will be sufficient for this submission.

You are receiving questions from both the HPC and the Office of the Attorney General (AGO). If you have any difficulty with the templates or have any other questions regarding the pre-filed testimony process or the questions, please contact either HPC or AGO staff at the information below.

HPC CONTACT INFORMATION

For any inquiries regarding HPC questions,
please contact:

General Counsel Lois Johnson at
HPC-Testimony@mass.gov or
lois.johnson@mass.gov.

AGO CONTACT INFORMATION

For any inquiries regarding AGO
questions, please contact:
Assistant Attorney General Sandra
Wolitzky at sandra.wolitzky@mass.gov
or (617) 963-2021.

INTRODUCTION

This year marks a critical inflection point in the Commonwealth's nation-leading journey of health care reform. As documented in the [Health Policy Commission's 10th annual Cost Trends Report](#), there are many alarming trends which, if unaddressed, will result in a health care system that is unaffordable for Massachusetts residents and businesses, including:

- Massachusetts residents have high health care costs that are consistently increasing faster than wages, exacerbating existing affordability challenges that can lead to avoidance of necessary care and medical debt, and widening disparities in health outcomes based on race, ethnicity, income, and other factors. These high and increasing costs are primarily driven by high and increasing prices for some health care providers and for pharmaceuticals, with administrative spending and use of high-cost settings of care also contributing to the trend.
- Massachusetts employers of all sizes, but particularly small businesses, are responding to ever-rising premiums by shifting costs to employees through high deductible health plans. As a result, many employees are increasingly at risk of medical debt, relying on state Medicaid coverage, or are becoming uninsured, an alarming signal of the challenges facing a core sector of the state's economy.
- Many Massachusetts health care providers across the care continuum continue to confront serious workforce challenges and financial instability, with some providers deciding to reduce services, close units (notably pediatric and maternity hospital care) or consolidate with larger systems. The financial pressures faced by some providers are driven, in part, by persistent, wide variation in prices among providers for the same types of services (with lower commercial prices paid to providers with higher public payer mix) without commensurate differences in quality or other measures of value.

The HPC report also contains [nine policy recommendations](#) that reflect a comprehensive approach to reduce health care cost growth, promote affordability, and advance equity. The HPC further recommends that legislative action in 2023 and 2024 prioritize modernizing and evolving the state's policy framework, necessary to chart a path for the next decade.

This year's Cost Trends Hearing will focus these policy recommendations and on the efforts of all stakeholders to enhance our high-quality health care system in Massachusetts to ensure that it is also affordable, accessible, and equitable.

ASSESSING EFFORTS TO REDUCE HEALTH CARE COST GROWTH, PROMOTE AFFORDABLE, HIGH-QUALITY CARE, AND ADVANCE EQUITY

- a. Reflecting on the findings of the HPC's 2023 Cost Trends Report showing concerning trends of high and increasing health care costs and widening health disparities based on race, ethnicity, and income, please identify and briefly describe your organization's top 2-3 strategies for reducing health care cost growth, promoting affordability, and advancing health equity for residents of the Commonwealth

Southcoast Health is a fully integrated, not-for-profit, high-public-pay, community health system serving Southeastern Massachusetts and Rhode Island. In addition to three acute care hospitals, Southcoast provides an integrated care network of over 1400 providers, 55 convenient regional care and service locations, two oncology centers, six urgent care centers, a Visiting Nurse Association and numerous ancillary facilities. Southcoast Health is the largest provider of primary and specialty care on the South Coast and serves more than 725,000 residents in 33 communities, covering more than 900 square miles. More than 74% of Southcoast Hospital's patient revenue is generated from government sponsored programs, while the state-wide Relative Price is currently 0.83. Overall, community health in the region continues to rank second lowest in the Commonwealth.

KEY STRATEGIES TO REDUCE COSTS

- Reduce the need for expensive contracted labor driven by the pandemic.
- Reduce the length of stay (LOS) where clinically appropriate through enhanced operational throughput in coordination with internal and external stakeholders.

During the past three years, like most acute care hospitals, Southcoast spent significant resources recruiting and retaining employees. Although our recruitment and retention efforts were focused system-wide, we specifically concentrated on key clinical positions, most notably traveling nurses. The additional labor expense was essential because Southcoast has and always will provide exceptional, safe clinical care and service to our patients.

To combat the excessively high cost for traveling clinicians, Southcoast created its own traveling staffing program called More than Medicine (MTM) staffing. This in-house MTM staffing program employs nurse and surge tech travelers who are contracted to work at Southcoast for up to two 13-week cycles. The MTM contracted employees initially replaced expensive external travelers, and many ultimately converted to regular employment at Southcoast after completing their two 13-week cycles with MTM. Southcoast has hired approximately 85 MTM staffing professionals to date and as a result, significantly reduced external traveler costs.

In addition to establishing an internal staffing agency, Southcoast partnered with an external vendor to fill vacant shifts through an automated scheduling platform and latent candidate staffing model.

Southcoast also identified an opportunity to strengthen our relationships with the higher education community. A university and educational partnership program was established, which resulted in a feeder pipeline for new and additional co-ops, internships, shadowing opportunities and direct

student/personnel placements. Notable collaborations were developed and/or strengthened with Bridgewater State University, Bristol Community College, Brown University and Medical School, Bryant University, UMASS Amherst, UMASS Chan Medical School, UMASS Dartmouth, and many area high schools. These universally beneficial partnerships are in direct alignment with Southcoast's mission to fully care for the community.

Numerous recruiting summits were advertised and held with operational and clinical leaders across the region to streamline and improve the staffing process and market data is reviewed regularly to ensure Southcoast remains competitive not just within Southeastern Massachusetts, but also within the Boston, Providence and Cape Cod labor markets.

Market adjustments have been made to existing staff positions to encourage and support retention, longevity, and recruitment, all in an effort to make clear to existing and prospective staff that Southcoast values everything they do, and to reinforce to the community that Southcoast is resolute in its commitment to providing the best clinical care and service to its patients.

Southcoast also implemented a more robust loan forgiveness and tuition/certification reimbursement service reducing costs and saving thousands of dollars for eligible employees.

While reducing the significant cost for contracted labor has remained a priority, so too has Southcoast's commitment to further improving its operational efficiency, safety and throughput, providing for an optimal patient experience and reducing unnecessary cost. Southcoast's approach has been to improve throughput, increase mobility, reduce hospital acquired events and reduce acute length of stay (LOS).

Southcoast has prioritized effort optimizing throughput and patient access. The organization has been able to increase morning discharges to enable ED access and reduce length of stay, enabling more efficient use of nursing and hospital-based providers and improving the use of post-acute and hospice/palliative care services. By reducing hospital acquired conditions, we have also reduced unnecessary costs and delays. Cohorting patients has also provided additional opportunity to ensure that patients receive the most appropriate level of care and an optimal patient experience. Through multiple points of access and innovative provider collaborations, Southcoast has also markedly reduced waits and delays for GI cancer screening and lung cancer screening and follow-up.

To optimize the use of limited post-acute services, Southcoast centralized skilled placement programs and integrated home placement services. Where possible and appropriate, Southcoast offers home-based therapies as an alternative to impacted facility-based care. With an active internal workgroup focused on optimizing the post-acute strategy, it successfully implemented an RFP to improve the provider-based services throughout the network. Working collaboratively with SNF network partners and sharing performance data, Southcoast now provides real-time education and support to facility staff and improved coordination across the continuum of care. It also expanded home health services to include more minutes of therapy and timely access to hospice.

For specialized populations, Southcoast is advancing the use of local and regional resources. For example, a regional approach was developed for stroke patients to optimize the delivery of acute clot-busting medication, regional large-vessel occlusion therapy and rehabilitation services. Within Southcoast's Acute Rehabilitation Unit, services were also expanded, and Southcoast has partnered

with organizations to improve access and efficiency. For hospice and palliative care, Southcoast developed an efficient parallel referral process to allow earlier evaluations for appropriateness and better shared decisions-making with patients and families.

KEY STRATEGIES TO ADVANCING HEALTH EQUITY

- Educating and training all staff, with a focus on clinical and operational patient-engaging staff
- Consistent, accurate data collection and subsequent analysis

Southcoast incorporated health equity into its broader organizational strategy. As part of its commitment to equity and a learning environment, Southcoast continues to develop and implement training pathways across the organization to ensure both an understanding of diversity, equity and inclusion and an appreciation for their impact on the health of communities and the workforce. The training includes implicit bias, health disparities in local context, and best practices for taking action to advance health equity in day-to-day workflows.

As healthy equity practices and training become adopted in the norms and behaviors across the system, Southcoast is focused on collecting accurate, self-reported data on race, ethnicity, language, disability, sexual orientation and gender identify (RELD SOGI) directly from patients. This data is essential to understand our patient population, to effectively meet their needs and to reduce health related disparities. Southcoast has made strategic efforts to address equity with changes to its Quality Plan, creation of equity infrastructure, and development of leadership. Below are a few milestones in the development of active programs to address equity-related challenges.

In August of 2022, Southcoast began collecting SOGI data from patients with a multidisciplinary process informed by stakeholders of its LGBTQIA+ Welcoming and Knowledgeable initiative and centered within the Diversity, Equity and Inclusion (DEI) Council. Southcoast collaborated with Fenway Health to not only educate staff on LGBTQIA+ health but also to integrate SOGI best practices within its patient intake, registration and clinical examination processes.

In August of 2023, Southcoast modified its data collection processes on race, ethnicity and language to align with the recently released Executive Office of Health and Human Services (EOHHS) Quality Measure Alignment Taskforce (QMAT) standards and MassHealth technical specifications. These changes included the following:

1. Updating values in race and ethnicity fields to align with QMAT and Office of Management and Budget (OMB) 2+5 standards; and,
2. Adding a question on English proficiency, in addition to existing questions on preferred language.

In the Fall of 2023, Southcoast further invested in the electronic health records build and training related to six questions focused on disability status. These questions, standardized by EOHHS, are currently used in many population-based surveys including the American Community Survey (ACS).

Improving data collection efforts has improved Southcoast's ability to utilize its existing data and identify disparities. For example, in 2022 Southcoast set out to address a specific disparity where it was identified that:

1. Black/African American and Hispanic/Latino patients with diabetes experienced worse outcomes than Southcoast's non-Hispanic White patients in terms of hemoglobin A1c control (% with A1c 'in control' defined as <9%); and,
2. Southcoast's Black/African American patients and Hispanic/Latino patients were less likely than its non-Hispanic White patients to have had an A1c test during the year.

While learning from the data was sobering, this informative analysis allowed us to identify opportunities to develop programs with interventions across the care continuum that will reduce disparities in care. To specifically address this identified opportunity, Southcoast created a health equity collaboration among its primary care providers, its network and its hospital-based clinics that focuses on successive PDSAs and termed it the "Southcoast Cares About My Diabetes" program.

As a fully integrated, not-for-profit, high-public-pay, community health system, Southcoast continues to recognize the need to thoughtfully reduce costs and continues to take actionable steps to do so. As a mission-driven community health system committed to serving all patients, Southcoast has historically focused on efficiency and continuous cost reduction as necessary for sustainability. While many health systems in Massachusetts have benefited from significantly higher commercial rates, lower percentages of government sponsored payer programs, and significant investments from government and/or philanthropic entities for research and education initiatives, Southcoast has historically been forced to do more with less. Sadly, the fact remains that those systems whose mission it is to do more for their patients and community are often the systems receiving the fewest resources to meet the needs and expectations of their patients. Yet while these perpetual funding inequities and lack of sustained investment in not-for-profit community-based health systems continue, Southcoast's commitment to serving our community and delivering exceptional and equitable care and service to all populations is unwavering.

- b. Please identify and briefly describe the top state health policy changes your organization would recommend to support efforts to advance health care cost containment, affordability, and health equity.

Southcoast supports policies, regulations and initiatives that recognize and help address the challenges previously stated and stands with other not-for-profit, high-public-pay, community-based health systems in the Commonwealth, that face similar challenges.

INVESTMENT & RESOURCES

To support wraparound services for patients, additional sustained and predictive funding must be provided to community-based hospital systems that enable them to develop partnerships with existing community resources. In addition, funding should be provided to hospital Emergency Departments for a full-time team of social work services to facilitate warm patient hand-offs to the most appropriate community resource that will best meet their unique needs. We are confident that these efforts will ultimately improve recognition of unique patient needs, help address accommodations, and serve to provide inclusive, equitable care to the entire community.

STAFFING

Southcoast supports Massachusetts joining the 41 states that have embraced the Nurse Licensure Compact (NLC) as an opportunity to address the estimated 19,000 nursing vacancies in Massachusetts. The current system requiring one certification per state is antiquated, inefficient, drives up the cost and competition for labor and acts as a deterrent for skilled nurses in other states from choosing Massachusetts as their destination. Rhode Island recently adopted the NLC, which is an additional recruitment and retention concern for a neighboring healthcare system like Southcoast.

The Commonwealth should also extend the Graduate Student Nurse (GSN) program in perpetuity. The pandemic era provision, which was extended by Governor Healey and the Legislature through March 31, 2024, allows students who have graduated from a registered nursing program, and senior nursing students in their last semester, to provide patient care at the bedside. The student must be under the supervision of a licensed provider and employed by a licensed health care facility. Extending the GSN program in perpetuity will reduce cost and help alleviate the state's nursing shortage.

PATIENT CARE & THROUGHPUT

Pre-authorization delays continue to be problematic for patients and health systems. These delays add to cost inefficiencies and delay the timely transition of care for patients to their most appropriate setting. Implementing a more efficient, seven day per week process for pre-authorization submission and timely turnaround requirements will provide for better patient care, fewer unnecessary expenses and optimal patient experience.

- c. Many Massachusetts health care providers continue to face serious workforce and financial challenges, resulting in the closure and reorganization of care across the Commonwealth. How are these challenges impacting your organization today? What steps is your organization taking to address these challenges?

The most recent CHIA data confirms what is widely known within the South Coast region, there exists a significant underpayment and disparity among commercial payers for care provided by Southcoast Health. With a Relative Price of 0.83, along with 74% of its revenue derived from public resources, the impact from this extreme funding disparity is not only felt by the organization itself, but more importantly by Southcoast's patients and the community at large. If these disparities are not addressed in the near-term, it's likely the state's healthcare infrastructure will continue to experience additional service, program, and likely even facility closures across the Commonwealth. As health equity initiatives are discussed and addressed, the link between communities experiencing more significant health inequities and the corresponding funding inequities experienced by health systems in those communities must be acknowledged.

Staffing challenges, primary care provider recruitment, supply chain cost increases and low commercial reimbursements rates continued to place significant financial pressures on Southcoast in FY2023. As previously detailed, Southcoast developed a robust retention and recruitment program to invest in our current employees while creatively attracting and/or cultivating new employees. The reduction in staff turnover, and development of More than Medicine staffing, directly led to improved financial efficiencies. Supply chain functions have also been streamlined while an external consultant assisted Southcoast with reducing expense for contracted goods and services.

d. Please identify and briefly describe the policy changes your organization recommends to promote the stability and equitable accessibility of health care resources in Massachusetts?

The fair and equitable distribution of resources and the investment in not-for-profit, community-based healthcare providers are critical to counter historical inequities, disparities, and bias. Despite the lack of a level playing field, Southcoast continues to establish pathways to care for all patients and community members.

- In early 2023, Southcoast added health equity components to its Quality Plan for the Hospitals Group, in addition to provider and staff well-being and has devoted time and resources to this mission.
- As clinical care is delivered, a health equity lens is applied when reviewing quality and outcomes.
- A system-level Health Equity Committee was developed, which is co-led by representatives from the Southcoast Health Network and Southcoast Hospitals Group.
- Health equity is a cross-divisional endeavor, including Southcoast's Community Health and Wellness department, to ensure health equity is a priority in establishing partnerships and investments within the community, while maintaining stronger collaboration with existing community partners focused on addressing the social influencers of health.
- A full-time position (Health Equity Program Manager) dedicated to this work was hired in January 2023 to help facilitate the advancement of health equity efforts described above.
- Southcoast remains dedicated to leading and convening on health equity strategies and initiatives within the community, sharing best practices and collaborating on opportunities to advance the region but these efforts need ongoing support from the Commonwealth.

As part of Southcoast's commitment to health equity and a continuous learning environment, training pathways continue for all leaders and key roles across the organization to ensure an understanding of, and appreciation for, health equity. This additional learning and training is currently not reimbursed but is essential to reduce health disparities.

Recent policy actions that included coverage of doula services by MassHealth are appreciated and will provide key support to many patients who may not otherwise have been able to afford it. Continued attention to training for doulas and other frontline workers (ex. Community Health Workers), with special attention to cultural competencies would help to ensure an available workforce to best support patients.

Policies that fund place-based community supports (ex. Health Equity Zones) and funding for programs that address social drivers of health will crucially facilitate health equity for patients beyond the walls of the healthcare setting.

Like other organizations, Southcoast has facilitated access for displaced migrants, for tuberculosis care in Bristol County, and for COVID-19 therapeutics. It has also created outreach programs for unsheltered individuals and individuals with substance use disorder. Supporting these efforts are essential to the health of these individuals and for the health of the community.

Programs that serve to eliminate gaps in insurance coverage (including migrant and refugee populations) will help the most marginalized community members access primary care and other preventive services, ultimately lowering the cost of care for all by preventing avoidable exacerbations of illness, and ultimately utilization of emergency and inpatient services.

Lastly, we also support policy initiatives that facilitate the development of technical assistance, collaboration and data-sharing resources among provider organizations and community partners focused on advancing health equity and addressing social drivers of health.

QUESTION FROM THE OFFICE OF THE ATTORNEY GENERAL

Chapter 224 requires providers to make price information on admissions, procedures, and services available to patients and prospective patients upon request. In the table below, please provide available data regarding the number of individuals that sought this information.

Health Care Service Price Inquiries Calendar Years (CY) 2021-2023			
Year		Aggregate Number of Written Inquiries	Aggregate Number of Inquiries via Telephone or In-Person
CY2021	Q1		252
	Q2		332
	Q3		218
	Q4		206
CY2022	Q1		279
	Q2		427
	Q3		203
	Q4		114
CY2023	Q1		114
	Q2		111
	TOTAL:		2256