



2022 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 [2022 Annual Health Care Cost Trends Hearing](#).

On or before the close of business on **Monday, October 24, 2022**, please electronically submit testimony 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 2021, 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 Attorney General's Office (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 milestone anniversary in the Commonwealth's ambitious journey of health care reform. Ten years ago, through the advocacy of a broad coalition of stakeholders, Massachusetts adopted an innovative approach to slowing the rate of health care cost growth by establishing an annual cost growth benchmark and providing oversight authority to the newly established HPC.

In the first several years of benchmark oversight, the Commonwealth made notable progress in driving down health care spending growth. In recent years, however, spending growth has exceeded the benchmark (with the exception of 2020) and appears likely to continue that upward trajectory.

This trend is driven largely by persistent challenges and market failures that have not been adequately addressed in the past ten years. These challenges, which have been consistently identified by the HPC and others, include:

- Excessive provider price growth and unwarranted variation,
- Increased market consolidation and expansion of high-cost sites of care,
- High, rising, and non-transparent pharmaceutical prices, which may not reflect value,
- Steadily increasing health insurance premiums, deductibles, and cost-sharing, resulting in increased costs to businesses and consumers,
- Stalled uptake of value-based payment models and innovative plan offerings, and
- Systemic and persistent disparities in health care access, affordability, and outcomes.

The ongoing impact of the COVID-19 pandemic has only exacerbated many of these dynamics, contributing to greater health disparities, while adding to inflationary headwinds in the form of increasing labor and supply costs.

These challenges are not unique to Massachusetts, and many other states are evolving their cost containment strategies accordingly to respond to them. In order for Massachusetts to continue to be the national leader on health care cost containment, it must similarly adapt. Unless the state's health care cost containment approach is strengthened and expanded by policymakers, the result will be a health care system that is increasingly unaffordable for Massachusetts residents and businesses with growing health inequities.

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

a. Reflecting on the past ten years of the Massachusetts health care cost containment effort, and the additional context of ongoing COVID-19 impacts, please identify and briefly describe the top (2-3) concerns of your organization in reducing health care cost growth, promoting affordability, and advancing health equity in future years.

- Acceleration of wage increases driven by inflation volatility and the evaporation of healthcare workers engaged in the labor market. This has manifested in to significant downward financial performance associated with exorbitant costs of contract labor. To illustrate, we at Sturdy Memorial Hospital spent over \$14M in contract labor (i.e. Travelers) in 2022 alone which represents a seven times greater spend than the \$2M contract labor expense realized pre-pandemic in 2019.
- Appropriate behavioral health access for pediatric, adolescent, adult and geriatric community members, both inpatient and outpatient, to combat current behavioral health boarding crisis within our Emergency Department. As the number of behavioral health patients boarding in hospital emergency departments remains at a consistent and alarmingly high rate, hospitals such as Sturdy Memorial (Region 5) feel the greatest weight in access constraints, as financial penalties when boarding patient care costs are not billable. Emergency Department boarding of behavioral health patients does not serve the needs of the patients optimally, and it has a direct correlation to increased workplace violence episodes and has exacerbated the outward migration of healthcare workforce members within the Emergency Department service line.
- Disproportion between payer rate adjustments and inflationary pressures felt by health systems: The marked imbalance between the increase in costs (20%+ in labor and 30%+ in supply costs per day) and payer rate increase of approximately 9.5% over the same time period. These figures represent 2022 vs. 2019 without Public Health Emergency funding included.

b. Please identify and briefly describe the top strategies your organization is pursuing to address those concerns.

- Enriching compensation packages through robust benefit offerings, including hybrid work opportunities were appropriate.
- Forging relationships with colleges and other programs to create workforce pipeline, as well as implementing innovative and inclusive recruitment practices.
- Creating innovative, collaborative relationships with community partners such as Manet Community Health Center, a 501(c)(3) not-for-profit Federally Qualified Health Center (FQHC), to better meet the unique care and support needs of our community members. These relationships allow for each partner to strengthen what they do very well in concert to expand care access and support to the community, effectively right-sizing and right-siting health care

- Launching behavioral telehealth pilot in ambulatory setting to create greater access for non-acute patients.
- Sturdy has entered in to a joint venture with two local health systems to open an inpatient behavioral health facility slated to open in 2024. The hospital will bring behavioral health care to the all communities, improving access for the underserved and closing the gap for much needed mental health services in the community. The hospital will provide a full continuum of inpatient and outpatient behavioral health programs to all patients, regardless of ability to pay.

c. Please describe your progress in the past year on efforts to collect data to advance health equity (i.e., data capturing race, ethnicity, language, disability status, and sexual orientation/gender identity, see 2021 Cost Trends Testimony), including specific metrics and results. Please also describe other specific activities your organization has undertaken to advance health equity.

- Actively undertaking an EMR build within Cerner Community Works supporting robust health equity data capture and analysis for use in identifying key community health needs and implemented targeted plans to meet those needs appropriately and effectively.
- Launched data capture protocol for the name of patient's primary care provider within the Emergency Department registration process. This illuminated the disproportionate number of People of Color without a designed primary care provider versus that of white patients.
- Concentrated efforts to recruit physicians, providers, nurses and team members who are reflective of the communities we serve.
- Established work group focused on creating data collection required fields within the Workday to capture equity indicators for our employees to help us better identify and address equity within our workforce.

d. Please identify and briefly describe the top state health policy changes your organization would recommend to support your efforts to address those concerns.

- Extension of health system relief funding to continue offsetting the massive losses experienced during COVID for financial recovery and sustainability, particular for community hospitals.
- More robust, sustained investment in direct funding for behavioral health, including workforce development, acute and ongoing care behavioral health hospitals and outpatient care facilities.
- Permanent extension of provisions within the Federal Public Health Emergency Order which allows for licensing requirement changes for nurses and social workers to support greater care access.
- Extend and expand payment parity for telehealth visits for greater care access, including within the behavioral health space, and health equity. This would also reduce the cost of care in the long term by creating greater access to address concerns outside of the acute care, higher cost clinical doorway.

- Passage of 105 CMR 170.000 EMSS Emergency Department Bypass regulation which would allow EMS to bypass the ED at the direction of an ED physician and go directly to Community Behavioral Health Centers, as well as specific departments of the hospital. This would alleviate the tremendous volume impacts on Emergency Departments while ensuring that rapid access to the appropriate level of care is provided to patients.
- Adoption of the Public Health Emergency provision and make permanent the ability for Massachusetts licensed physicians to provide telehealth services to their patients regardless of where the patient is located. This would align with Sturdy Memorial's cost containment efforts, as well as those of Commonwealth, by making care more accessible through the right clinical pathway and in a more cost efficient way. This legislation would also be a notable support of health equity and building healthy communities by eliminating barriers to care, such as transportation, time off work and child care, and making care available right where the patient is. Formal legislation in this area would support our physician in maintaining the integrity of the patient's care continuum, while not being forced to forfeit patient's care to commercial, national telehealth companies when patients are in need.
- Permanent adopt of existing federal and state public health emergency waivers currently slated to expire in January 2023. The flexibility to increase Medical/Surgical and Intensive Care Unit (ICU) beds which provides a mechanism to manage emergency department boarding issues.
- Ensure permanent adoption of rules allowing hospitals to be reimbursed for the care they provide to behavioral health patients while they board within the Emergency Department.
- Policy which would allow for recognition of Massachusetts emergency medical licensure by the insurance payers for the purposes of payer credentialing. The current process is laborious and directly delays access to care by not having physicians and medical providers able to begin caring of patients.
- Sharpened, innovative focus on developing behavioral health workforce pipeline, from community level wellness workers to physicians. Leverage inventive incentive strategies to attract and retain behavioral health workers.
- Pass workplace violence legislation affecting healthcare workers. This would strengthen workplace safety for healthcare professionals, creating a process for hospitals to report worker-involved assaults to the state on an annual basis. Legislation should also include creating and monitoring a statewide standard for evaluating and addressing security risks, implementing hospital programs based on those standards (including employee trainings) and sharing statewide best practices for reducing workplace violence. Two additional key focuses of such legislation are increasing the penalties for those who assault caregivers and providing increased support for healthcare workers who are pursuing legal action related to violent incidents.

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) 2020-2022			
Year		Aggregate Number of Written Inquiries	Aggregate Number of Inquiries via Telephone or In-Person
CY2020	Q1	Not available	Not available
	Q2	Not available	Not available
	Q3	Not available	Not available
	Q4	Not available	Not available
CY2021	Q1	0	6
	Q2	0	7
	Q3	0	9
	Q4	0	11
CY2022	Q1	0	0
	Q2	1	23
	TOTAL:	1	56