

# Investing in VALUE

Charles D. Baker Governor

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# An Act to improve health care by investing in VALUE

- 1) Prioritize investments in primary care and behavioral health within the cost growth benchmark
- Payers and providers must increase combined expenditures on primary care and behavioral health by 30% over three years
- > Encourage behavioral health practitioners to accept insurance
  - Require payers to use a standardized credentialing form so providers only need to complete one application
  - Promote behavioral health reimbursement parity through the establishment of a rate floor for certain services
  - Discourage utilization of out-of-network BH services through increased payer reporting and DOI oversight
- > Develop behavioral health professional workforce
  - Require payers to reimburse non-licensed behavioral health professionals in training working in clinical settings
  - Establish a Board of Registration of Recovery Coaches, per the recommendations of the Recovery Coach Commission, to credential and standardize the recovery coach position to promote payer reimbursement
- > Promote timely, access to appropriate behavioral health treatment
  - Require payers to maintain accurate and updated provider directories
  - Prohibit payers from denying coverage or imposing additional costs for same-day behavioral health and certain medical visits
  - Require acute care hospitals to maintain clinical capacity to provide or arrange for the evaluation, stabilization and referral of patients with behavioral health conditions in emergency departments
- 2) Manage health care cost drivers to protect consumers
- > Prohibit surprise billing for emergency and unplanned services rendered by an out of network provider
  - Establish an out-of-network default rate, as a percentage of the Medicare fee schedule, to apply as the default payment rate for emergency and unplanned services
- Limit the use of facility fees
  - Site-specific limits providers prohibited from charging a facility fee for services rendered in a HOPD/satellite located more than 250 yards from the main hospital campus
  - Service-specific limits providers prohibited from charging a facility fee for evaluation and management visits, diagnostics and imaging at HOPD/satellite location regardless of distance from main campus
- Strengthen enforcement of the cost growth benchmark through financial penalty on entities exceeding benchmark
- Manage high drug costs
  - Subject manufacturers of certain high-cost, recently-approved drugs to HPC accountability process (greater than \$50,000/per person per year)
  - Impose penalty on manufacturers that increase the price of a drug by greater than CPI +2% in a given year
  - Increase state oversight and authority over Pharmacy Benefit Managers (PBMs) through DOI certification and require reporting to CHIA
  - Require representatives from pharmaceutical industry to participate in cost trend hearings
  - Restrict PBMs from including gag clauses in contracts and require that pharmacists ensure consumers pay the lowest cost for a prescription

For more information, visit <u>www.mass.gov/InvestingInValue</u>

### 3) Improve access to high-quality, coordinated care

- Improve scope of practice standards
  - Allow nurse practitioners and psychiatric nurse mental health clinical specialists to independently prescribe without a supervising physician
  - Create mid-level dental position to provide preventive and basic dental services
  - Align practice standards for optometrists and podiatrists with other states
  - Join the multi-state Nurse Licensure Compact
- > Define and expand access to telemedicine
  - · Establish a regulatory framework for telehealth services
  - Prohibit payers from denying coverage based on the sole fact that the service is provided via telemedicine to ensure coverage parity
- > Define urgent care centers and require broader insurance coverage
  - Define urgent care services as those that are episodic in nature, generally provided on a walk-in basis, and available to the general public
  - Require entities providing urgent care services to be licensed as a clinic and accept MassHealth members, provide certain behavioral health services and meet standards related to primary care integration
- Promote health information exchange, ensure quality measure alignment and transfer 11 clinical boards to the Department of Public Health
  - Expand EOHHS authority to implement health information exchange initiatives, consistent with the recommendations of the Digital Health Council
  - · Codify the existing quality alignment taskforce and process to adopt recommended measure set
  - Transfer oversight of 11 boards that license or certify medical and behavioral health professionals from the Division of Professional Licensure to the Department of Public Health
- Deposit \$15 million into the Health Safety Net Trust Fund to support care provided to uninsured and underinsured patients by acute care hospitals and community health centers

## 4) Stabilize distressed community hospitals and health centers

- Community Hospital and Health Center Investment Trust Fund (CHHCITF) to be funded through continued transfers from CHIA (\$10M), and revenues collected through a penalty on drug manufacturers for excess price increases and penalties on entities referred to HPC for exceeding the benchmark
- > Funds would be equitably distributed to community hospitals and health centers

#### 5) Promote market insurance reforms

- > Ensure small employers have access to all options in the merged market
  - Remove provisions requiring groups of 1-5 to purchase only through brokers
  - · Require carriers to list and offer all of their merged market products
  - Promote uptake of high-value insurance products by requiring carriers with >5,000 members to offer at least 1
    "innovative product" (e.g. tiered and limited network plans) in at least 2 geographic regions; increasing premium
    differential for tiered/limited products; promoting robust provider participation by preventing participating
    providers from opting out of high-value products

#### Merged market commission

- Executive Order to conduct a comprehensive study of the merged market and emerging trends and dynamics impacting the market
- Chaired by the Commissioner of the DOI, will include payer, employer, broker, and consumer representatives with recommendations due by April 30, 2020

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