

Commonwealth of Massachusetts

Executive Office of Health and Human Services



Public Payer Commission

June 26, 2014

Outline

- Remote participation (VOTE)
- Approval of minutes (VOTE)
- Reminder of statutory charge and schedule of work
- Cost shifting and price variation
- Discussion of draft interim findings and recommendations



Remote Participation

EOHHS

- The Attorney General's Office (AGO) allows state commissions to use remote participation under the following conditions:
 - A Quorum must be physically present at the meeting, including the Chair or his designee
 - Remote participation is allowed upon agreement by a simple majority vote
 - The Chair or his designee must announce the name of the person(s) seeking to participate remotely and state his (Chair's) determination that one of the following factors makes the member's physical attendance unreasonably difficult:
 - Personal illness
 - Personal disability
 - Emergency
 - Military service
 - Geographic distance
- All information should be recorded in the meeting minutes.



Remote Participation

EOHHS

- Then the remote participant may be allowed to participate
- The remote participant then may vote and should be marked as present.
- All votes taken when a member is participating remotely shall be by roll call
- The public body determines what method to use, e.g., telephone, internet. The remote participant and all persons present at the meeting must be clearly audible to each other
- If there are technical difficulties, that should be noted in the minutes and discussion ought to be suspended while the Chair seeks to resolve the issues.



Remote Participation

MOTION:

That the Commission hereby authorizes the use of Remote Participation.



Statutory Charge

- Section 270 of Chapter 224 of the Acts of 2012 created the Special Commission to review public payer reimbursement rates and payment systems for health care services and the impact of such rates and payment systems on providers and on health insurance premiums in the Commonwealth.
- The Commission's charge was further amended by Section 153 of Chapter 38 of the Acts of 2013.



Updated Draft Workplan

January	Overview of Commission Administrative Tasks Introduction to MassHealth Payment
March	Prioritization of Areas for Payment/Cost Analysis Overview of Medicare Payment Issues (Dr. Katherine Baicker)
April	Innovations in Payment (Medicaid Managed Care Entities)
May	Issues in Payment Integration in Medicaid (Tricia McGinnis, MassHealth)
June	Cost-Shifting and Price Variation Interim Discussion: Draft Findings and Recommendations
July	Behavioral Health Draft Findings and Recommendations Report Outline
August/ September	Long Term Care Finalize Findings and Recommendations/Report

Outline

- Approval of minutes (VOTE)
- Remote participation (VOTE)
- Reminder of statutory charge and schedule of work
- **Cost shifting and price variation**
- Discussion of draft interim findings and recommendations

Outline

- Approval of minutes (VOTE)
- Remote participation (VOTE)
- Reminder of statutory charge and schedule of work
- Cost shifting and price variation
- **Discussion of draft interim findings and recommendations**

Overview

- During last month's session, several Commissioners expressed a desire to spend more time in discussion, with the goal of driving toward recommendations and conclusions. It was suggested that draft ACO objectives would be an especially useful starting point for that discussion.
- We have reviewed notes and minutes from prior meetings and collected the major findings; the next slide presents these items organized by Session
- We have also collected the major goals and considerations for MassHealth's ACO development that have emerged from the Commission's prior sessions; these points are presented as draft recommendations on the following slide

Findings

- Sessions 1 and 3
 - MassHealth, the MassHealth MCEs, Medicare, and Commercial payers each have several innovative payment initiatives in the Commonwealth. While these programs each have unique features, they share many objectives, including fostering integrated care, increasing value, and improving health
- Session 2
 - Evidence from the Medicare population suggests that care can be delivered in a more consistent, higher value, and more efficient manner. Medicare is pursuing integrated care and value-based, innovative payment methods as strategies to achieve these goals
- Session 4
 - In designing accountable care models within Medicaid, states have made different decisions on fundamental design issues, such as the structure of the ACO, the attribution model, and the payment model
- Session 5
 - The literature generally defines cost-shifting as providers making up for shortfalls in Medicare or Medicaid revenues by increasing the prices charged to private payers
 - A review of the literature finds minimal evidence of cost-shifting; to the extent that studies were able to detect cost-shifting, it was found to be small in magnitude.

Recommendations

- In developing its MassHealth ACO program, MassHealth should consider the following objectives:
 - Encourage healthcare delivery models that promote efficient use of public funds and align incentives to drive high-value care
 - Promote high quality outcomes and integration of care across the healthcare continuum
 - Enhance member experience by promoting better coordination, better care, and better health
 - Create a flexible model that attracts a wide range of entities and aligns with developments in the marketplace among private and other public payers
- Provider entities should not be mandated to participate in MassHealth's ACO program; participation should be voluntary
- MassHealth should align the principles and goals of its ACO initiative with those of other integrated payment programs in the Commonwealth
 - MassHealth should, in particular, aim to account for the existing structuring of the provider network and the lists of quality measures that other value-based payment initiatives collect

Feedback on Elements of ACO Design

- To help focus discussion, we would like to collect the Commissioners' current, independent recommendations on several key areas of ACO design using an informal worksheet
- This worksheet asks each of you to anonymously indicate your personal position along several axes, each axis spanning between two opposing principles or priorities
- For next session, we will aggregate and average these results and present them back to you for further discussion. For now, the exercise may facilitate your thinking and provide some useful starting points for internal discussion during the remainder of this Session