September 29, 2025

William J. Driscoll, Jr., Chair
Joint Committee on Public Health
State House, Room 507
Boston, MA 02133

Marjorie C. Decker, Chair
Joint Committee on Public Health
State House, Room 130
Boston, MA 02133

RE: 9/29 Joint Committee on Public Health Legislative Hearing
MAHP Support: House Nos. 2461, 2469 and Senate No. 1503
MAHP Oppose: House Nos. 359, 2222, 2378, 3956 and Senate Nos. 251, 1414

Dear Chairs Driscoll and Decker,

On behalf of the Massachusetts Association of Health Plans and our 13 member health plans and one behavioral health organization, providing health insurance coverage to nearly 3 million Massachusetts residents, we appreciate the opportunity to share feedback on the following bills before your committee that will raise costs for small businesses and their employees. Health care affordability is the number one challenge facing individuals and small businesses in this state, driven by ever-increasing prices for prescription drugs, hospitals and providers. Without action to address the key cost drivers, the Commonwealth cannot make health care more affordable. Conversely, there are several bills before your committee that we support. We offer our feedback below.

Bills we support:

House No. 2461, An Act to ensure the efficient operation of hospitals (Support)

Health care affordability is the number one challenge facing families, employers, and small businesses in Massachusetts. Hospital spending is the single largest component of health care costs in the Commonwealth, accounting for more than one-third of total expenditures – over $26 billion in 2023 alone. Commercial hospital spending reached nearly $13.5 billion, and hospital price growth continues to exceed the state's health care cost growth benchmark. Unless addressed, these trends will further drive premiums upward and erode affordability for employers and consumers.

Despite the critical role hospitals play, wide variation in pricing, revenue structures, and delivery of services demonstrate that not all spending is aligned with value. However, without clear and objective standards for efficiency, it is difficult to distinguish necessary costs from waste or market-driven excess. A recent Milbank Memorial Fund report highlighted three domains where efficiency should be measured:

1. **Delivery of Wasteful Hospital Services,** such as avoidable ED visits, preventable readmissions and low-value services;
2. **Hospital Revenue per Unit of Service,** comparing hospital payments received per unit of care or ratio of payments to cost, ensuring hospitals do not charge far above peers without improved outcomes;
3. **Hospital Expenses and Cost Structures,** looking at the internal costs hospitals incur, highlighting overhead or administrative spending higher than peer hospitals that inflate prices.

In Massachusetts, there is certainly opportunity to garner savings and improve quality of care and outcomes by implementing efficiency measures. The Commonwealth has a higher readmissions rate than the national average, a higher rate of avoidable emergency department use than the national average, and

spends close to $13 million annually on low value care, a conservative estimate from the Health Policy Commission. By incorporating efficiency measures into state policy, Massachusetts can ensure that hospital resources are directed toward value, not waste or excess profit, while maintaining high-quality care. As we weather the fiscal challenges ahead resulting from H.R.1, ensuring that health care spending is targeted, efficient, and produces quality outcomes for patients is more vital than ever.

House 2461 offers a balanced path forward. The bill advances a fair and transparent approach by directing the Health Policy Commission to develop an index to measure and ensure hospital efficiency, looking at the measures outlined by Milbank. Establishing standards will improve accountability, promote sustainability, and help keep premiums affordable. Importantly, they will align with existing state cost-containment tools such as the health care cost growth benchmark, while ensuring quality of care is preserved.

Massachusetts cannot make health care more affordable without tackling hospital costs, one of the leading drivers of spending growth. House 2461 provides the Commonwealth with a critical tool to ensure hospitals operate efficiently, reduce unnecessary spending, and strengthen affordability for consumers and employers. **For these reasons, we SUPPORT H.2461.**

House No. 2469, An Act relative to the closing of hospital essential services (Support)
Senate No. 1503, An Act relative to the closing of hospital essential services (Support)
MAHP and our member plans support H.2469 and S.1503, which would strengthen oversight of hospital essential services closures and bolster the state's ability to mandate continuation of an essential service. Recent experience, with the closures of Nashoba Valley Medical Center and Carney Hospital, and elimination of maternity services, geriatric psychiatric services, and substance use disorder treatment units within existing hospitals has shown how sudden closures can destabilize regions, strain remaining providers, and harm patients, particularly those with limited transportation, complex needs, or limited English proficiency.

These bills appropriately expand the Department of Public Health's authority to require timely notice, transparent planning, and meaningful engagement with communities and workers before any essentials service is closed or reduced. By mandating up to one year's advance notice, structured consultations with local officials, labor, and patient/family councils, and DPH review of continuity of care plans, with enforcement through the Attorney General, the legislation gives the Commonwealth practical tools to prevent abrupt disruptions and to ensure that patients can continue to receive necessary care in their communities. **For these reasons, we SUPPORT H.2469 and S.1503.**

<u>Bills we oppose:</u>
House No. 359, An Act relative to health equity and community health workers (Oppose)
Senate No. 251, An Act relative to health equity and community health workers (Oppose)
MAHP and our member plans believe that every Massachusetts resident deserves access to affordable, equitable and high-quality care. We also recognize and value the important role that community health workers play in advancing health equity, building trust, and helping individuals navigate care. However, we are concerned with provisions in H.359 and S.251 that would mandate coverage of community health worker (CHW) services across a wide range of health care settings, regardless of credentialing, scope of practice, cost, or need. Without clear standards, such a mandate could inadvertently create risks for patient safety, undermine health plans' ability to design high-quality provider networks, and add costs that ultimately fall on employers and consumers.

Massachusetts has already established a voluntary CHW certification program that emphasizes advocacy, navigation and outreach, important competencies that are **distinct from clinical practice.** Health plans also provide care coordination through licensed professionals and pay for and employ CHWs. Mandating separate reimbursement for CHWs without defined parameters risks duplicating services, creating administrative burdens, and eroding affordability at a time when premiums are already under pressure from numerous mandated benefits. Finally, the MassHealth program is experiencing dangerous

underfunding, which is forecasted to get worse due to the loss in federal funding, and cannot sustain new mandates or new spending requirements. **For these reasons, we OPPOSE H.359 and S.251.**

House No. 2222, An Act establishing a commission to study quality & accessibility to telehealth (Oppose)
We respectfully oppose the creation of a new, special commission to expand access to telehealth services in the Commonwealth. While MAHP and our member plans strongly support consumer access to high-quality, lower cost telehealth services, this commission would duplicate functions already assigned to state regulators and elected bodies, reopening settled debates about reimbursement, cross-state licensing and provider credentialing. Moreover, the proposed commission's scope would unduly interfere with health plans' ability to manage provider networks, safeguard patient safety, and negotiate fair reimbursement rates for telehealth. Chapter 260 of the Acts of 2020 carefully balanced coverage and payment requirements for telehealth services, recognizing both the value of telehealth and its limitations, ensuring that telehealth can serve as a lower cost, clinically appropriate complement to in-person care.

Recent studies have found continued decline in telehealth utilization, largely in areas where clinical complexity demands in-person assessment, while stable or rising usage is largely confined to behavioral health services, where telehealth has proven valuable. Overregulating telehealth via a state commission runs the risk of stifling innovation and limiting provider discretion. **For these reasons, we OPPOSE H.2222.**

House No. 2378, An Act to increase patient access to certain health care services (Oppose)
House No. 3956, An Act exempting Fairview Hospital from determination of need requirements (Oppose)
MAHP and our member plans oppose efforts to exclude certain health care transactions, providers, or service types from the Determination of Need (DoN) process. The DoN program is a critical safeguard to prevent unnecessary, duplicative, and high-cost expansions that will impact access, quality, and/or the cost of care. While there is room to improve the DoN process, weakening the Department's oversight of the health care ecosystem is not the right approach.

Exempting Ambulatory Surgery Center (ASCs) from this review would remove an important check on one of the fastest-growing areas of health care spending in Massachusetts. In fact, hospital outpatient spending, closely tied to growth in surgical centers, was one of the largest drivers of cost growth between 2019 and 2021, increasing by 18.4% in just one year. Without DoN oversight, the expansion of ASCs will likely fuel duplicative capacity and higher spending that will be borne directly by employers and consumers. Similarly, H.3956 would exempt Fairview Hospital from all DoN requirements, raising serious concerns about oversight.

We also oppose proposals in H.2378 to exempt computerized tomography (CT), any equipment widely utilized as standard diagnostic treatment or therapeutic technology, and air ambulance services from the definition of new technology or new service under the DoN process. These categories represent some of the highest-cost drivers in our health care system. Imaging services, such as CT scans, are already priced significantly above national averages in Massachusetts, with facility-based services costing more than twice the rate of non-facility settings. Similarly, air ambulance transportation has seen median costs increase nearly 15% annually, with charges ranging from $36,000 to $40,000 per transport and rising steeply due to consolidation in the industry. Removing these services from DoN review would strip away an important mechanism for assessing cost, quality, and community need, fueling excessive spending and shifting costs directly onto employers and consumers. **For these reasons, we OPPOSE H.2378 and H.3956.**

Senate No. 1414, An Act increasing access to ABA services by recognizing assistant level providers (Oppose)
Senate Bill 1414 would require MassHealth to cover Board Certified Assistant Behavior Analysts (BCaBAs) as billable providers. This change would raise costs and create quality of care risks.

MassHealth currently reimburses ABA delivered by Registered Behavior Technicians (RBTs) under the clinical supervision of a Board-Certified Behavior Analyst (BCBA). While the Department of Public Health (DPH) licenses assistant level providers, BCaBAs, MassHealth does not cover them.

Pursuant to DPH licensure, BCaBAs must have an undergraduate-level certification in behavior analysis. Professionals that are certified at the BCaBA level may only provide behavior-analytic services under the supervision of a BCBA and BCaBAs supervise the work of RBTs.

BCaBAs are not independent practitioners. They are bachelor-level and must practice under BCBA supervision. Recognizing them as independently billable adds a second paid layer while supervision is still required, inviting duplication and higher utilization without clear benefit.

Additionally, serious and unanswered questions remain regarding the quality of care associated with expanding coverage to assistant level providers. While DPH licenses BCaBAs, such licensure remains limited in a supervised manner, reinforcing that assistants are not substitutes for BCBAs in independent roles. The Massachusetts Inspector General, in a 2024 report, found widespread under-supervision in the MassHealth ABA program. Expanded assistant-level billing would likely increase variability and strain already limited oversight.

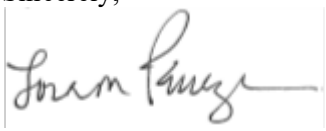
Finally, the MassHealth program is already facing significant underfunding and cost concerns, particularly for ABA services. Many of the providers in the sector are funded by private equity and are looking to grow their market share. Adding another level of provider at this time without any clear data to demonstrate better quality and outcomes and lower costs will only exacerbate the tremendous cost pressures facing the program. **For these reasons, we OPPOSE S.1414**.

For the reasons above, we support the following bills: House Nos. 2461, 2469 and Senate No. 1503.

Conversely, for the above reasons, we oppose the following bills: House Nos. 359, 2222, 2378, 3956 and Senate Nos. 251, 1414

Thank you for the opportunity to share our concerns. Please do not hesitate to contact me for additional information or to discuss these bills further.

Sincerely,



Lora M. Pellegrini, President and CEO
Massachusetts Association of Health Plans