MAHP
MASSACHUSETTS ASSOCIATION of HEALTH PLANS

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Statement by Lora Pellegrini, President and CEO of the Massachusetts Association of Health Plans, on the 2026 Health Care Cost Trends Hearing
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"Today's Health Policy Commission (HPC) Cost Trends Hearing underscores the urgent need to address the rising cost of health care in Massachusetts. Health care spending increased by 5.7% between 2023 and 2024, exceeding the state's cost growth benchmark, driven primarily by ever-increasing hospital, provider, and pharmaceutical prices. Unfortunately, this is not a one-time challenge. Massachusetts has missed the benchmark eight out of the past 12 years, including each of the past four years.

Over 40 state reports, including those produced by the HPC, have identified longstanding cost drivers in our marketplace, including prescription drug spending, inpatient and outpatient costs and, more recently, higher than expected utilization and upcoding as key drivers of health care spending in the Commonwealth. Massachusetts health insurance premiums are a direct reflection of health care costs. Addressing these underlying cost drivers will be essential to slowing spending growth and protecting access to affordable, high-quality care.

For nearly two decades, the HPC has identified opportunities to reduce health care costs through recommendations focused on addressing high and rising provider prices, improving prescription drug affordability, reducing low-value care, and promoting more efficient care delivery. These recommendations remain important to advancing the Commonwealth's affordability goals. Governor Healey's Health Care Affordability Working Group is also examining ways to address rising health care costs. We look forward to implementation of the Working Group's recommendations in the coming months.

Health plans cannot solve the health care affordability challenge alone. MAHP and its member health plans remain committed to partnering with state leaders, providers, and consumer advocates to advance solutions that address the root causes of rising health care costs and ensure that Massachusetts continues to make progress toward a more affordable and sustainable health care system."

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