COMMONWEALTH OF MASSACHUSETTS

HEALTH POLICY COMMISSION

October 22, 2014

Board Meeting

Agenda

- Approval of Minutes from September 3, 2014
- Executive Director Report
- Cost Trends and Market Performance Update
- Quality Improvement and Patient Protection Update
- Care Delivery and Payment System Transformation Update
- Community Health Care Investment and Consumer Involvement Update
- Schedule of Next Commission Meeting (December 17, 2014)

Agenda

- **Approval of Minutes from September 3, 2014**
- Executive Director Report
- Cost Trends and Market Performance Update
- Quality Improvement and Patient Protection Update
- Care Delivery and Payment System Transformation Update
- Community Health Care Investment and Consumer Involvement Update
- Schedule of Next Commission Meeting (December 17, 2014)

Vote: Approving Minutes

Motion: That the Commission hereby approves the minutes of the Commission meeting held on September 3, 2014, as presented.

Agenda

- Approval of Minutes from September 3, 2014
- **Executive Director Report**
- Cost Trends and Market Performance Update
- Quality Improvement and Patient Protection Update
- Care Delivery and Payment System Transformation Update
- Community Health Care Investment and Consumer Involvement Update
- Schedule of Next Commission Meeting (December 17, 2014)

Agenda

- Approval of Minutes from September 3, 2014
- Executive Director Report
- **Cost Trends and Market Performance Update**
  - 2014 Health Care Cost Trends Hearing
- Quality Improvement and Patient Protection Update
- Care Delivery and Payment System Transformation Update
- Community Health Care Investment and Consumer Involvement Update
- Schedule of Next Commission Meeting (December 17, 2014)

Agenda

- Approval of Minutes from September 3, 2014
- Executive Director Report
- Cost Trends and Market Performance Update
  - **2014 Health Care Cost Trends Hearing**
- Quality Improvement and Patient Protection Update
- Care Delivery and Payment System Transformation Update
- Community Health Care Investment and Consumer Involvement Update
- Schedule of Next Commission Meeting (December 17, 2014)

2014 Health Care Cost Trends Hearing: Selected Take-Aways

Panel 1 Benchmark

Satisfaction on meeting benchmark but need for ongoing vigilance

MA still in a hybrid period of FFS and APMs. Need to extend payment models (and balance of "shared savings" incentives) to enable providers to "flip the switch"

"Three legs to provider behavior change: incentives, tools, and data"

Need for investment to support transformation, but a question of where do resources come from in constrained environment

Employer engagement necessary

Need for consensus performance data and measurement

Panel 2 APMS

Broad support for APMs that integrate medical and behavioral health, but significant barriers remain (fragmented system and lack of data among identified)

Progress towards PPO attribution methodology, but questions remain on timing market adoption and whether providers, employers and patients will accept

Need to extend APMs within MassHealth that support coordinated, accountable care

Interest but little action on episodes/bundled payments

Need for evolution in behavioral health carve-outs

Questions on building equity into APMs given budgets are set on historical spending

Panel 3 Behavioral Health

Unique historical challenges in BH market (including complex contracting through multiple payers/carveouts)

Excellent care that integrates medical and behavioral health care with social services can create cost savings to the health care system and beyond

Community-based organizations skeptical they will be treated as partners in integrating care with acute-based provider systems

Questions regarding appropriate roles of public payers, commercial payers and direct public funding

Challenges with HIT, data, and quality measurement amplified for BH

2014 Health Care Cost Trends Hearing: Selected Take-Aways

Panel 4 Post-Acute Care

No clear explanation for high use of PAC and high readmission rate in MA

Dramatic recent shifts in post acute care market may bear show results in future analyses

Rise of global and bundled payments (Medicare) driving focus on delivering efficient PAC

Openness to APMs that include PAC but independent providers wary of some integrated models that may lock out existing community providers

Potential for home health services and SNFs to support population health management in new ways

More data and quality measures need to identify high-value providers

Panel 5 Insurance Market

Growing tiered/limited network product uptake in some segments (GIC)- with strong growth in HDHPs in other segments (self-insured)

Need to harmonize member and provider incentives

Members and employers need education and data to make optimal choices on insurance products

Role of fixed contribution/choice of product

Strong price transparency tools as the first step, but need to be paired with quality and patient outcome information

Industry is working to meet the price transparency requirements of Ch. 224

Panel 6 Provider Market

Varied approaches exist to provider alignments necessary to coordinate care and manage risk (corporate, contractual, clinical)

Necessary factors to transformation: financial support, technical assistance, data

Reducing payment will require provider efficiency and reducing operating expenses

More resources necessary to address the needs of low -income and disadvantaged patients

Key goal is to spend existing money in the healthcare system more effectively

Further work needed in defining “value” and rewarding value providers

2014 Health Care Cost Trends Hearing

Next steps	
Board discussion Oct 2014	• What were key points from hearings? • How should HPC address these points in our work? • How should other market participants address these points?
Cost Trends Report Dec 2014	• Ongoing examination re cost trends and drivers • Care delivery, including PAC, BH • Insurance product and benefit design and markets for insurance • APMs, including MassHealth ACO and bundled payment • Ongoing needs for data
Summary of Hearings	• Themes, HPC actions in response
HPC's related activities (selected)	
CHART grants	• Appropriate hospital use, PAC use • Enhance BH care, integrate BH • Hospital efficiency, quality, and patient safety
PCMH certification ACO and model payment	• Integrated care, technical assistance, aligned payment
Cost and market impact reviews	• Case-by-case assessment of impact of market changes.

Agenda

- Approval of Minutes from September 3, 2014
- Executive Director Report
- Cost Trends and Market Performance Update
- **Quality Improvement and Patient Protection Update**
- Care Delivery and Payment System Transformation Update
- Community Health Care Investment and Consumer Involvement Update
- Schedule of Next Commission Meeting (December 17, 2014)

Agenda

- Approval of Minutes from September 3, 2014
- Executive Director Report
- Cost Trends and Market Performance Update
- Quality Improvement and Patient Protection Update
- **Care Delivery and Payment System Transformation Update**
- Community Health Care Investment and Consumer Involvement Update
- Schedule of Next Commission Meeting (December 17, 2014)

Registration of Provider Organizations

August

14 – Training at Mass Hospital Association

26 – Training at Mass Medical Society

September

5 – First 1-on-1 meeting held

22 – Training at Health Policy Commission Offices

October

1 – Initial Registration: Part 1 opened

15 – Deadline to request 1-on-1 meeting with HPC

30 – Last 1-on-1 meeting scheduled (to date)

November

14 – Initial Registration: Part 1 closes

The RPO Program is on track to meet all Part 1 deadlines.

Registration of Provider Organizations

The RPO Program's priority in Part 1 has been providing guidance and support to registering entities.

Training Sessions

- HPC held three RPO training sessions held in August and September
- Approximately 76 individuals representing 47 organizations attended the sessions
- Attendees consistently described the presentations as clear, well-organized and helpful in follow-up surveys.

1-on-1 Meetings

- HPC has scheduled 16 1-on-1 meetings with registering Provider Organizations
- Many Provider Organizations appreciated the written next steps/instructions that HPC has provided to each attendee

Supporting Materials

- HPC has created a variety of supporting materials to provide further clarity and guidance for Provider Organizations, including:
  - Frequently Asked Questions
  - An interactive decision tree
  - Program updates via the RPO list serv

Registration of Provider Organizations

HPC continues to coordinate program requirements, deadlines and frameworks with CHIA and DOI as appropriate.

Center for Health Information and Analysis

The agencies continue to work together to build an online submission platform that will:

- Expedite the data submission process for Provider Organizations in Part 2
- Allow for seamless integration of CHIA and HPC data in a single database

The CHIA and HPC policy teams continue to meet weekly to discuss the framework and vision for the RPO database

Division of Insurance

HPC attended several DOI trainings on the RBPO process and was available to answer questions about the interrelatedness of the RPO Program

HPC and DOI are working collaboratively to answer definitional and programmatic questions that affect both agencies' work.

DOI will share early results from its Risk Certificate Waiver application phase, which ended on September 30, with the HPC.

Agenda

- Approval of Minutes from September 3, 2014
- Executive Director Report
- Cost Trends and Market Performance Update
- Quality Improvement and Patient Protection Update
- Care Delivery and Payment System Transformation Update
- **Community Health Care Investment and Consumer Involvement Update**
  - CHART Phase 2 Awards
  - CHART Investment Program Contract Authorization
  - Community Hospital Study Contract Authorization
- Schedule of Next Commission Meeting (December 17, 2014)

Agenda

- Approval of Minutes from September 3, 2014
- Executive Director Report
- Cost Trends and Market Performance Update
- Quality Improvement and Patient Protection Update
- Care Delivery and Payment System Transformation Update
- Community Health Care Investment and Consumer Involvement Update
  - **CHART Phase 2 Awards**
  - CHART Investment Program Contract Authorization
  - Community Hospital Study Contract Authorization
- Schedule of Next Commission Meeting (December 17, 2014)

CHART Phase 2

Community Hospital Acceleration, Revitalization, and Transformation

Charting a course for the right care at the right time in the right place

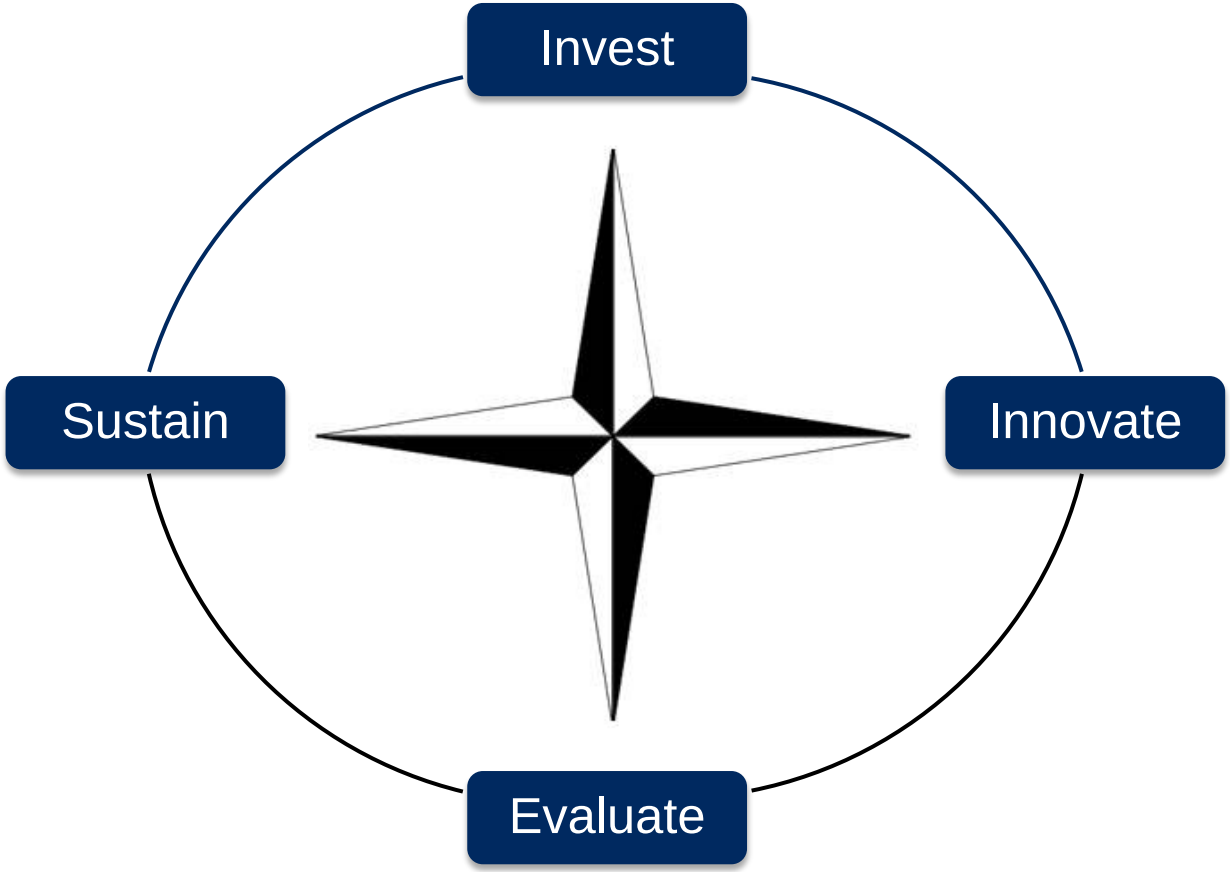


CHART Phase 2: Background

CHART Phase 2 supports better alignment of community hospital services and capabilities with the needs of the communities the hospitals serve

- Focused investments supporting community hospitals to transform and improve care delivery
- CHART Phase 2 is intended to accelerate the transformation of CHART Hospitals through outcome-oriented Primary Aims:
  - Maximize appropriate hospital use (principally through reduction in readmissions and emergency department utilization)
  - Enhance behavioral health care (over half of the proposed awards)
  - Improve hospital efficiency, quality and safety
- Aims require strong community engagement, including the development of community partnerships with a broad array of health and human services agencies.
- Aims were also designed to:
  - **Maximize the impact** of the CHART Phase 2 Investments
  - Incentivizing transformation towards **readiness** for participation in **alternative payment models** and **accountable care**

CHART Phase 2: Overview

CHART Phase 2 represents an investment of unprecedented scale of its kind in the Commonwealth

- Many proposals address unmet needs of communities and leverage resources of **community partners** to establish cross-setting coordination and appropriate use of care
- Many applicants seek to address the challenges of socially and medically complex patients particularly those with **behavioral health** conditions
- These awards would support **novel regional collaborations** that will extend the impact of CHART funds through the development of shared resources, comprehensive data/information sharing, and aligned population health management strategies
- CHART hospitals proposals primarily aligned around two core themes:
  - **Enhancing behavioral health services** - nearly 50% of total recommended award
  - **Reducing utilization** through coordinated care of high-risk patients in partnership with community based providers – nearly 40% of total recommended award
- The range of proposals creates opportunities for collaboration among hospitals, including shared learning and dissemination of best practices, as we all as clinical coordination where appropriate

CHART Phase 2: Summary of Proposals and Recommendation

Proposals received:

On September 12, 2014, the HPC received 27 Proposals from 31 eligible hospitals

- $117 million total request
  - **93% of proposals** sought to Maximize Appropriate Hospital Use
  - **59% of proposals** sought to Enhance Behavioral Health Care
  - **45% of proposals** sought to Improve Hospital-Wide (or System-Wide) Processes to Reduce Waste and Improve Quality and Safety

Staff recommend funding:

- 28 hospitals across the Commonwealth representing 25 Proposals for a total award of **$59,951,711**
- If approved by the Commission, the award will be a groundbreaking investment in community-oriented high-risk care management and behavioral health services
  - A scale and level of coordination previously unseen
  - Awards will represent a commitment by the Commission to support focusing on the most complex patients, serving goals of reducing costs while improving quality and patient outcomes

CHART Phase 2: Program Overview

From RFP to Impact

2 Years
$60 million
31 hospitals
3 primary aims

1. **RFP:** Issued in June 2014, with a 12 week application cycle including prospectus submission, review, and comment
2. **Proposal Submission and Review:** 5 week review period; robust staff and committee processes
3. **Award Recommendation:** focused on managing socially and medically complex patients and those with behavioral health needs
4. **Implementation Planning and Execution:** Engagement of HPC with awardees both in Implementation Planning and the full Period of Performance

CHART Phase 2: Proposal Review

Review process

Technical Review
September 12 - 18

- Staff assessed Proposals for:
  - Completeness of materials required for submission
  - Compliance with RFP requirements

HPC Staff Review
September 19 - October 1

- Staff conducted an intense analysis of proposals
  - Analyzed budgets
  - Analyzed proposed scopes of work
  - Prepared summary materials for Review Committee

Review Committee
October 2 and October 9

- Review Committee deliberated to reach a consensus score
  - Impact of the Proposal (30%)
  - Community need and engagement (25%)
  - Hospital financial status and operational capacity (25%)
  - Budget proposal (20%)
- Review Committee discussed and achieved consensus on:
  - Final score
  - Proposed Award cap
  - Proposed high-level revisions to scope

The Review Committee consisted of:
- HPC staff
- An HPC Commissioner
- Staff from 5 other government agencies
- External expert consultants

CHART Phase 2: Proposal Review

Review Committee Outcome

- Consensus scores varied
  - Low score was 20%
  - High score was 86%
  - The mean was 53% and the median was 50%

- Modifications fell into the following broad categories
  - Fund with Minor Revisions to Scope and/or Budget
  - Fund with Major Revisions to Scope and/or Budget
  - Decline to Fund

CHART Phase 2: Review committee Recommends Nearly $60M across 25 Proposals

HPC CHART Review Committee Proposed Awards

Review Committee made a consensus recommendation to the Executive Director on October 14, 2014

- 2 Proposals were recommended to receive full funding with minor revisions to the Proposal
- 23 Proposals were recommended to receive an award contingent upon requirements stipulated by HPC
- 2 Proposals were recommended to not be funded
- Recommended award caps range from $0 to $8,000,000 per proposal
  - Average recommended award is **$2,220,434**
  - The average request was **$4,364,249**

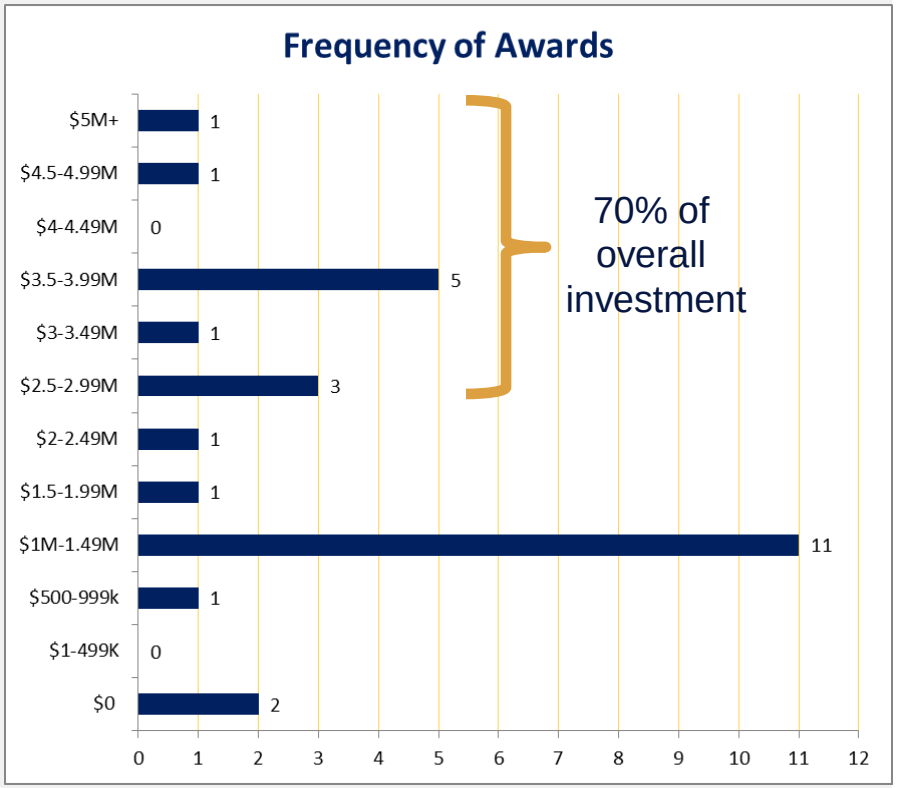


CHART Phase 2: Recommended funding caps

Single Hospital Proposals	Rec. Funding Cap
Anna Jaques Hospital	$ 1,200,000
Baystate - Mary Lane Hospital	$ 0
Baystate Franklin Medical Center	$ 1,800,000
Baystate- Wing Memorial Hospital	$ 1,000,000
Berkshire Medical Center	$ 3,000,000
Beth Israel Deaconess Hospital - Milton	$ 2,000,000
Beth Israel Deaconess Hospital - Needham	$ 0
Beth Israel Deaconess Hospital - Plymouth	$ 3,700,000
Emerson Hospital	$ 1,200,000
Harrington Memorial Hospital	$ 3,500,000
Holyoke Medical Center	$ 3,900,000
Lahey - Addison Gilbert Hospital	$ 1,269,057
Lahey - Beverly Hospital	$ 2,500,000
Lahey - Winchester Hospital	$ 1,000,000
Lawrence General Hospital	$ 1,482,654
Lowell General Hospital	$ 1,000,000
Mercy Medical Center	$ 1,300,000
Milford Regional Medical Center	$ 1,300,000
Noble Hospital	$ 1,200,000
Signature Healthcare Brockton Hospital	$ 3,500,000
UMass Memorial - HealthAlliance Hospital	$ 3,800,000
UMass Memorial - Marlborough Hospital	$ 1,200,000

Joint Hospital Proposals	Rec. Funding Cap
Athol Memorial Hospital Heywood Hospital UMass Memorial - HealthAlliance Hospital	$ 2,900,000
Baystate - Franklin Medical Center Baystate - Mary Lane Hospital Baystate - Wing Memorial Hospital	$ 900,000
Hallmark - Melrose-Wakefield Hospital Hallmark - Lawrence Memorial	$ 2,500,000
Lahey - Addison Gilbert Hospital Lahey - Beverly Hospital Lahey - Winchester Hospital Lowell General Hospital	$ 4,800,000
Southcoast - Charlton Memorial Hospital Southcoast - Tobey Hospital Southcoast - St. Luke's Hospital	$ 8,000,000

Where Dollars are Going

$31M	Behavioral Health
$23M	High-Risk Care Teams

Total Proposed Funding

$59,951,711

CHART Phase 2: Review Committee Considerations

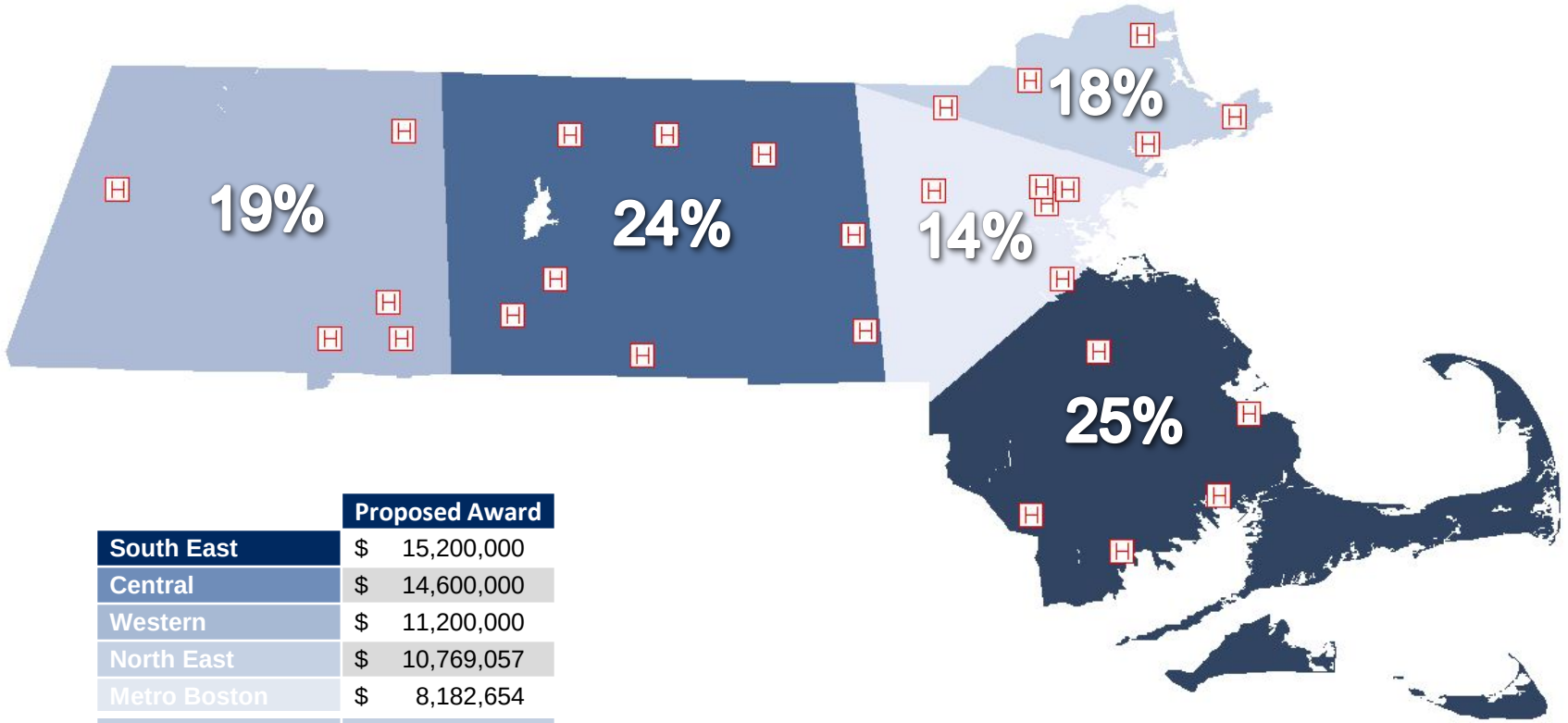
Key Points of Deliberation Around Proposals

- Anticipated acquisitions of CHART hospitals
- Capital funding requests
- Large, provider-specific training budgets
- Award stratification between independent and affiliated hospitals
- System contribution (where applicable)
- Large scale IT investments
- Initiatives designed to increase or repurpose capacity (inpatient and outpatient)
- Variation in Community Partnerships:
  - number
  - strength
  - opportunity

CHART Phase 2: Regional Distribution of Proposed Awards

Proposed awards span the Commonwealth, with higher proportions going to the Southeast and Central regions of the state.

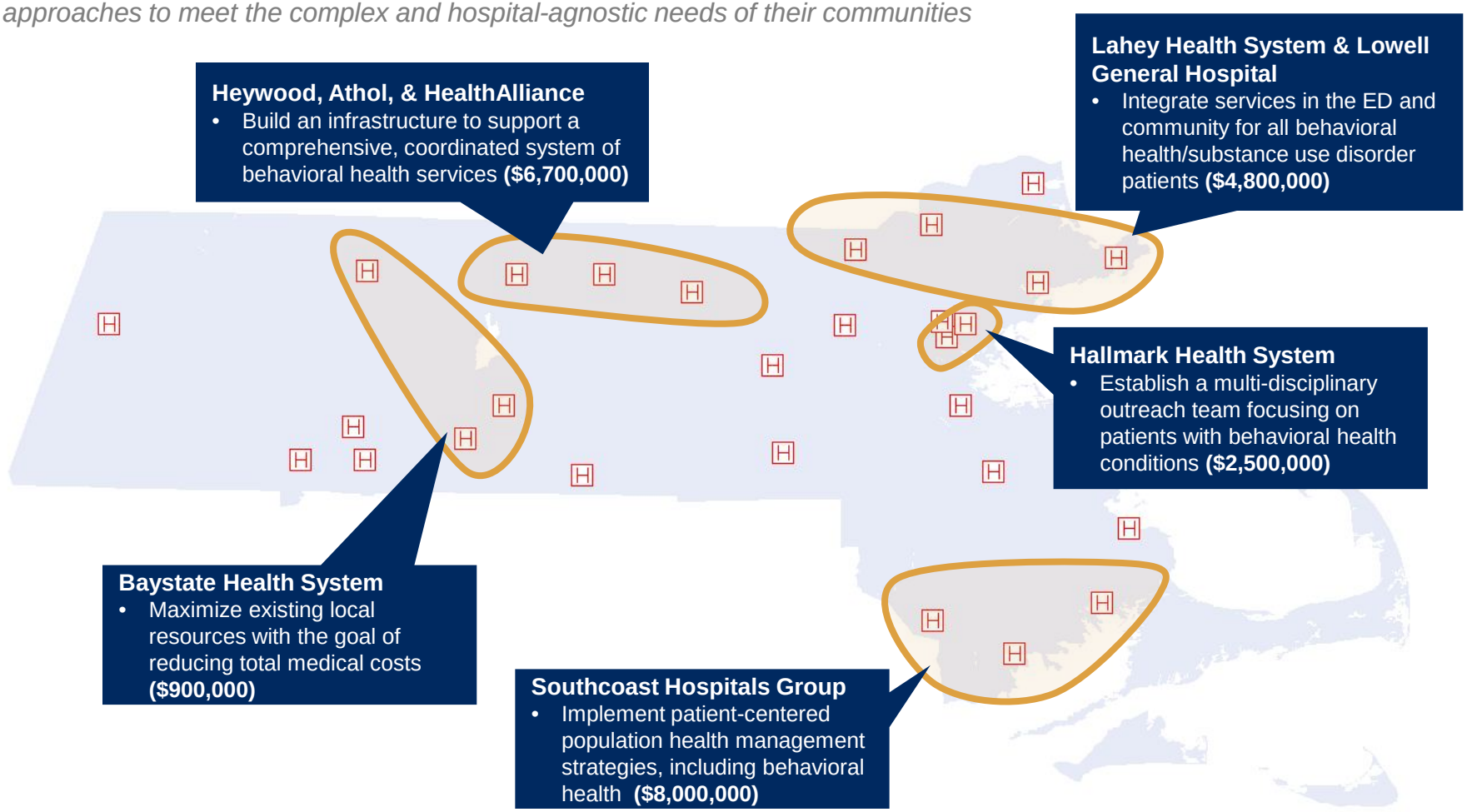
Proportion of total proposed award, by region



	Proposed Award
South East	$ 15,200,000
Central	$ 14,600,000
Western	$ 11,200,000
North East	$ 10,769,057
Metro Boston	$ 8,182,654
Total:	$ 59,951,711

Joint Proposals

The 5 Joint Proposal awards submitted for Board approval capitalize on opportunities to apply coordinated, regional approaches to meet the complex and hospital-agnostic needs of their communities



Investments enable CHART hospitals as integrators, but engage providers across the continuum through community-oriented models

Primary focus of the majority of proposals is ↓ hospital use (↓ readmissions and ED visits) and ↑ community care; when patients are in hospital, proposals focus on ↓ LOS and ↑discharge to appropriate setting with services. Investments are distributed across the continuum.

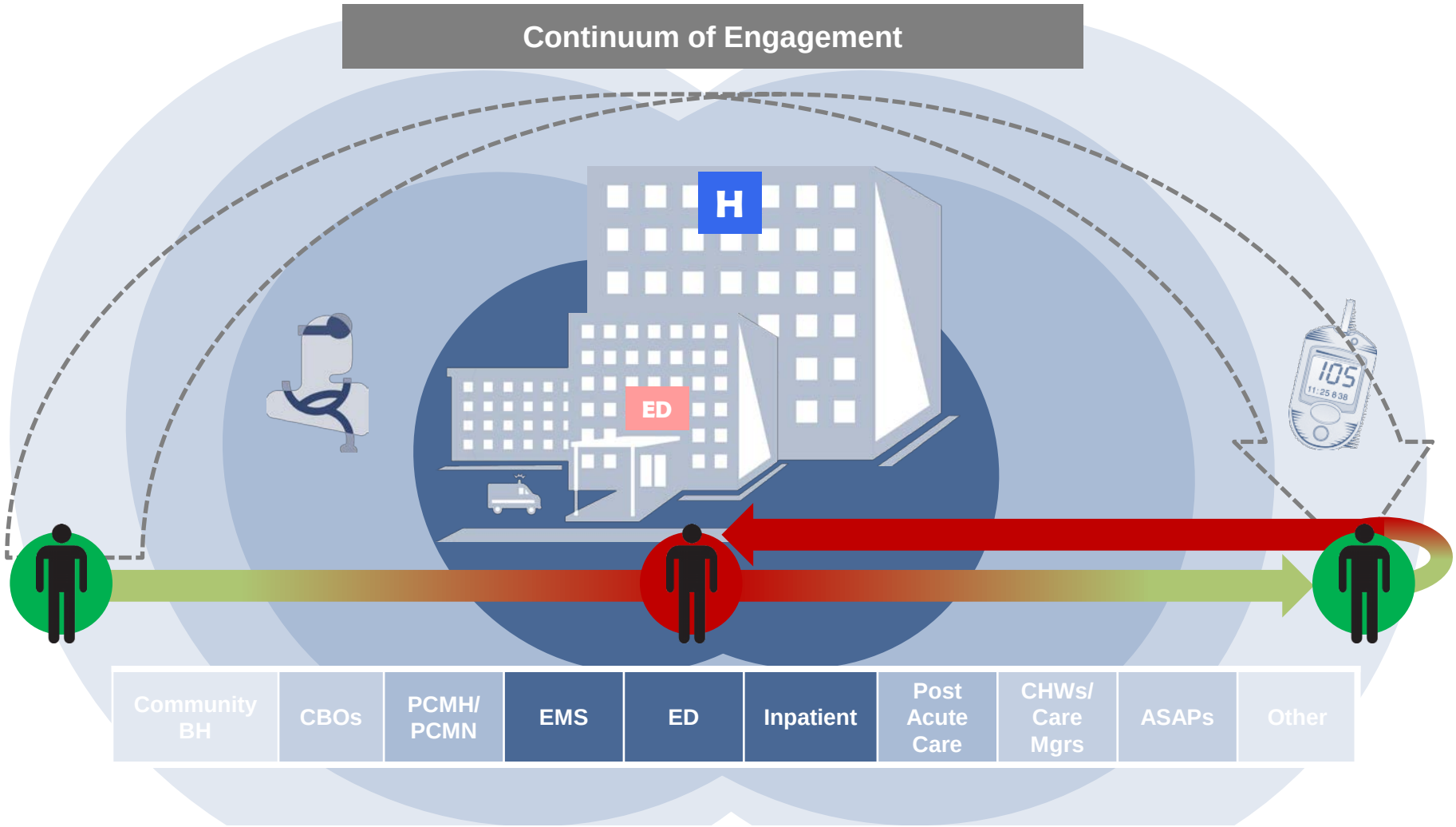


CHART Phase 2: Uniform Approach to Implementation Planning

Implementation Planning Period is November 2014 through February 2015

Objectives of Implementation Planning Period

- Ensure all projects are implemented to successfully achieve their aim
- Establish rigorous program oversight and management
- Standardize vetting of program elements across all projects

Outputs of Implementation Planning Period

- Evaluation strategy ensuring awarded initiatives will generate measurable process and outcome data upon which milestones and payment will be disbursed
- Award-specific Implementation Plans including milestones and payment terms

CHART Phase 2: Uniform approach to implementation planning

Key Outputs of Implementation Planning

- The implementation planning period will help the hospitals shift from the competitive procurement process to a **learning community cohort**
- Emphasis on the importance of **all-payer** target populations including **social and behavioral** determinants of health
- Initiatives designed to meet local community needs, including pushing more impactful **community partnerships**
- Coordination and alignment between awardees, as appropriate
- Adhering to known **best practices** where they exist and **intentional variation** encouraging innovation and variation where best practice is uncertain, as well as tailoring interventions to specific **target populations**
- Initiatives utilizing Phase 1 learnings, especially through peer-to-peer learning
- Ensure budget efficiency

CHART Phase 2: Evaluation

Key Features of Evaluation

- Many hospitals proposed similar projects with aligned goals
  - Standard process and outcome measures
  - Regular reporting from the cohort to the HPC with rapid cycle feedback on reporting and measuring to achieve timely and standardized data for improvement
- Regular feedback from HPC program staff around successes and challenges for each project
- Continued feedback and evaluation of technical assistance and HPC-sponsored programs for shared learning
- Focus groups and interviews around specific requirements of the award, such as stakeholder involvement through community partnerships and how use of enabling technologies effect a project

CHART Phase 2: Evaluation Goals

Overarching CHART Evaluation Goals

Assess efficacy of the investment program in achieving specific quantitative and qualitative goals, including:

- ROI
- Sustainability
- Scalability of specific projects

To advance knowledge regarding:

- Opportunities
- Challenges
- Best practices

To aid healthcare organizations that seek to transform care delivery

To support a culture of measurement, accountability, and continuous improvement within participating hospitals and the HPC

Aims of CHART Phase 2 Evaluation

- Assess the progress and output of each specific CHART Phase 2 investment
- Assess the progress and output of each specific CHART Phase 2 cohort
- Understand and assess growth in capabilities and capacity moving towards system transformation
- Identify best practices and foster shared learning among hospitals
- Strengthen HPC's grant stewardship practices
- Inform the development of future HPC investments and policymaking

CHART Phase 2: Provider Engagement and Support

Learning, Improvement, and Diffusion

In CHART Phase 2, we look forward to continuing our partnership with CHART hospitals. HPC support in Phase 2 may include enhanced technical assistance, such as:

- **Convening**: Workshops, meetings, and collaboratives for awardees to share learning, challenges, and best practices in a facilitated setting
- **Direct Technical Assistance**: Staff and experts available to support specific needs of awardees
- **Leadership Engagement**: Development of hospital leadership engagement opportunities, including skill development related to strategy and tactics of transformation
- **Supportive Data and Analytics**: Development of data and analytic tools to support providers in driving transformation (e.g., rapid-cycle evaluation, high-risk patient identification, or performance benchmarking)
- **Training**: Large scale training opportunities in topics such as Lean, principles of quality improvement, and applied analytics
- **Dissemination**: Centralized library of tools such as videos, interactive media, and written resources to promote and share best practices and guidelines, fed by both awardees and the HPC's evaluation activities

Staff will work with Commissioners to develop this array of available supports in the coming months in parallel with and informed by development of the CHART hospitals' Implementation Plans.

CHICI endorsement

On October 22, 2014, the Community Health Care Investment and Consumer Involvement voted to endorse and advance to the board for consideration the recommendation for award of $59,951,711 for Phase 2 of the CHART investment program.

Vote: Approving CHART Phase 2 Grant Awards

Motion: That, pursuant to 958 CMR 5.07, the Commission hereby accepts and approves the Executive Director's recommendation that the Applicants for Phase 2 of the Community Hospital Acceleration, Revitalization and Transformation (CHART) Investment Program receive award funding up to the amounts, and subject to the terms set forth in Exhibit A attached to this vote, and authorizes the Executive Director to determine the final amount of each grant based on satisfaction of such terms, in his sole discretion.

Agenda

- Approval of Minutes from September 3, 2014
- Executive Director Report
- Cost Trends and Market Performance Update
- Quality Improvement and Patient Protection Update
- Care Delivery and Payment System Transformation Update
- Community Health Care Investment and Consumer Involvement Update
  - CHART Phase 2 Awards
  - **CHART Investment Program Contract Authorization**
  - Community Hospital Study Contract Authorization
- Schedule of Next Commission Meeting (December 17, 2014)

CHICI endorsement

On October 22, 2014, the Community Health Care Investment and Consumer Involvement voted to endorse and advance to the Board for consideration the recommendation for award of contracts to Public Consulting Group and Navigant Consulting for support of the Community Hospital Study and extension of the current contract for Collaborative Healthcare Strategies.

Vote: CHART Investment Program Contract Authorization

Motion: That, pursuant to Section 6.2 of the Health Policy Commission's By-Laws, the Commission hereby authorizes the Executive Director to amend its contract with Collaborative Healthcare Strategies for an additional amount of $200,000 through June 30, 2015, for clinical expertise in ongoing support of the Commission's Community Hospital Acceleration, Revitalization and Transformation (CHART) Investment Program, subject to further agreement on terms deemed advisable by the Executive Director.

Agenda

- Approval of Minutes from September 3, 2014
- Executive Director Report
- Cost Trends and Market Performance Update
- Quality Improvement and Patient Protection Update
- Care Delivery and Payment System Transformation Update
- Community Health Care Investment and Consumer Involvement Update
  - CHART Phase 2 Awards
  - CHART Investment Program Contract Authorization
  - **Community Hospital Study Contract Authorization**
- Schedule of Next Commission Meeting (December 17, 2014)

Community Hospital Study RFR: Objectives

The HPC issued an RFR seeking consulting services to support the Community Hospital Study in July 2014

The HPC sought:

Expertise regarding strategy and analysis of hospital capacity, community need, care delivery and payment models, barriers to hospital transformation, and measurement of provider efficiency, including:

- Analysis of acute care supply and identification of opportunities to support community hospitals' alignment of services with community needs and to support public and private sector health resource planning and investment
- Identification of barriers to, and strategies to support structural transformation in, community hospitals to inform policy initiatives and to facilitate hospital strategic planning and engagement in transformation

Community Hospital Study RFR: Scope

The scope of the RFR was based upon two deliverables against which each contractor was evaluated

1	**Quantitative analyses**	▪ Analysis of acute care supply and identification of opportunities to support community hospitals' alignment of services with community needs and to support public and private sector health resource planning and investment
2	**Qualitative analyses**	▪ Identification of barriers to, and strategies to support structural transformation in, community hospitals to inform policy initiatives and to facilitate hospital strategic planning and engagement in transformation

A total of six firms responded, with a blend of proposed scopes of work

Community Hospital Study RFR: Recommendations

Based on our review, staff recommend Public Consulting Group and Navigant to each support components of the Community Hospital Study

Summary of results for 2 proposed awardees

	Eval. score	Proposed budget cap (shared project)* $ 000s	Proposed budget cap (individual project)** $ 000s
PCG	77.5	$200	$450***
Navigant	76	$250	

Rationale for PCG + Navigant

- Both demonstrated expertise regarding the MA hospital and provider landscape
- Both have sound understanding of the potential approaches to this project
- Both have demonstrated experience in producing reports or studies for professional and research audiences
- Both offer best value based on qualifications and pricing, including prompt pay discounts
- Navigant demonstrated superior expertise and experience assessing, selecting, and analyzing quantitative measures of resource capacity and need and developing analytic plans related to econometric, actuarial, financial, access, and quality analyses
- PCG demonstrated superior expertise and experience developing and implementing qualitative methods

Staff recommendation is PCG + Navigant

*Budgets include both fixed rate and hourly components
**Individual project would occur if deemed appropriate and necessary to proceed with single contractor
***Total budget would not exceed $450,000

PCG and Navigant: High Level Scope of Work

	Design	Data collection and analysis	Delivery
Aim 1: Aligning Supply Analysis and Capacity (Quantitative analyses)	▪ Preliminary interviews of experts to inform analytic plan design ▪ Development of final analytic plan	▪ Current and 5-10 yr. trend in capacity and need ▪ Predictive modeling of various inflections ▪ Characterize alignment of capacity / need	▪ Report on Mass. Community Hospitals including policy recommendations ▪ Data Visualization Tools
Aim 2: Addressing Barriers to Transformation (Qualitative analyses)	▪ Preliminary interviews of experts to inform analytic plan design ▪ Development of final analytic plan	▪ Expert interviews; literature review; case studies ▪ Examine state and federal policy and regulatory barriers and opportunities ▪ Examine hospital and community centered barriers to transformation	▪ Hospital Leadership Toolkit/ Case Studies including policy recommendations

HPC staff will continue to work with other state agencies to ensure that the Study is well-aligned with and supportive of other agencies' priorities and activities

Vote: Community Hospital Study Contract Authorization

Motion: That, the Health Policy Commission hereby approves and authorizes the Executive Director to conduct a study of the Commonwealth's community hospitals, as further described in the materials presented to the Commission, and, pursuant to Section 6.2 of the Health Policy Commission's By-Laws, authorizes the Executive Director to execute contracts with Navigant Consulting, Inc. and Public Consulting Group, Inc. to provide expert advice, strategy, and analysis in support of the study, for a total aggregate amount of no more than $450,000 through December 31, 2015, the final amount of each contract to be determined by the Executive Director, subject to further agreement on terms deemed advisable by the Executive Director.

Agenda

- Approval of Minutes from September 3, 2014
- Executive Director Report
- Cost Trends and Market Performance Update
- Quality Improvement and Patient Protection Update
- Care Delivery and Payment System Transformation Update
- Community Health Care Investment and Consumer Involvement Update
- **Schedule of Next Commission Meeting (December 17, 2014)**

Contact Information

For more information about the Health Policy Commission:

Visit us: http://www.mass.gov/hpc

Follow us: @Mass_HPC

E-mail us: HPC-Info@state.ma.us