



**Commonwealth of Massachusetts Executive Department
Office of Governor Deval L. Patrick
Press Release**

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**PATRICK-MURRAY ADMINISTRATION AWARDED \$44
MILLION FROM OBAMA ADMINISTRATION TO
ADVANCE HEALTH CARE COST CONTAINMENT
GOALS**

Funding builds on Massachusetts nation leading health care reform efforts; supports move from fee-for-service towards integrated care systems

BOSTON – Thursday, February 21, 2013 – Governor Deval Patrick today announced that Massachusetts has been awarded more than \$44 million from the federal Centers for Medicare & Medicaid Services (CMS) to advance the Commonwealth’s nation leading health care cost containment efforts.

“In Massachusetts we believe that access to quality, affordable health care is a public good,” said Governor Patrick. “This funding will assist us in implementing the next phase of health care reform to provide better care, better health and lower costs.”

The award will further the Commonwealth’s efforts to transform its health care delivery system by moving the market away from fee-for-service payments and towards a system capable of delivering better health care and better value for all residents of the Commonwealth. This announcement also builds on Massachusetts’ record of health care innovation and multi-stakeholder engagement, its trailblazing work to expand coverage, and recent legislation that commits the Commonwealth and all of its payers and providers to an ambitious transformation of the health care delivery system.

“We thank CMS for recognizing the Patrick-Murray Administration’s dedication to health care cost containment,” said Health and Human Services Secretary John Polanowicz. “This award will advance our efforts to achieve billions in health care savings for governments, businesses and families.”

Massachusetts was one of six states to receive such funding under the Affordable Care Act’s State Innovation Models Initiative. The \$44,011,924 award will be used to:

- Support public and private payers in transitioning to integrated care systems;
- Enhance data infrastructure for care coordination and accountability;
- Advance a statewide quality strategy;
- Integrate primary care with public health and other services; and
- Create measures and processes for evaluating and disseminating best practices.

Massachusetts has already been actively collaborating with payers, providers and other stakeholders to build infrastructure in health information technology and establish statewide metrics for quality measurement. Many major payers and state agencies in Massachusetts have recently developed or are creating initiatives aligned with this model including MassHealth, the Department of Public Health, the Group Insurance Commission (GIC), the Center for Health Information and Analysis, private payers and Medicare.

In October 2012, the Patrick-Murray Administration announced that the GIC had released a Request for Proposal to accelerate changes to the way doctors, hospitals and other health care providers are paid for their services. The GIC estimates it will save taxpayers hundreds of millions of dollars over the five year term of the contract with improved quality of care and no reduction in benefits. This summer, in accordance with Chapter 224, MassHealth will be launching its Primary Care Payment Reform Initiative, a trailblazing approach to accountable care for Medicaid members built on the foundation of the patient-centered medical home and financed through innovative alternative payments.

Massachusetts leads the nation in health care coverage for its residents. Thanks to the Patrick-Murray Administration's successful implementation of the 2006 landmark health care reform law, Massachusetts has the highest rate of health care coverage in the nation. Governor Patrick launched the next phase of health care reform by signing the cost containment law in August that will lower costs and make quality, affordable care a reality for all Massachusetts residents.

The Governor's budget includes more than \$34 million to facilitate implementation of the groundbreaking health care cost containment legislation. Successful implementation of cost containment efforts will result in nearly \$200 billion in health care cost savings over the next 15 years and will lead to up to \$10,000 in additional take-home pay for workers.

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