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Submitted electronically to Benjamin.A.Thomas@mass.gov

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Health Policy Commission
50 Milk Street, 8th Floor
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Re: State Cost Growth Benchmark for Calendar Year 2022

Dear Commissioners:

Thank you for the opportunity to offer comments as the Health Policy Commission considers adjusting the cost growth benchmark for 2022. We also want to express our deep gratitude to the entire leadership and staff at the Health Policy Commission for your continued and critical role in helping the Commonwealth and our health care delivery system respond effectively to the challenges of the COVID-19 pandemic.

The Conference of Boston Teaching Hospitals (COBTH) is an organization of twelve Boston-area teaching hospitals that works to advance policies critical to the core mission of academic medical centers: providing high quality patient care to all, regardless of insurance status or ability to pay; training the next generation of physicians, nurses and allied health professionals; advancing innovation and discovery through biomedical research; and serving our surrounding neighborhoods and communities.

Additionally, a year after the onset of the COVID-19 pandemic, the extraordinary caregivers and staff at COBTH's member hospitals continue to be on the front lines of the Commonwealth's—and indeed the nation's—COVID-19 response. In addition to continuing to provide the highest quality patient care to those with COVID-19, COBTH hospitals are also on the frontlines of the Commonwealth's efforts to preserve ongoing medical/surgical, intensive care, and psychiatric care capacity through significant surges in inpatient admissions; stand up COVID-19 testing and vaccination capacity with a focus on achieving health equity; ensure needed supplies of drugs, devices, and personal protective equipment for our patients and staff amidst unprecedented pressure on the supply chain; deployment of innovative digital and telehealth care options to ensure robust access to care; standing up a host of facilities to help our most vulnerable patients obtain isolation, respite, and post-acute care; creating community-based programs to respond to this pandemic; and so much more.

We are particularly proud to note the success of our hospitals – even in the midst of responding to a second surge of COVID-19 patients – in to stand up effective vaccination efforts for health care workers and patients, administering the most vaccines of any provider type in the Commonwealth.¹ And our efforts persist in the face of sustained financial losses.

Throughout the time that the Health Policy Commission has been setting the cost growth benchmark in recent years, COBTH has strongly supported maintaining the benchmark at 3.1%, while respectfully urging the Commission to be mindful of the many factors outside the control of providers, payers, and the Commonwealth that may make meeting the health care cost growth benchmark target difficult. As the

Commonwealth undertakes significant efforts to respond to the continued needs of COVID-19 patients, the increased acuity resulting from deferred care, an escalating behavioral health crisis, the increased challenge of workforce capacity and fatigue, and ongoing vaccination and prevention efforts, we must keep these and other factors in mind as we assess the necessary and appropriate level of health care spending.

COBTH's member hospitals remain committed to continuing the necessary work of reducing health care cost growth and increasing affordability and quality of care, even in times of intense upward pressure on costs and significant uncertainty. To that end, we look forward to closely reviewing the data released by the Health Policy Commission and the Center for Health Information and Analysis (CHIA) this week on 2019 health care spending.

COVID-19 continues to be a public health crisis that requires the full attention of the hospitals and our entire health care delivery system. As you know, hospitals lost substantial revenue from two periods of unprecedented and widescale cancellation of elective services and the widescale closure of research labs, while incurring substantial additional costs noted above. Despite experiencing some needed recovery, nationally, hospital revenues remain well below pre-pandemic levels.ⁱⁱ While we have been grateful for the federal and state relief funding our hospitals have received over the past year, it is not enough to cover all our losses. According to a CHIA report released in December, even with COVID-19 relief funding, less than half of Massachusetts' hospitals had positive total margins.ⁱⁱⁱ

With respect to the ongoing and rapid deployment of telehealth, we are grateful to the Commission for supporting expanded access to telehealth services in Massachusetts during this crisis and for its ongoing commitment to studying the impact of this deployment on our health care system and most importantly, our patients. Telehealth has not only been a lifeline for so many patients throughout this pandemic, but it is also convenient for patients and providers and can improve access to care for those who may not have the time or resources to travel to an appointment. Additionally, we urge the Commission to consider the work required to conduct a successful telehealth visit and to ensure such visits are reimbursed in accordance with their medical complexity, and are not unnecessarily penalized for being conducted remotely.

We look forward to working with the Commission to continue to address the issue of health care spending growth, quality, equity, and affordability for every resident of our Commonwealth and look forward to continued collaboration with our partners in government to achieve our shared goals.

Sincerely,



Patricia McMullin
Executive Director
Conference of Boston Teaching Hospitals

ⁱ Massachusetts Department of Public Health (2021, March 18.) *Weekly COVID-19 Vaccine Report* | *Mass.gov*. <https://www.mass.gov/doc/weekly-covid-19-vaccination-report-march-18-2021/download>

ⁱⁱ American Hospital Association. (2021, March 16). *Fact Sheet: Hospitals Face Continued Financial Challenges One Year into the COVID-19 Pandemic* | AHA. https://www.aha.org/fact-sheets/2021-03-16-hospitals-face-continued-financial-challenges-one-year-covid-19-pandemic?utm_source=newsletter

ⁱⁱⁱ Center for Health Information and Analysis. (2020, December 3). *Massachusetts Acute Hospital and Health System Financial Performance: Cumulative Fiscal Year Data through June 30, 2020* | CHIA. <https://www.chiamass.gov/assets/Uploads/mass-hospital-financials/data-through-6-30-2020/Data-Through-June-30-2020-Report.pdf>