

HOUSE No. 3614

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act to minimize health care costs..

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1: Chapter 3 of the General Laws, as appearing in the 2006 official edition, is
2 hereby amended by inserting after section 38C the following new section

3 Section 38D.(a) Joint Committees of the General Court and the House and Senate
4 Committees on Ways and Means when reporting favorably on bills that will require a new
5 operational or reporting requirement on health care providers, who are licensed under Chapter
6 19, Chapter 111, Chapter 112, and Chapter 123, shall include an evaluative report prepared by
7 the Executive Office of Health and Human Services pursuant to this section. Operational or
8 reporting requirements shall include, but not be limited to, any bills that require a healthcare
9 provider to undertake new service or cost obligations for operations or reporting of data related
10 to utilization, finances, or clinical processes or outcomes, or to establish, expand or modify any
11 existing operations or reporting activities. The evaluative report, which shall be a public
12 document, shall include, at a minimum, the following:

13 (1) the financial impact of the new requirement on all parties affected by the proposal;

14 (2) whether any data required by the proposal is already collected by any state agency or
15 any other public or private source;

16 (3) whether there is a specific need for governmental intervention that is clearly identified
17 and precisely defined;

18 (4) whether the costs of the proposal exceed the benefits that would be effected by the
19 proposal;

20 (5) whether less restrictive, less intrusive and less costly alternatives are available to
21 achieve the desired outcome of the proposal;

22 (6) whether a process and schedule can be established to measure the effectiveness of the
23 proposal; and

24 (7) whether the proposal can be time-limited and reviewed on a regular basis.

25 (b) All interested parties supporting or opposing the proposed operational or reporting
26 requirements may provide the Executive Office of Health and Human Services information
27 relevant to the Executive Office's review. The Executive Office may enter into interagency
28 agreements as necessary with other state agencies holding data, including cost and utilization
29 data, relevant to the Executive Office's review under this section. The Executive Office of Health
30 and Human Services may, after consultation with all parties that would be affected by such
31 health care provider operational or reporting requirements, contract with independent consultants
32 as necessary to complete its analysis.

33 SECTION 2: Section 16 of Chapter 6A, as so appearing, is hereby amended by inserting
34 at the end thereof the following new paragraph:

35 Sixty days prior to the adoption of any new operational or reporting requirement on
36 health care providers licensed by Chapter 111, Chapter 19, Chapter 112, or Chapter 123, the
37 Executive Office of Health and Human Services and its agencies shall provide an evaluative
38 report, which shall be a public document, of such new requirement demonstrating: (a) the
39 financial impact of all parties that will be affected by the requirement; (b) whether any data
40 required by the proposal is already collected by any state agency or any other public or private
41 source; (c) there is a specific need for governmental intervention that is clearly identified and
42 precisely defined; (d) the costs of the proposal do not exceed the benefits that would be effected
43 by the requirement; (e) less restrictive, less intrusive and less costly alternatives have been
44 considered and found less desirable based on a sound evaluation of the alternatives; (f) the
45 agency has established a process and a schedule for measuring the effectiveness of the
46 requirement; and (g) the requirement is time-limited or provides for regular review. Operational
47 or reporting requirements shall include, but not be limited to, any policy, rule or regulation that
48 requires a healthcare provider to undertake any new service or cost obligations or reporting
49 activities, or to expand or modify any existing operations or reporting activities.