

SENATE No. 734

The Commonwealth of Massachusetts

PRESENTED BY:

John J. Cronin

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act updating high-cost hospital and Health Policy Commission system accountability.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>John J. Cronin</i>	<i>Worcester and Middlesex</i>	
<i>Joanne M. Comerford</i>	<i>Hampshire, Franklin and Worcester</i>	<i>2/20/2023</i>
<i>Pavel M. Payano</i>	<i>First Essex</i>	<i>2/1/2024</i>

SENATE No. 734

By Mr. Cronin, a petition (accompanied by bill, Senate, No. 734) of John J. Cronin and Joanne M. Comerford for legislation to update high-cost hospital and Health Policy Commission system accountability. Health Care Financing.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act updating high-cost hospital and Health Policy Commission system accountability.

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. Section 10 of chapter 6D of the General Laws as so appearing in the 2020
2 Official Edition, is hereby amended by striking clause (6) of subsection (f) and inserting in place
3 thereof the following 2 clauses:-

4 (6) The payer mix of the population served by the entity and the demographics of the
5 population served including but not limited to the underlying risk of the population.

6 (7) any other factors the commission considers relevant.

7 SECTION 2. Subsection (q) of said section 10 of said chapter 6D of the General Laws, as
8 so appearing in the 2020 Official Edition, is hereby amended by striking the figure “\$500,000”
9 and inserting in place thereof the following words:-

10 A sum commensurate with the amount that the spending for the entity’s members or
11 patients exceeded the benchmark as established under section 9A in the relevant year or years.

12 SECTION 3. Section 18 of chapter 12C of the General Laws, as so appearing in the 2020
13 Official Edition, is hereby amended by striking the words “health status adjusted”.

14 SECTION 4. Chapter 12C of the General Laws, is hereby further amended by inserting
15 after section 18 the following section:-

16 Section 18A. The center shall additionally perform analysis of data it receives under this
17 chapter to identify hospitals whose contribution to spending growth is considered excessive and
18 who threaten the ability of the state to meet the health care cost growth benchmark established by
19 the health policy commission under section 10 of chapter 6D. The center shall additionally
20 perform analysis to identify hospitals whose relative prices are in the top quartile and whose
21 relative price values within a payer’s network have increased. The center shall confidentially
22 provide a list of said hospitals identified under this section to the health policy commission such
23 that the authority may pursue further action under section 10 of chapter 6D.