SENATE DOCKET, NO. 530 FILED ON: 1/13/2025

SENATE . . . . . No. 906

The Commonwealth of Massachusetts

PRESENTED BY:

Michael F. Rush

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 relative to health care non-discrimination.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Michael F. Rush	*Norfolk and Suffolk*

SENATE DOCKET, NO. 530 FILED ON: 1/13/2025

SENATE . . . . . No. 906

By Mr. Rush, a petition (accompanied by bill, Senate, No. 906) of Michael F. Rush for legislation relative to health care non-discrimination. Health Care Financing.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. *803* OF 2023-2024.]

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court
(2025-2026)

An Act relative to health care non-discrimination.

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

SECTION 1. Chapter 176O of the General Laws is amended by adding the following Section.

Section 28. (a) When establishing alternative payment arrangements, a carrier may take into account patient population characteristics including age, acuity, social determinants of health, and behavioral health service needs. The measures of total medical expense used to establish an alternative payment arrangement should include expenses incurred by all providers in the carrier's provider network, uniformly applied by provider type. When establishing alternative payment arrangements, a carrier shall not take into account provider prices or historic medical spending attributable only to a subset of its provider network or the historic medical expenses of members based on their attribution to specific providers in the carrier's network.

(b) In addition to the factors set forth in subsection (a) of this section, an alternative payment arrangement may include adjustments for claims processing and administrative costs and incentive payments based on attainment of quality measures or outcomes, as negotiated between a carrier and providers participating in the alternative payment arrangement.

(c) Each carrier shall file with the center for health information and analysis data on its alternative payment arrangements sufficient for the verification of compliance with subsection (a) of this section, in a form determined by the center for health information and analysis.

(d) A violation of subsection (a) or (c) of this section shall be a violation of chapter 93A of the general laws.

SECTION 2. Chapter 176O is amended by adding the following definition after the definition of adverse determination:

"Alternative payment arrangement" means a contract between a carrier and a health care provider or group of providers under which payment is made by capitation, shared savings, reconciliation of fee-for-service payments against a global budget or per-member-per month target, or any other method that bases payments to the provider on a projection of the medical expenses to be incurred by a population of individuals.