

Joint Committee on Health Care Financing 2025-2026 (194th) Bill Summary

<u>Bill Number:</u>	House, No. 1357
<u>Title:</u>	AN ACT RELATIVE TO INSURER RESPONSIBILITY TO THE OPERATING BUDGETS OF HEALTH CARE OVERSIGHT ENTITIES
<u>Sponsor:</u>	Representative Michael S. Day (Stoneham)
<u>Hearing Date:</u>	June 2, 2025
<u>Reporting Deadline:</u>	August 1, 2025
<u>Prior History:</u>	New Bill
<u>Similar Matters:</u>	S840 (Collins – Identical, Health Care Financing)

Current Law:

M.G.L. Ch. 6D § 6 as amended by Chapter 342 of the Acts of 2024 authorizes the Health Policy Commission (HPC) to assess acute hospitals, ambulatory surgical centers, non-hospital provider organizations, pharmaceutical manufacturing companies and pharmacy benefit managers (PBMs) to cover estimated expenses of the commission. The HPC assessment percentage floor is: 33% to 30-40% for hospitals, ambulatory surgical centers, and non-hospital provider organizations, and sets the assessment percentage floor for pharmaceutical manufacturing companies and PBMs at 5% each.

M.G.L. Ch. 12C § 7 as amended by Chapter 342 of the Acts of 2024 authorizes the center for health information and analysis (CHIA) to assess acute hospitals, ambulatory surgical centers, non-hospital provider organizations, pharmaceutical manufacturing companies and pharmacy benefit managers (PBMs) to cover estimated expenses of the commission. The CHIA assessment percentage floor is: 33% to 30-40% for hospitals, ambulatory surgical centers, and non-hospital provider organizations, and sets the assessment percentage floor for pharmaceutical manufacturing companies and PBMs at 5% each.

Chapter 140 of the Acts of 2024 – Sections 4 & 5 removed surcharge payors as an entity subject to the HPC and CHIA assessments.

Summary:

This legislation re-instates surcharge payors as an entity subject to assessment by the HPC and CHIA. The assessed amount is not less than 30 per cent nor more than 40 per cent of the amount appropriated by the general court for the expenses of the HPC and CHIA minus (i) filing fees; (ii) fees and charges generated by the commission or CHIA; and (iii) federal matching revenues received for these expenses or received retroactively for expenses of predecessor agencies.