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June 5, 2018

The Honorable Jeffrey Sánchez Chair, House Committee on Ways and Means State House, Room 243 Boston, MA 02133

The Honorable Karen Spilka Chair, Senate Committee on Ways and Means State House, Room 212 Boston, MA 02133

Dear Chairman Sánchez and Chairwoman Spilka:

On behalf of Health Care For All (HCFA), thank you and your staffs for your work in developing the FY 2019 state budget. We appreciate your tireless efforts and advocacy for the people of the Commonwealth.

The challenges facing our Commonwealth are significant. Difficult funding decisions and trade-offs must be made in light of limited resources. The budget proposals put forward by both the House and the Senate reflect the commitment by the Legislature to not retreat from effective, innovative government policies that promote the health of all Massachusetts' residents, and we should collectively be proud of the many provisions that will benefit health care consumers.

We believe it is imperative that programs providing access to quality health care throughout the Commonwealth be protected, and that we continue to invest in the health of people throughout Massachusetts. We are pleased that both branches decisively rejected the Governor's proposal to shift some 140,000 adults on MassHealth to the ConnectorCare program, which would resulted in reduced benefits, higher premiums costs and new barriers to enrollment. As the final FY 2019 budget is developed, HCFA urges you to support the following priorities:

- Restore coverage for periodontal care for adults on MassHealth;
- Establish a strong Office of Health Equity within EOHHS, and provide funds for the Office's operation;
- Provide expanded authority to MassHealth to negotiate for fair prescription drug prices;
- Direct MassHealth to provide information on ACO outcomes and activities addressing social determinants of health;
- Fund critical children's mental health programs, including the Mental Health Advocacy Program for Kids and Return to School Bridge programs;
- Preserve sunset on prescription drug marketing coupons and rebates;
- Provide unbiased information about the cost and efficacy of prescription drugs;
- Require data collection on pediatric continuous skilled nursing services;
- Fund pediatric palliative care programs;
- Adequately fund DPH's Office of Oral Health.

Below are brief explanations of these priorities:

Restore Coverage for Periodontal Care for Adults on MassHealth

Periodontal disease is a chronic bacterial infection of the gums and bone that surround teeth. When left untreated, this disease causes irreversible gum and bone loss, leading to tooth loss. It also directly impacts chronic disease outcomes including those of diabetes, heart disease, and stroke. Periodontal disease can also lead to low birth weight and premature birth. Coverage for the treatment of periodontal disease is critical to improving the oral *and* general health of the adult population.

Additionally, the lack of comprehensive adult dental coverage wastes millions of dollars in extensive and costly services in emergency and inpatient hospital settings and places an added burden on MassHealth and the Health Safety Net. In its report from August 2016, the Health Policy Commission found that MassHealth members disproportionately use ED visits for preventable oral health conditions, including periodontal disease, at a cost four to seven times the cost of a dental office visit. Non-elderly adults on MassHealth use the ED for preventable oral health conditions seven times more frequently than commercially-insured adults.

The Senate budget includes a provision in line item 4000-0700 directing MassHealth to begin coverage for periodontal care for the last month of the fiscal year. This will allow MassHealth to work with the dental community and MassHealth members to prepare for full restoration of these benefits.

We urge the Conference Committee to direct MassHealth to reinstate coverage for periodontic services for adult MassHealth enrollees so that they are able to get the appropriate care that they need to maintain good oral, and overall, health.

Establish a strong Office of Health Equity within EOHHS, and provide funds for the Office's operation

While Massachusetts continues to lead nationally in health coverage, racial and ethnic minority residents continue to have lower rates of health care access and use in Massachusetts. According to the Center for Health Information and Analysis, non-Hispanic blacks, Hispanics, and those reporting other or multiple races were less likely than non-Hispanic white respondents to report having a usual source of care or a medical visit for preventive care. Furthermore, disparities in health outcomes, including infant mortality and rates of chronic disease continue to be prevalent. Threats to immigrant access to health care from the federal government will have a disparate impact on minority groups, and could be addressed by the Office. A permanent, codified Office of Health Equity would act to improve the health of racial and ethnic minority populations in the Commonwealth by establishing statewide goals and a plan to meet those goals. The Office would coordinate resources throughout state government, and evaluate the effectiveness of programs and the statewide and regional progress towards meeting our goals.

We urge the Conference Committee to include Section 7 and line item 4000-0009 of the House budget, which would establish and fund an Office of Health Equity to reduce the serious racial and ethnic health disparities that exist in Massachusetts.

Provide expanded authority to MassHealth to negotiate for fair prescription drug prices

Prescription drug prices continue to rise, with MassHealth pharmacy spending doubling over the past five years. This growth rate is twice that of other MassHealth spending. While MassHealth is aggressively pursuing manufacturer rebates, the program lacks the negotiating leverage required to hold down drug prices. Section 80 of the Senate budget authorizes MassHealth to seek supplemental rebates in order to meet pharmaceutical spending targets established under the section. If a drug manufacturer refuses to offer a fair price, EOHHS is authorized to seek information and hold hearings regarding the pricing of the drug. Penalties may be assessed if the demanded price is found excessive in light of the information. This section is similar to a parallel provision in New York law which has been effective in obtaining reasonable drug prices for their Medicaid program.

We urge the Conference Committee to include authority for MassHealth to seek supplemental prescription drug rebates, and require pharmaceutical pricing information from manufacturers if reasonable rebates are not provided to MassHealth. The provision should also allow EOHHS to assess penalties on manufacturers who refuse to provide the required information, or who do not offer fair rebate amounts to MassHealth.

<u>Direct MassHealth to provide information on ACO outcomes and activities addressing social determinants of</u> health

MassHealth ACOs will be responsible for screening their 800,000 members for health-related social needs, such as housing insecurity, food insecurity, transportation needs, and exposure to violence – issues directly related to poor health outcomes, health inequities, and high health care costs. The Senate's MassHealth managed care line item (4000-0500) includes a provision directing MassHealth to report on the impact of the ACO program, including data concerning screening and interventions related to the social determinants of health (SDOH). This data is essential to understand the activities, successes, and challenges of ACOs as they work to address SDOH. This information provides for accountability and will allow the public to assess the availability of social services and identify any gaps that may exist by region, population, or service type.

We urge the Conference Committee to include language in the MassHealth line item (4000-0500) directing MassHealth to provide information on ACO outcomes and performance, particularly data on ACO activities addressing the social determinants of health.

Fund critical children's mental health programs

The Mental Health Advocacy Program for Kids (MHAP for Kids) is a highly sought-after service piloted in the Lowell and Lynn Family Resource Centers (FRCs), which has recently expanded to the Boston FRC. MHAP for Kids improves the mental health of vulnerable youth who have been diverted from juvenile court or are already court-involved and have unmet mental health needs by providing these children with a legal advocate trained in removing barriers to treatment. MHAP for Kids attorneys aim to divert children from possible or further court involvement, help children thrive in school, reduce family conflict, and minimize costly emergency room treatment. The program is supported through a combination of public and private funds, and it is designed to be replicable in other FRCs.

We urge the Conference Committee to fund the MHAP for Kids program at \$50,000 (within line item 4800-0200).

Return to School "Bridge" programs ensure that youth who have been out of school for psychiatric or other hospitalizations can successfully transition back to school. Many districts already have these innovative programs, which provide emotional and academic support to students who have missed 5 or more days of school due a mental health crisis, hospitalization or serious medical problem. Nationally, 50% of high school students with serious mental illness drop out of school. Bridge programs are changing that script for Massachusetts youth with a short-term intervention that reduces drop-out rates to 8%.

We urge the Conference Committee provide level-funding for Return to School "Bridge" Programs at \$250,000 (within the School Health Services line item 4590-0250).

Preserve Sunset on Prescription Drug Marketing Coupons and Rebates

Drug companies use discount "coupons" to entice consumers into purchasing more expensive brand-name drugs, when cheaper and equally-effective alternatives may be available. After those savings expire, the consumer is left to repurchase the more expensive drug at the full cost share. While some consumers temporarily pay lower co-pays, the long-term costs will increase for all consumers as public and private health plans pay the increased costs for these expensive brand-name drugs.

Massachusetts banned these coupons and then temporarily authorized them several years ago. The House budget would extend the authorization from 2019 to 2021. At a time when government, businesses and consumers are focused on improving health care quality and controlling health care costs, extending the sunset date on prescription drug marketing coupons would undermine these efforts.

We urge the Conference Committee to maintain the state's prohibition on drug industry marketing "coupons" by 2019 and direct the Health Policy Commission to engage in a substantive study of the long-term costs and benefits of drug coupons on the Massachusetts health care market.

Provide Unbiased Information about the Cost and Efficacy of Prescription Drugs

Health care providers are confronted with an overwhelming amount of new clinical research, making it difficult to stay current about which treatments are most effective and have the best patient outcomes. At the same time, the pharmaceutical industry spends billions on marketing directly to doctors to promote their products. This influence results in higher costs for patients and the Commonwealth as pharmaceutical representatives typically promote their newest, most expensive brand-name drugs, regardless of whether or not they offer improved outcomes.

"Academic Detailing" is an evidence-based prescriber education program on the therapeutic and cost-effective utilization of prescription drugs, which allows doctors to make decisions based on balanced research data rather than biased promotional information. The program both improves doctors' clinical decision making and controls costs, countering the influence of drug companies that promote the most expensive new drugs.

We urge the Conference Committee to provide funding for Health Policy Commission to operate the Academic Detailing program (line item 1450-1266 of the Senate budget) at \$150,000.

Require data collection on pediatric continuous skilled nursing services

High quality community and home-based services and supports are key to ensuring children with special health care needs and disabilities get effective care, can remain in the community, and attend school. Unfortunately, many families struggle to access the level of home-based services needed to keep children in the community and avoid costly hospitalizations. New families remain on waitlists for these vital services while other families struggle to fill the rest of their authorized hours. The first step in addressing this problem is to understand the scope of the problem through data collection.

We urge the Conference Committee to include Section 16 of the Senate budget, which directs the Center for Health Information and Analysis and MassHealth to regularly report data about pediatric patients requiring Continuous Skilled Nursing services.

Fund pediatric palliative care programs

There are currently eight Pediatric Palliative Care Programs operated by licensed hospice agencies throughout the Commonwealth. These programs provide invaluable services to over 350 ill children and their families, including consultation for pain and symptom management, nursing care, case management, social services, counseling, volunteer support, respite, complimentary therapies and bereavement services for families. In addition to these services, Pediatric Palliative Care Programs provide ill children and their families with further assistance and care through the work of dedicated volunteers, who provide thousands of volunteer hours at no cost to the Commonwealth or the families.

We urge the Conference Committee to fund Pediatric Palliative Care Programs (4590-1503) at \$3,816,053, to ensure that all children and families who need these services can get them.

Adequately fund DPH's Office of Oral Health and the successful ForsythKids Program

Oral health is an often neglected factor in overall health. The Office of Oral Health in the Department of Public Health provides essential dental care services to people with developmental disabilities, children and others. The office works with schools, health care providers, state agencies and others to support effective oral health care initiatives and programs. It also collects and analyzes vital data and surveillance information of the state of oral health in Massachusetts.

The ForsythKids program provides important preventive oral health services for kids across the Commonwealth. Today, Forsyth Kids serves 51 schools to provide school-based oral health care to approximately 1,700 underserved children annually in Boston, Cambridge, Lynn, Chelsea, Fitchburg, Randolph, Holyoke, Hull, Waltham and Cape Cod. For many of these children, obtaining regular oral health care in a dental setting is difficult due to limited office hours, lack of transportation, or limited awareness of the importance of good oral hygiene. ForsythKids keeps our children healthy by bringing oral health care to kids where they're at, in a school-based setting.

We urge the Conference Committee adequately fund the general operations of DPH's Office of Oral Health, and continue to earmark \$300,000 for the ForsythKids program (line item 4512-0500).

Thank you again for this opportunity to provide input into the final development of the state's FY 2019 Budget. We look forward to continuing our productive collaboration as the General Court considers the budget. If you have questions or would like more information, please contact Brian Rosman, Director of Policy and Government Relations, at 617-275-2920 or brosman@hcfama.org.

Sincerely,

Brian Rosman

Director of Policy and Government Relations

cc: Honorable Robert A. DeLeo, Speaker of the House

Honorable Harriette Chandler, President of the Senate Honorable Ronald Mariano, House Majority Leader

Honorable Cynthia Stone Creem, Senate Majority Leader

Members of the Conference Committee:

Senator Joan B. Lovely

Senator Viriato M. deMacedo

Representative Stephen Kulik

Representative Todd M. Smola