SENATE DOCKET, NO. 656 FILED ON: 1/15/2015

# SENATE . . . . . . . . . . . . . . . No. 606

## The Commonwealth of Massachusetts

PRESENTED BY:

***Jason M. Lewis***

*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 to keep people healthy by removing barriers to cost-effective care.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: |
| --- | --- |
| *Jason M. Lewis* | *Fifth Middlesex* |
| *Chris Walsh* | *6th Middlesex* |
| *Denise Provost* | *27th Middlesex* |
| *Marjorie C. Decker* | *25th Middlesex* |
| *Paul R. Heroux* | *2nd Bristol* |
| *Barbara L'Italien* | *Second Essex and Middlesex* |
| *Jose F. Tosado* | *9th Hampden* |
| *Tricia Farley-Bouvier* | *3rd Berkshire* |
| *Sal N. DiDomenico* | *Middlesex and Suffolk* |
| *John F. Keenan* | *Norfolk and Plymouth* |
| *Carmine L. Gentile* | *13th Middlesex* |
| *Steven Ultrino* | *33rd Middlesex* |
| *Linda Dorcena Forry* | *First Suffolk* |
| *Michael S. Day* | *31st Middlesex* |
| *David M. Rogers* | *24th Middlesex* |
| *Benjamin Swan* | *11th Hampden* |

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# SENATE . . . . . . . . . . . . . . . No. 606

By Mr. Lewis, a petition (accompanied by bill, Senate, No. 606) of Jason M. Lewis, Chris Walsh, Denise Provost, Marjorie C. Decker and other members of the General Court for legislation to keep people healthy by removing barriers to cost-effective care. Health Care Financing.

## The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court**
**(2015-2016)**

An Act to keep people healthy by removing barriers to cost-effective care.

*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 6A of the General Laws is hereby amended by adding after section
2 16U the following section:-

3 Section 16V (a) The secretary of health and human services shall by regulation determine
4 which medical and behavioral health services, treatments and prescription drugs shall be deemed
5 high-value cost-effective services for the purposes of this section. To advise the secretary in
6 making said determinations, there shall be a Barrier-Free Care Expert Panel as established by
7 subsection (c). Any regulation making a determination pursuant to this section, that is
8 promulgated prior to July 1 of any year, shall take effect on January 1 of the following year. In
9 determining medical and behavioral health services, treatments and prescription drugs to be
10 deemed high-value cost-effective services, the secretary may limit the effect of the determination
11 to people with one or more specific diagnoses or risk factors for a disease, condition, or disorder.

12 (b) Insurance plans, health coverage, and medical assistance and medical benefit
13 programs shall not charge cost sharing for high-value cost-effective medical and behavioral
14 health services, for coverage subject to section 17K of chapter 32A, section 10H of chapter
15 118E, section 47CC of chapter 175, section 8FF of chapter 176A, section 4FF of chapter 176B,
16 section 4X of chapter 176G, and section 13 of chapter 176I. For the purposes of this section, cost
17 sharing shall include payments required from a consumer in connection with the provision of a
18 health care service, including, but not limited to, copayments, coinsurance, and deductibles.
19 Reimbursement to providers shall not be reduced on the basis of a service, treatment or drug
20 being determined a high-value cost effective service.

21 (c) The secretary shall establish the Barrier-Free Care Expert Panel to make
22 recommendations regarding high-value cost-effective medical or behavioral health services,
23 treatments or prescription drugs that should not be subject to cost sharing. The panel shall be
24 comprised of up to ten people, eight of whom shall be appointed by the secretary. In making
25 appointments to the panel, the secretary shall include at least one primary care physician, one
26 primary care provider at a community health center, one pediatrician, one licensed mental health
27 clinician, and one community pharmacist, and shall further ensure that the panel represents
28 expertise in health economics, actuarial sciences, health care cost effectiveness, women's health,
29 medical ethics, and consumer advocacy. The panel shall further include representatives of the
30 department of public health, the office of Medicaid, and the division of insurance, appointed by
31 the respective commissioners or directors of said agencies. No member of the panel shall have
32 any significant financial conflict of interest in any decision of the panel.

33 The secretary shall designate one member to serve as chair of the panel. They shall serve
34 a term of 3 years, and may be reappointed, provided that the secretary may designate up to half

35 of the original members appointed to the board to serve for two years. Panel members shall
36 receive no compensation for their services but shall be entitled to reimbursement for reasonable
37 travel and other expenses.

38 The panel shall, with each report, review its previous recommendations and may
39 recommend that a medical or behavioral health service, treatment or prescription drug be no
40 longer deemed a high-value cost-effective service for purposes of this section. The panel shall
41 report its recommendations by majority vote to the secretary no later than March 1 of each year.

42 In making recommendations for high-value cost-effective services, treatments and
43 prescription drugs that should not be subject to cost sharing, the Barrier-Free Care Expert Panel
44 shall consider appropriate medical and behavioral health services, treatments and prescription
45 drugs that are

46 (1) out-patient or ambulatory services, including medications, lab tests, procedures, and
47 office visits, generally offered in the primary care or medical home setting;

48 (2) of clear benefit, strongly supported by clinical evidence to be cost-effective;

49 (3) likely to reduce hospitalizations or emergency department visits, or reduce future
50 exacerbations of illness progression, or improve quality of life;

51 (4) relatively low cost when compared to the cost of an acute illness or incident prevented
52 or delayed by the use of the service, treatment or drug; and

53 (5) at low risk for overutilization, abuse, addiction, diversion or fraud.

54 In making recommendations, the panel may limit a recommended high-value cost-
55 effective service as applicable only to patients with one or more specific diagnoses or risk factors
56 for a disease, condition or disorder.

57 The panel shall consult with health insurance carriers and the group insurance
58 commission before issuing its recommendations.

59 (d) Every two years, the center for health information and analysis shall evaluate the
60 effect of this section. The evaluation shall include the impact of this section on treatment
61 adherence, incidence of related acute events, premiums and cost sharing, overall health, long-
62 term health costs, and other issues that the center may determine. The center may collaborate
63 with an independent research organization to conduct the evaluation.

64 (e) Notwithstanding subsection (b), cost sharing may be charged if the applicable plan is
65 governed by the Federal Internal Revenue Code and would lose its tax-exempt status as a result
66 of the prohibition on co-payments, coinsurance or deductibles for these services.

67 SECTION 2. Chapter 32A of the General Laws is hereby amended by inserting after
68 section 17J the following section:-

69 Section 17K. The commission shall provide to any active or retired employee of the
70 commonwealth who is insured under the group insurance commission, coverage without cost
71 sharing for all medical and behavioral services, treatments and prescription drugs determined to
72 be high-value cost-effective services by the secretary of health and human services pursuant to
73 section 16V of chapter 6A.

74 SECTION 3. Chapter 118E of the General Laws is hereby amended by inserting after
75 section 10G the following section:-

76 Section 10H. The division shall cover without cost sharing all medical and behavioral
77 health services determined to be high-value cost-effective services by the secretary of health and
78 human services pursuant to section 16V of chapter 6A.

79 SECTION 4. Chapter 175 of the General Laws is hereby amended by inserting after
80 section 47BB the following section:-

81 Section 47CC. An individual policy of accident and sickness insurance issued under
82 section 108 that provides hospital expense and surgical expense insurance and any group blanket
83 or general policy of accident and sickness insurance issued under section 110 that provides
84 hospital expense and surgical expense insurance, which is issued or renewed within or without
85 the commonwealth, shall cover without cost sharing all medical and behavioral health services
86 determined to be high-value cost-effective services by the secretary of health and human services
87 pursuant to section 16V of chapter 6A.

88 SECTION 5. Chapter 176A of the General Laws is hereby amended by inserting after
89 section 8EE the following section:-

90 Section 8FF. A contract between a subscriber and the corporation under an individual or
91 group hospital service plan which provides hospital expense and surgical expense insurance,
92 except contracts providing supplemental coverage to Medicare or other governmental programs,
93 delivered, issued or renewed by agreement between the insurer and the policyholder, within or
94 without the commonwealth, shall cover without cost sharing all medical and behavioral health
95 services, treatments and prescription drugs determined to be high-value cost-effective services by

96 the secretary of health and human services pursuant to section 16V of chapter 6A; provided,
97 however, that co-payments, coinsurance or deductibles shall be required if the applicable plan is
98 governed by the Federal Internal Revenue Code and would lose its tax-exempt status as a result
99 of the prohibition on co-payments, coinsurance or deductibles for these services.

100 SECTION 6. Chapter 176B of the General Laws is hereby amended by inserting after
101 section 4EE the following section:-

102 Section 4FF. Any subscription certificate under an individual or group medical service
103 agreement, except certificates that provide supplemental coverage to Medicare or other
104 governmental programs, issued, delivered or renewed within or without the commonwealth, shall
105 cover without cost sharing all services, treatments and prescription drugs determined to be high-
106 value cost-effective medical and behavioral health services by secretary of health and human
107 services pursuant to section 16V of chapter 6A; provided, however, that co-payments,
108 coinsurance or deductibles shall be required if the applicable plan is governed by the Federal
109 Internal Revenue Code and would lose its tax-exempt status as a result of the prohibition on co-
110 payments, coinsurance or deductibles for these services.

111 SECTION 7. Chapter 176G of the General Laws is hereby amended by inserting after
112 section 4W the following section:-

113 Section 4X. A health maintenance contract issued or renewed within or without the
114 commonwealth shall cover without cost sharing all services, treatments and prescription drugs
115 determined to be high-value cost-effective medical and behavioral health services by the
116 secretary of health and human services pursuant to section 16V of chapter 6A; provided,
117 however, that co-payments, coinsurance or deductibles shall be required if the applicable plan is

118 governed by the Federal Internal Revenue Code and would lose its tax-exempt status as a result

119 of the prohibition on co-payments, coinsurance or deductibles for these services.

120 SECTION 8. Chapter 176I of the General Laws is hereby amended by adding the

121 following section:-

122 Section 13. An organization entering into a preferred provider contract shall cover

123 without cost sharing all medical and behavioral health services, treatments and prescription drugs

124 determined to be high-value cost-effective services by the secretary of health and human services

125 pursuant to section 16V of chapter 6A.