

**PRESS RELEASE
(EMBARGOED)**

Christopher Geehern
Executive Vice President, Public Affairs
Associated Industries of Massachusetts
cgeehern@aimnet.org
617.834.4414

Matthew Kitsos
Press Secretary
Massachusetts Health Policy Commission
matthew.kitsos@mass.gov
617.274.1832

**LEADING MASSACHUSETTS BUSINESS ORGANIZATIONS ANNOUNCE PLAN TO
REDUCE HEALTH CARE COSTS**

20 Business Organizations, Representing Thousands of Employers Across the State, Join Forces
with Health Care Leaders to Save \$100 Million By Reducing Avoidable ED Use By 20% By
2020

— Right Care, Right Place, Right Time —

Boston, MA – Wednesday, May 30, 2018 – Twenty prominent Massachusetts business organizations representing thousands of employers today announced an initiative to save \$100 million in health care costs by reducing avoidable use of hospital emergency departments.

The newly formed **Massachusetts Employer-Led Coalition to Reduce Health Care Costs** will work with doctors, hospitals, and health insurers to reduce inappropriate use of emergency departments (EDs) by 20 percent in two years. State officials estimate that 40 percent of ED visits are avoidable, a pattern that costs \$300-\$350 million annually for commercially insured members alone.

Coalition leaders Richard C. Lord, President and CEO of the Associated Industries of Massachusetts (AIM), and Eileen McAnneny, President of the Massachusetts Taxpayers Foundation (MTF), say the group will help employers take a direct role in the health and health care of their employees and beneficiaries.

Read the full statement of the **Massachusetts Employer-Led Coalition to Reduce Health Care Costs** [here](#).

Health care industry organizations – including the Massachusetts Health and Hospital Association (MHA), Blue Cross Blue Shield of Massachusetts (BCBSMA), the Massachusetts Association of Health Plans (MAHP), and the Massachusetts College of Emergency Physicians (MACEP) – are committed to be strategic partners with the Coalition.

The Coalition's goal is to shift as many avoidable ED visits as possible to high-value, lower-cost settings to relieve crowded EDs, reduce the cost of care, and improve quality. The vision is a health care system that delivers the right care, in the right place, at the right time.

McAnneny stated, "As an organization dedicated to the long-term economic and fiscal health of the Commonwealth, the Foundation recognizes the need to address the costs of health care by taking unnecessary cost out of the system. I am proud to co-chair this newly formed coalition that will provide employers with the tools they need to educate their employees on getting appropriate care at the appropriate setting."

McAnneny added, "Not only will this reduce health care costs and provide rate relief for small businesses and patients, it also allows us to optimize resources to ensure quality care for those in need of emergency care."

"The rising cost of providing health insurance to employees remains one of the most troublesome issues facing the 4,000 employers who are members of Associated Industries of Massachusetts," said Lord.

"AIM has always been active in the health care policy arena, advocating for changes to our delivery system that balance access to care and efficiency. Today, we are taking this collaborative step to ensure that employers and their workers can access the right care in the right place, maximizing both health care quality and affordability."

Most ED use is necessary, appropriate, and in many cases life-saving. However, providers and payers broadly agree that shifting ED use for non-urgent health problems to more timely, appropriate settings will improve quality and patient experience, and lower the cost of care. Upper respiratory infections, skin rashes, allergies, and back pain are among the most common conditions for which Massachusetts patients seek care in the ED unnecessarily and the cost of an ED visit can be five times that of care provided in a primary care or urgent care setting.

"For several years the HPC has identified reducing avoidable ED use as a target area for health care improvement and has recommended coordinated action to address it," said David Seltz, Executive Director of the Massachusetts Health Policy Commission. "This new coalition represents an exciting commitment by employers to work collaboratively to address one of the underlying drivers of health care costs. We are excited to be a strategic partner in this effort, consistent with the HPC's goal of reducing health care cost growth without compromising quality or access."

The strategic partners, MHA, BCBSMA, MAHP, and MACEP, will engage with the Coalition in a collaborative process to uncover solutions and drive real change in the health care delivery system. Additionally, the Coalition intends to engage collaboratively with other important health care stakeholders, including health plans, hospitals, physicians, consumer advocates, labor unions, government agencies, and community organizations.

The Coalition will focus on four tactics for change:

- 1. Educating Employees:** Work with employers to communicate information about avoidable ED use with employees and families so they can get the best possible care in settings such as primary care practices, retail clinics, and urgent care centers.
- 2. Learning from Data:** Track and publicly report the rate of avoidable ED visits so employers, stakeholders, and the public may understand and tackle the scope of the issue.
- 3. Collaborating Across the Health Care System:** Work with labor unions, health care providers, health plans, employers, and employees to reward and encourage the appropriate use of the ED by aligning financial incentives, and bolster the availability of care in the community, especially during nights and weekends.
- 4. Advocating for Policy Change:** Advocate for policy changes that will advance new care delivery and payment models, such as Accountable Care Organizations (ACOs), telemedicine, and mobile integrated health, which combined, can improve access to timely care in the right setting.

More details on the Coalition’s framework to reduce avoidable ED use are included in the statement [here](#).

The Coalition was built and organized throughout the beginning of 2018, and plans to kick off its public activities in September. The rest of the major initiatives are planned to begin in early 2019. If successful, this collaborative effort will provide a model for future coordinated efforts to tackle other drivers of health care costs.

“I urge employers of any size to participate in the Coalition’s initiatives,” added Lord. “These efforts are an opportunity to engage with each other by sharing our successes and difficulties in managing health care costs – while also actively educating our employees about their ability to drive down health care costs through patient choice. We want to raise the bar for all employers in Massachusetts.”

The Employer Members of the Coalition are:

Associated Industries of Massachusetts
Associated Subcontractors of Massachusetts
Boston Municipal Research Bureau
Greater Boston Chamber of Commerce
Massachusetts Bankers Association
Massachusetts Business Roundtable
Massachusetts Competitive Partnership
Massachusetts Food Association
Massachusetts High Technology Council
Massachusetts Package Stores Association
Massachusetts Restaurant Association
Massachusetts Society of CPAs
Massachusetts Taxpayers Foundation

NAIOP Massachusetts
National Federation of Independent Business
North Shore Chamber of Commerce
Retailers Association of Massachusetts
South Shore Chamber of Commerce
Springfield Regional Chamber of Commerce
Worcester Regional Chamber of Commerce

The Strategic Partners are:

Blue Cross Blue Shield of Massachusetts
Massachusetts Association of Health Plans
Massachusetts College of Emergency Physicians
Massachusetts Health and Hospital Association
Massachusetts Health Policy Commission

###

For more information, please contact us at info@maemployerhealthcoalition.com.