



May 8, 2008

Secretary JudyAnn Bigby  
Executive Office of Health and Human Services  
One Ashburton Place  
11th Floor  
Boston, MA 02108

Dear Secretary Bigby:

We are writing as members of the Health Care Quality and Cost Council Advisory Committee in lieu of our attendance at the May 7 meeting. We regret that prior engagements prevented all of us from attending in person. We did, however, want to take the opportunity to provide input to the Council on its performance to date, opportunities for improvement, and priorities going forward.

Earlier this year, the three business groups represented on the Advisory Committee – the Associated Industries of Massachusetts (AIM), Massachusetts Business Roundtable (MBR), and National Federation of Independent Business (NFIB) – sent a letter to the Council expressing our concern with the lack of urgency in the Council’s goals, particularly with regard to cost reduction. The letter, dated January 9, stated that “Employers and other consumers are already in crisis” and challenges the Council’s goal of reducing annual increases in health care costs to GDP by 2012, saying that it “falls short of expectations.” We expressed our hope that, given the plethora of work and research already underway both in Massachusetts and nationwide, the Council’s health reduction goals could be bolder and realized sooner. We are not satisfied that this sense of urgency has permeated the Council’s work and hope that it will guide its efforts moving forward.

The Council’s mission is broad, to both “develop and coordinate the implementation” of health care quality improvement goals that are intended to lower or contain the growth in health care costs while improving the quality of care, including reductions in racial and ethnic health disparities. While the Council has been successful in developing goals, we are concerned that it lacks the resources to coordinate their implementation. And while strategies have been developed to achieve the goals, the Council does not appear to have the authority to enforce them. This leaves us with an uncoordinated, inefficient series of initiatives to control health care costs by a variety of different stakeholders and is an ineffective manner of implementing the state’s short and long-term efforts to control costs.

In 2006, MBR released a report, "Solutions for Massachusetts Health Care: 2006," which was written in coordination with two Council members, Charles Baker of Harvard Pilgrim Health Care and Dr. Tom Lee of Partners Healthcare System. One of the report's recommendations was to establish an organization that is recognized as "the focal point" for the state's performance measurement and quality improvement efforts. While the Council has made significant strides, it is not recognized as "the" focal point leading the state's health care cost control efforts. Given the expertise on the Council, the broad legislative mandate, the current crisis being felt by the state's health care consumers, and the critical importance of cost control for the future of the state's health reform efforts, it should be.

MBR's report also cited the importance of creating a "trusted source" for Massachusetts specific health care data to help influence the pace of improvement in health care system quality, accountability and transparency. We therefore hold out great hope for the launch of the Council's website. As we said in our January letter, however, "transparency" should be seen as a means to an end, not a goal in and of itself. That end, of course, is reductions in cost and improvements in quality. The website, and the information it provides to consumers, should be a valuable tool in the state's cost containment efforts. It will not alone, however, reduce costs. It must be part of a larger strategy that includes consumer incentives, benefit design to reward the most efficient providers, and consumer education. Creating transparency and strong performance-based financial incentives will create an irrefutable business case for the delivery system to engage in the types of clinical restructuring that will achieve significant leaps in both quality and efficiency.

The Council has an extremely broad mandate, is under-resourced relative to that mandate, yet has made significant progress as outlined in its April 2008 Annual Report. You and the Council staff should be commended for those efforts. But health insurance purchasers - large and small, individual and corporate, public and private - are in crisis, and our groundbreaking health care reform law is in jeopardy if we cannot reign in the escalating costs of health care. Moving forward, we respectfully urge you to add a sense of urgency to the Council's work, and make cost containment a top priority so that it can become "the" focal point for discussion, disclosure, and ideas of the Council in the near term. As always, we remain committed to working with you toward this end.

Sincerely,

A handwritten signature in black ink, appearing to read "JD Chesloff". The signature is written in a cursive, flowing style.

JD Chesloff, Deputy Director  
Massachusetts Business Roundtable  
Member, Health Care Quality & Cost Council Advisory Committee



Eileen McAnney, Senior Vice President, Government Affairs  
Associated Industries of Massachusetts  
Member, Health Care Quality & Cost Council Advisory Committee



Bill Vernon, Massachusetts State Director  
National Federation of Independent Business  
Member, Health Care Quality & Cost Council Advisory Committee

cc: Katharine London