ECOH
Employer Coalition on Health

NEWSLETTER Fall 2025

Amplifying the voice of employers in health policy discussions

The HPC Annual Cost Benchmark Public Hearing to be Held on November 12th

The Health Policy Commission, the independent state agency charged with improving the affordability of health care for all residents of the Commonwealth, is holding its annual cost trend hearing on November 12th at Suffolk University Law School in Boston. Noticeably absent from the line-up of invitees to testify are any employers or consumers who can speak to the very real impacts of the growing unaffordability of health insurance coverage in Massachusetts. ECOH encourages all its supporters to submit written testimony outlining how higher costs are adversely affecting your businesses and encouraging them to enact meaningful reforms to reduce the cost of healthcare. The hearing is open to the public, but in order to attend and/or testify in person you must pre-register.

More information about the hearing can be found here.

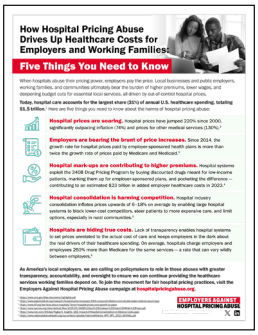
Public Hearings Held on Two of ECOH's Legislative Priorities

The Joint Committee on Public Health held a public hearing on Monday, September 29th on H.2461 — ***An Act to Ensure the Efficient Operation of Hospitals,*** among other bills. The bill, filed by Representative Kane on ECOH's behalf, was drafted in collaboration with Bailit Health, a MA-based consultant group, and the Peterson-Milbank Program for Sustainable Health Care Costs. The report on which this legislation is based examines hospital efficiency standards in other states and uses the best practices from them to recommend efficiency guidelines for hospitals here using three domains: (1) delivery of wasteful hospital services; (2) hospital revenue per unit; and (3) hospital expenses.

The Health Policy Commission (HPC) has identified unit price increase at hospitals as the primary driver of rising health care costs each year for the past several years. To address the growing health care affordability crisis in Massachusetts, this legislation would have the HPC develop a hospital efficiency standard to ensure that hospital operations are as efficient as possible. This information would also help insurers ensure they are paying for high-value care when negotiating provider reimbursement rates.

As ECOH testified at the public hearing, the need for hospitals to realize some efficiencies could not be clearer to the consumers, employers and taxpayers who are paying hospital bills. Read ECOH's testimony here.

The Joint Committee on Financial Services held a public hearing on October 27, 2025. Among the bills heard was H.1215, ***An Act To Assess the Current Status of the Merged Market***. This bill was filed by Rep. Kane at ECOH's request. It creates an Advisory Council to complete a substantive review of the merged health insurance market given the many federal law changes and changing market demographics and dynamics that have occurred since the market was first merged in 2006 to determine what the impacts have been on cost. Read ECOH's testimony here.



ECOH Joins Employers Against Hospital Pricing Abuse

Employers Against Hospital Pricing Abuse, a campaign powered by the National Alliance of Healthcare Purchaser Coalitions, is working with employers and partners nationwide to expose how hospital pricing abuse is driving up costs for businesses and working families – and putting care out of reach in communities across the country.

To learn more about this coalition visit here.

MA Health Connector Convenes Stakeholder Meeting to Discuss Impacts of Federal Health Policy Changes

ECOH was invited to the first quarterly stakeholders' meeting convened by state officials to discuss the impacts and the state government's response to pending federal policy changes that will affect MassHealth and Connector subsidies. More specifically, the federal government shutdown centers around the enhanced COVID-era health insurance subsidies that were enacted by Congress in 2021 which are due to expire. Republicans support their expiration while Democrats want the enhanced subsidies extended. Another provision imposing a requirement on able-bodied childless adults to fulfill a work requirement of 80 hours per month to qualify for Medicaid has caused controversy, with most Republicans supporting this change and most Democrats opposing it. If these changes go into effect, some 330,000 MA residents could be impacted, and Massachusetts will receive $3 billion less in federal funds.

Listen to the MA Health Connector Executive Director Audrey Gastier explain the federal policy implications.

ECOH Submitted Ideas for The Life Science Center's "Transforming Health Care in MA Initiative"

Acknowledging that significant health care affordability challenges persist in Massachusetts, the Massachusetts Life Sciences Center (MLSC), in collaboration with the Division of Insurance (DOI) and the Executive Office of Economic Development (EOED), issued an RFI from stakeholders regarding innovative approaches to managing high-risk claimants within the Commonwealth's unique merged health insurance market.

ECOH responded to the RFI, suggesting the following

1. Establish a high-risk pool that coordinates and tightly manages all aspects of healthcare for the most high-risk patients.

2. Reinsurance that activates when a set dollar amount of claims has been reached so that insurers can price products knowing that costs will be capped at an established amount.

3. Implementation of a Hospital Efficiency Standard to address the continuous and steep rise in unit prices at hospitals. The unit price of hospital care is the largest component of the health insurance premium spend and must be addressed if health insurance premium reduction is the stated goal.

4. Introduction of a capped reimbursement rate product/reference pricing product similar to what Ohio has done. In conjunction with #3 above, these measures begin to rein in the unabating health care cost increases of providers and prescription drugs which drive the cost of health insurance.

5. Allowance of a mandate-free product to be offered alongside a product with mandated benefits. The merged market is subject to 57 mandated benefits that add over $2 billion in the aggregate to the cost of insurance premiums each year. To provide small businesses with a more affordable option and to reduce the cost for employees, employers should be able to offer a mandate-light or mandate-free product alongside a policy with all mandated benefits. Right now, the only option for small businesses are high-deductible health plans that can add significantly to an individual's out-of-pocket expenses.

6. Reexamine the merged market that was created as part of Chapter 58 as a companion provision to the individual mandate in Massachusetts. Since the merger, the ACA was enacted, the federal government provides health insurance premium tax credits, Massachusetts has enacted additional mandates applicable only to the merged market and MA provides health insurance premium subsidies for people with incomes up to 500 percent of the federal poverty level. In light of these policy changes and the steep decline in the number of small businesses purchasing in the merged market, policy makers need to understand the changing market dynamics and changing demographics in order to respond to current needs.

ECOH Executive Director Moderates a Panel at the Mass. Municipal Association Health Care Cost Landscape.

The Massachusetts Municipal Association, in response to the growing fiscal crisis that cities and towns are facing in large part due to health insurance cost increases, invited the ECOH Executive Director to moderate a panel discussion with Matt Veno, Executive Director of the GIC, Chris Bailey, MIIA Health Trust and Paul Sweeney, BCBS of MA.

Lauren Peters, the Executive Director of the Center for Health Information and Analysis, kicked things off with a PowerPoint presentation on the healthcare landscape (click to view here).

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