



October 25, 2017

Senate President Stanley C. Rosenberg  
State House  
Room 332  
Boston, MA 02133

Senator Bruce E. Tarr, Minority Leader  
State House  
Room 308  
Boston, MA 02133

Senator Karen E. Spilka, Chair, Senate Committee on Ways & Means  
State House  
Room 212  
Boston, MA 02133

Senator James T. Welch, Chair, Joint Committee on Health Care Financing  
State House  
Room 309  
Boston, MA 02133

Dear Senate President Rosenberg: Senator Tarr, Senator Spilka and Senator Welch,

The health care reform bill released on October 17 by the Senate's Special Committee on Health Care Cost Containment and Reform reflects the extensive research on health care costs done by Senate members this year. The Massachusetts High Technology Council applauds the Senate's effort to take a comprehensive approach to long-term cost containment across the health care system in Massachusetts.

However, the bill does not do enough to reign in and stabilize rapidly rising costs in the state's MassHealth program, which we believe is the most urgent and acute health care finance issue facing the Commonwealth today.

Under the Senate bill, employers remain saddled with a significant new cost increase without the corresponding reforms to MassHealth enrollment and benefit cost drivers that were the subject of the Baker Administration's proposed package the Council supported earlier this year.

The Council supports the imposition of the new temporary EMAC surcharge on employers, only if it is balanced with significant MassHealth reforms. The Senate legislation does not achieve that balance.

MassHealth is an important safety net for the Commonwealth's most vulnerable citizens and the Council and its members have been willing to shoulder temporary increased cost burdens in order to help stabilize the financial underpinnings of the program. Those additional short-term resources for MassHealth, however must be paired with a comprehensive set of reforms that address the underlying cost drivers that threaten both the long-term sustainability of the program and the broader fiscal health of the Commonwealth.

If the net accomplishment of the legislature in 2017 with respect to the MassHealth cost crisis is to end the year by enacting a response that rests primarily on a \$400M employer tax assessment, it will miss a valuable opportunity to collaborate with employers on meaningful solutions and instead, send an alarming signal to those employers.

The Council urges the Senate and House to act prior to the end of the 2017 legislative session to amend the existing legislation to include a broad set of additional MassHealth reforms and cost savings provisions, including those recommended by the Governor Baker and supported by the Council earlier this year.

We look forward to working expeditiously with legislative leaders and the Baker Administration to ensure that a sound and stable MassHealth program will continue to be available as a critical safety net for Massachusetts citizens.

Sincerely,



Mark J. Gallagher  
Executive Vice President  
Massachusetts High Technology Council, Inc.

Cc:

Members of the Massachusetts Senate  
House Speaker Robert A. DeLeo  
Representative Bradley H. Jones, Jr., Minority Leader  
Representative Jeffrey Sanchez, Chair, House Committee on Ways & Means  
Representative Peter V. Kocot, Chair, Joint Committee on Health Care Financing