Council President Chris Anderson’s Statement on 
The Baker Administration’s Resubmission of MassHealth Reform Package 
July 17, 2017

There is no policy or public expenditure issue currently pending in Massachusetts that will have
greater impact on the Commonwealth’s immediate and long-term economic health and fiscal stability
than the Legislature’s prompt and favorable adoption of the package of MassHealth reforms the
Governor has resubmitted today.

MassHealth now represents 40% of the total state budget driven by cost drivers that, if left unchecked,
risk reducing the Commonwealth’s ability to deliver health care coverage to the most vulnerable citizens
of our state. Without real and immediate reforms as proposed by Governor Baker, MassHealth will
continue to be the cause of recurring and expanding budget shortfalls as any revenue growth is
absorbed by the program’s spiraling costs. Conversely, the realization of just a small percentage of
savings in the $16 billion MassHealth program can free up significant resources to support investments
in other important state budget priorities including education, infrastructure, economic development
and public safety.

In June, the Council and a diverse group of impacted stakeholders supported a balanced package of
reforms to MassHealth and the commercial insurance market along with a $200M assessment on
employers to help fund MassHealth. In exchange for reforms to MassHealth, we remain willing to
shoulder some of the burden to maintain and secure this important safety net for the Commonwealth’s
most vulnerable citizens. The Council is disappointed that the legislature chose to impose only the
employer assessment, without adopting any of the reforms proposed by the Governor.

The Council’s support for any employer assessment has always been absolutely conditioned on the
adoption of reforms to MassHealth that are sufficient to put the program on sustainable financial
footing AND an ironclad commitment to sunset the assessment no later than the end of 2019. Until
such reforms are adopted, the Council cannot and will not support an employer assessment. The
Council is committed to working with Governor Baker and the Legislature to adopt and implement these
critical modifications to MassHealth.

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