

Dedicated to Growth... Committed to Action

June 26, 2017

The Honorable Karen E. Spilka Room 212 State House Boston, MA 02133

The Honorable Brian S. Dempsey Room 243 State House Boston, MA 02133

Dear Chairwoman Spilka and Chairman Dempsey,

The Massachusetts High Technology Council supports the MassHealth reform and funding package recommended to you and your fellow House and Senate budget conferees by the Baker Administration on June 20, and we ask you to do the same. We believe the Administration's proposal represents a comprehensive, reform-focused effort that can help to rein in unsustainable cost drivers that threaten the stability of MassHealth and the fiscal health of the Commonwealth.

The Council's support extends to the temporary assessment on employers included in the June 20 recommendations. We believe the assessment will serve as an important means to provide interim financial support for MassHealth until the proposed reforms can be fully implemented and cost savings realized. The Council's support for the proposed EMAC increase, however, is absolutely conditioned on the adoption of the proposed reforms to MassHealth <u>and</u> an ironclad commitment to sunset the assessment no later than the end of 2019.

The Commonwealth's MassHealth program as currently structured is fundamentally unsustainable. Immediate modifications are essential to preserve MassHealth as an important safety net for residents of the Commonwealth who truly need it. In addition, without such reforms, MassHealth spending will continue to encroach on other critical state investments in education, infrastructure, economic development, public safety and other budget priorities.



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More revenue alone will not make MassHealth sustainable. The program's cost-drivers must be brought under control. Aligning MassHealth's eligibility standards and benefit levels with those of well-managed Medicaid programs in other states presents an impactful and responsible opportunity to secure MassHealth's long-term sustainability and improve the overall fiscal stability of the Commonwealth.

We know you are well aware of the fiscal challenges Massachusetts faces in FY18 and beyond. But we believe any serious response to these challenges, whether short-term fix or long-term solutions must include a significant modification of the MassHealth program. The Council is committed to working with you, your fellow legislators in the House and Senate and Governor Baker to advance these critically important modifications to MassHealth.

Sincerely,

Mark J. Gallagher

Executive Vice President

Public Policy & Communications

Mass. High Technology Council

Cc: Hon. Stanley C. Rosenberg

Hon. Robert A. DeLeo

Hon. Sal N. DiDomenico

Hon. Viriato M. deMacedo

Hon. Stephen Kulik

Hon. Todd M. Smola