*An Act strengthening primary care and advancing health care affordability*

## EXECUTIVE SUMMARY

This comprehensive health care bill transforms primary care by shifting the health care system toward prevention, innovative care models, and community-based care while improving affordability through payment reforms, and investing in the education and training of the health care workforce. It makes historic investments in primary care and ensures accountability through targeted metrics, establishes an advanced primary care payment model, expands access to care through innovative models like mobile integrated health, creates an expedited determination of need process for certain community hospitals, strengthens community health centers, supports workforce development, promotes prescription drug affordability through pharmacy benefit manager reforms and establishes consumer protections and reduces administrative burden by regulating the use of artificial intelligence in health insurance utilization review. Together, these reforms improve access to high-quality care, lower costs and build a more sustainable, patient-centered health care system.

### Increasing Primary Care Spending and Assessment

This bill establishes statewide primary care investment targets, gradually increasing primary care spending to:

- 9% of all health care spending by 2030;
- 12% of all health care spending by 2033; and
- 15% of all health care spending by 2036.

- Creates a primary care payment collaborative within the Division of Insurance to develop advanced primary care payment models and standards for qualifying models.
- Requires carriers to adopt and offer a primary care payment model to primary care providers and practices.
- Links progress on the statewide primary care target to the existing cost growth benchmark and authorizes the Health Policy Commission (HPC) to mandate certain health care entities to file and implement a primary care commitment to improve efficiency, increase primary care investment and control health care costs.
- Reduces administrative burden on providers through consistency and alignment on reporting requirements.

### Health Care Workforce Development

Establishes the Health Care Workforce Transformation Fund, funded with an initial $25 million, to address primary care workforce shortages and make long-term investments in Massachusetts' health care workforce. Expands education through scholarships, loan repayment, clinical training, career pathways, advanced and accelerated degrees while supporting partnerships between public and private partnerships for institutions of higher education, vocational technical schools, behavioral health providers, nonprofits, and others.

### Federally Qualified Health Center Rate Floor

Community health centers are often reimbursed less by commercial insurers than by MassHealth for providing the same services. This bill reforms payments to federally qualified community health centers, to ensure they are paid the same rate by commercial insurers, as they are paid by MassHealth. By reducing chronic underpayment, the proposal strengthens community health centers' ability to provide comprehensive primary care and improve access to care in underserved communities.

### Strengthening the Health Safety Net and Financial Stability

Strengthens the financial stability of health care providers, invests in the Health Safety Net, and protects patient access to care by expanding the allowable uses of the Commonwealth Federal Matching and Debt Reduction Fund to sustain hospitals and community health centers.

**Ensuring Responsible Use of Artificial Intelligence**

The bill establishes safeguards for the use of artificial intelligence in health insurance utilization review to ensure technology supports, not replaces, clinical decision-making by:

- Establishing statutory definitions for artificial intelligence and automated utilization review tools and establishes requirements for carriers and utilization review organizations that use these tools.
- Requiring carriers and utilization review organizations to disclose their use of automated utilization review tools to providers and the public, and to identify when such a tool was used in connection with an adverse determination.
- Authorizes the Division of Insurance (DOI) to promulgate regulations, oversee compliance and enforce these protections.

**Promoting Prescription Drug Affordability & PBM Accountability**

The bill strengthens oversight of pharmacy benefit managers (PBMs) and helps ensure prescription drug savings are shared directly with patients by:

- Requiring carriers, PBMs and affiliated entities to apply at least 80% of estimated prescription drug rebates to reduce patient cost-sharing at the pharmacy counter.
- Requiring cost-sharing amounts paid by or on behalf of an insured to count toward applicable cost-sharing requirements, subject to applicable federal requirements for HSA-qualified health plans.
- Expanding oversight to affiliated entities and other organizations operating within vertically integrated PBM structures.
- Requiring annual reporting to DOI demonstrating compliance and authorizes enforcement for violations.

**Enhancing Reporting Requirements and Transparency**

The bill strengthens oversight and reporting across the health care system by:

- Expanding reporting requirements related to primary care and health care spending.
- Strengthening oversight responsibilities for state agencies.
- Providing implementation and enforcement authority necessary to carry out the legislation.
- Establishing methodologies for tracking primary care spending.

**Expedited Determination of Need**

Creates an expedited DoN process for qualifying projects community hospitals to expand primary care, behavioral health, maternal health, and services in underserved communities, allowing qualifying projects to receive priority review and decisions within 60 days.

**Mobile Integrated Health**

Expands access to care by requiring health insurers to cover mobile integrated health services, allowing patients to receive high-quality care in their homes and communities. By supporting chronic disease management, post-discharge follow-up, preventive care, and coordination with primary care providers, this reform improves patient outcomes while reducing unnecessary emergency department visits and hospitalizations.