

Massachusetts Strategies to Improve Oversight, Accountability, & Transparency

Health Care Spending Oversight

Health care spending oversight entities monitor and track health care spending systematically, offering data and research support to ensure efficient resource use. While many states set population health priorities, some have established oversight entities with enforcement powers. Strategies tracked include:

- Health Care Spending Benchmarks
- Authority to Enforce Health Care Spending Benchmarks
- Hospital or Primary Care Spending Oversight Entities

Prescription Drug Affordability Boards

Some states have established independent entities charged with reviewing high-cost prescription drugs and recommending strategies to improve affordability. In certain cases, these boards are authorized to set upper payment limits to curb excessive drug prices. Strategies examined in this section include:

- Prescription Drug Affordability Board Established
- Prescription Drug Upper Payment Limits Established

All-Payer Claims Databases

All-payer claims databases (APCDs) compile diverse health care data that may include health, dental, and pharmacy claims from private insurers, state employee health programs, Medicare, and Medicaid. In instances where a database includes only some of these payers, it is referred to as a multi-payer claims database. Typically created through legislation, APCDs are often subject to state oversight and regulation. However, some claims databases have been voluntarily developed by independent entities, limiting oversight. Strategies examined in this section include:

- All-Payer Claims Database Established
- All-Payer Claims Database Operated by the State

Price Transparency

This section evaluates state efforts to provide access to health care price data through a publicly available and easily accessible tool. Strategies examined in this section include:

- Price Transparency Tool Established
- Prescription Drug Price Transparency Tool Established



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All-Payer Claims Database

Policy	Status as of June 2025	Summary
Established an All-Payer Claims Database (APCD)	 State has a(n) all-payer or multi-payer claims database	
All-Payer Claims Database (APCD) Operated by the State	 APCD is operated by the state	

Prescription Drug Affordability Board

Policy	Status as of June 2025	Summary
Established Prescription Drug Affordability Board (PDAB)	 The state has an active prescription drug affordability board	The Massachusetts Executive Office of Health and Human Services may directly negotiate supplemental rebate agreements with drug manufacturers. If an agreement cannot be reached, the manufacturer may be referred to the Health Policy Commission (HPC) for review. The HPC can identify a proposed value of the drug and propose a supplemental rebate.
Prescription Drug Upper Payment Limits	 The state has not established Upper Payment Limits for prescription drugs	



State Has Active Policy or Program



Policy or Program Partially Implemented



State Does Not Have an Active Policy or Program



No Source, or Limited Information Found

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Price Transparency

Policy	Status as of June 2025	Summary
Service Cost Price Transparency Tool	 State has a public-facing price transparency tool that reports negotiated rates	
Prescription Drug Price Reporting Requirement	 Organizations are not required to report prescription drug price information to a state entity	

Health Care Spending Oversight

Policy	Status as of June 2025	Summary
Health Care Spending Benchmark	 State has established a health care spending benchmark for providers, insurance carriers, or both	Massachusetts's Cost Growth Benchmark was set at 3.6% in 2017, 3.1% from 2018-2022, and 3.6% from 2023-2025. The statewide health spending target is applied to a broad range of health care entities, including health insurance payers, hospitals, clinics, and medical groups.
Authority to Enforce Health Care Spending Benchmark	 State has an enforcement mechanism for their health care spending benchmark(s)	Entities whose spending grows faster than the target growth rate are subject to detailed reviews, may be required to submit Performance Improvement Plans (PIPs) designed to bring their spending growth in line with the target, and face financial penalties of up to \$500,000 for noncompliance with PIPs.
Hospital or Primary Care Spending Oversight Entity	 State monitors and reports hospital spending, primary care spending, or both	Massachusetts' Health Policy Commission and the Center for Health Information and Analysis (CHIA) monitor hospital and primary care spending. The Health Policy Commission also manages drug spending and acts the same as a Prescription Drug Affordability Board.



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Policy or Program Partially Implemented



State Does Not Have an Active Policy or Program



No Source, or Limited Information Found

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