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**Statement by Lora Pellegrini, President and CEO of the Massachusetts Association of Health Plans, on the Health Policy Commission’s 2022 Health Care Cost Trends Hearing
November 2, 2022**

“The Massachusetts Association of Health Plans applauds the Health Policy Commission for its decade-long commitment to identifying and analyzing drivers of health care spending and developing sound policy recommendations to address continued price growth in Massachusetts. As we look towards the Commission’s next decade, it is imperative that concrete steps are taken to rein in health care costs and hold pharmaceutical manufacturers and providers accountable for continued price increases that threaten our collective ability to meet the state’s cost growth benchmark. Now is not the time to delay or weaken our commitment to bending the cost curve in Massachusetts.

MAHP and our member plans remain committed to fighting for high quality and equitable health care at lower costs for employers and consumers, but critical health plan tools used to improve quality and control costs are under attack by pharmaceutical manufacturers and others. Just this week, HB 4929 *An Act Relative to Step Therapy and Patient Safety*, became law. This law will challenge a health plan’s ability to drive members to safe, effective, and lower cost pharmaceutical alternatives in favor of new, high-cost name brand drugs. It will lead to higher costs for employers and consumers, increasing pharmaceutical spending on top of existing annual spending growth. In 2020, while spending decreased for every other category of service, pharmaceutical spending skyrocketed by 8.6%, driven almost entirely (79.2%) by branded drugs that comprise less than 15% of the commercial volume. If health plan tools continue to be eroded, health care costs will continue to rise and we will not meet the challenges of health care cost containment.

In Massachusetts, close to 90% of every premium dollar is spent on direct medical care. As premiums reflect the cost of care, holding all entities accountable to a strong cost growth benchmark and taking concrete steps to address health care cost drivers are essential to making health care more affordable for residents of the Commonwealth. Now is the time for all stakeholders in the health care sector to join with us and work towards making health care affordable for all our residents.”

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