

CAPE CARE COALITION

Cape Care Community Health Trust rev. 2/01/09

Introduction to the Cape Care Model Plan and the Cape Care Community Health Trust

Cape Cod has, for many years, been characterized by the high percentage of individuals without health care insurance. Pursuant to the reforms of 2006, many more individuals do now have an insurance card, although current information suggests that the uncovered percentage remains well above the state average. They are, however, finding access to primary care very limited, and access to outpatient specialty care nearly impossible on-Cape.

The Institute of Medicine of the National Academy of Sciences reports that lack of health care coverage results in care delayed or foregone, and is associated with preventable illness, disability and premature death. Based on their national statistics, it is fair to estimate that about eighteen people die unnecessarily every year on this beautiful peninsula, simply for lack of access to care.

Improving the availability of such care- and the health- of this large number of individuals has always been a primary driving force in the genesis and development of the Cape Care Model Plan. Better outcomes are known to reflect access to affordable and appropriate care. The Cape Care Plan would provide access to a primary care “home” for every resident, and to specialist services as appropriate. [Sect. 1 - Preamble (b); Sect. 5; Sect. 13; Sect. 18]

The current funding of health care expenses, with very high costs and large out-of-pocket obligations, is regressive, and imposes a disproportionate financial burden especially upon families of limited means. This spending represents a diminution in available resources that might well go to housing, thereby making all shelter less “affordable.” And in these times, when the threat of foreclosure looms suddenly larger for so many families, the devastating impact of unexpected illness may well spell bankruptcy (studies show that the majority of personal bankruptcies are attributable to medical costs.)

Cape Care, deriving revenues from current state and federal funding, and from community tax support, would remove most unpredictable health care costs. [Sect. 1 - Preamble (a); Sect. 18; Sect. 21.] Health crises would not snowball into homelessness crises.

The Cape’s predominantly small-scale employers (we have twice the state rate of single-proprietor-run businesses, and 95% of Cape employers have less than 20 employees) face a very expensive employee benefit in health care insurance. In fact, most cannot or do not provide coverage. Available evidence suggests that fewer and fewer employers will be able or willing to afford this expense.

Cape Care Community Health Trust

Even the municipalities have seen annual premium increases of 10-15%, forcing difficult cuts in town operations and services, as they must, to balance budgets.

Under the Cape Care Plan, every resident would be covered. No employer would be responsible for the costs of providing for their employees' health care coverage and no individual would depend on his or her employment for insurance. [Sect. 1 - Preamble (b); Sect. 21.]

A concern that impacts all of us living on Cape Cod is the adverse economic climate for our health care providers and institutions. With its high cost of living, yet "rural area" reimbursement profiles and economic difficulties that limit income, many physicians have found practice here to be unsustainable, and have left the area. The mid-Cape, in particular, suffers a significant deficit of primary care physicians. Appointments are delayed, and new patients report difficulty finding a health care provider.

Cape Care, by reducing the administrative burdens and considerable expenses of the current multiple-payer morass, by improving the practice environment through care coordination, communication and education, and by setting appropriate reimbursement schedules which reflect the critical role of cognitive primary care services, will certainly improve the attractiveness of the Cape as a practice site for primary care physicians. [Sect. 1 – Preamble (c); Sect. 5; Sect. 11; Sect. 18; this subject is developed in much greater detail in the Cape Care Draft Model Plan document.]

The single dominant institutional health care provider on Cape Cod has faced unprecedented financial challenges, in no small part owing to the contractual arrangements that insurance plans have devised which pit physicians against hospitals. The financial impact has threatened the availability of some services for all residents. With the dramatic reduction in insurer role that would occur in a Cape Care system, this devastating mal-alignment of interests would be eliminated. In fact, the self-insurance model would create strong incentives toward efficient, cost-saving systems of care. Savings, rather than going to insurers, would be retained, to limit funding requirements, or to improve covered services and reimbursement.

Cost control will be central to the plan. Beginning of course, with the substantial administrative savings of a single centralized not-for-profit revenue-collection and provider reimbursement structure, and a great reduction in the number of different coverage and appeals policies, claims processes, formularies and profit centers that characterize our current structure. We anticipate volume purchase of pharmaceuticals, supplies and some services to bring additional savings.

Beyond these purely fiscal benefits are the real savings anticipated in quality of life, with a public health approach and a strong emphasis on preventive and chronic disease care.

Cape Care Community Health Trust

Many health conditions can be carefully managed, at a reasonable cost, to avoid much higher-priced hospital care and high-tech interventions. [Sect. 1 Preamble (a); Draft Model Plan Sect. V1.]

And a last, but certainly not least concern, one not specific to Cape Cod, nor only to those of low income or uncovered, is the quality of our care. Abundant evidence shows that we, as a nation, are not getting anywhere near our money's worth in the services we receive. Certainly, some of the explanation for our strikingly poor health statistics, compared with most developed countries, lies with the large number of people without access to regular medical care. This is underutilization, and results in the clinical waste of poorly treated chronic disease, and less-than-satisfactory infant health statistics. As noted, these disparities would be greatly reduced under our plan for uniform universal coverage.

There is significant over-utilization, as well. Excessive use of expensive tests for those covered by insurance and over-prescribing of the newest and most costly pharmaceuticals are obvious examples, which result in high costs that contribute little or nothing to improved health.. In developing the Plan, we have put considerable thought and effort into developing feedback and education systems that will help guide providers toward evidence-based, appropriate utilization of new technology. [Sect. 21(1)(d); again, more fully developed in the Draft Model Plan.]

Beyond these, however, is an inescapable fact of our current health care environment. We do not have anything that we can honestly call a "system" to deliver our health care. Rather uniquely in the world, in fact, is the absence of real centralized health information collection, planning, budgeting, coordination and oversight. Every other developed nation has established some system to perform these crucial functions. This, in large part, explains both the extraordinary differentials in spending, and their better health outcomes.

In the US, there are excellent models of such systems. The Veterans Administration Health System, Kaiser Permanente and others have developed visionary models of care delivery.

We propose, with the Cape Care Model Plan, a community-owned health system, modeled on elements of those others. We see care built around a shared Electronic Medical Record, care teams, independent clinical educators, and appropriate settings of care delivery. Where the quality of the care delivered is a commitment shared across the spectrum, and where the performance of the system is openly reported and discussed with the community. [Sect. 1 - Preamble (c).]

The Cape Care Model Plan would be much more than just an efficient financing system. It would use the existing and expanded network of private and institutional health care providers to provide an integrated continuum of health care to all residents, accessibly and affordably. To cite again the Institute of Medicine, "The estimated value across the

Cape Care Community Health Trust

population in healthy years of life gained by providing health insurance coverage is almost certainly greater than the additional costs.”

The draft Cape Care Community Health Trust bill that follows is intended to enable the establishment of the community-owned trust fund, which constitute be the self-insured core of the Cape Care Model Plan proposal. The Trust’s purposes, authorities, governance, functioning and funding are systematically detailed herein.

Cape Care Community Health Trust

Table of Contents

“CAPE CARE COMMUNITY HEALTH TRUST” - SECTION SUMMARIES:	6
SECTION 1: PREAMBLE	10
(A) COST CONTROL AND AFFORDABILITY.....	10
(B) UNIVERSAL EQUITABLE ACCESS.....	11
(C) QUALITY OF CARE.....	11
SECTION 2: DEFINITIONS	11
SECTION 3. ESTABLISHMENT OF THE CAPE CARE COMMUNITY HEALTH TRUST	13
SECTION 4: POWERS	14
SECTION 5: PURPOSES	15
SECTION 6: BOARD OF TRUSTEES; COMPOSITION; POWERS AND DUTIES	16
SECTION 7: EXECUTIVE DIRECTOR; PURPOSE AND DUTIES	19
SECTION 8: MEDICAL DIRECTOR AND QUALITY ASSURANCE DIVISION; DUTIES AND PURPOSE	20
SECTION 9. PROFESSIONAL ADVISORY BOARD	21
SECTION 10: ADMINISTRATIVE DIVISION; DIRECTOR; PURPOSE AND DUTIES	22
SECTION 11: PLANNING DIVISION; DIRECTOR; PURPOSE AND DUTIES	23
SECTION 12: INFORMATION TECHNOLOGY DIVISION; PURPOSE & DUTIES	24
SECTION 13: REGIONAL OFFICES	25
SECTION 14: ELIGIBLE PARTICIPANTS	25
SECTION 15: ELIGIBLE HEALTH CARE PROVIDERS AND FACILITIES	25
SECTION 16: PROSPECTIVE PAYMENTS TO ELIGIBLE HEALTH CARE PROVIDERS AND FACILITIES FOR OPERATING EXPENSES	26
SECTION 17: RETROSPECTIVE PAYMENTS TO ELIGIBLE HEALTH CARE PROVIDERS AND FACILITIES FOR OPERATING EXPENSES	27
SECTION 18: FUNDING FOR CAPITAL INVESTMENTS BY ELIGIBLE HEALTH CARE PROVIDERS AND FACILITIES	27
SECTION 19: COVERED BENEFITS	27
SECTION 20: FUNDING SOURCES	30
SECTION 21: INSURANCE DISCLOSURE	35
SECTION 22: HEALTH TRUST REGULATORY AUTHORITY	35
SECTION 23: IMPLEMENTATION OF THE HEALTH CARE TRUST	35
INDEX	36

Cape Care Community Health Trust

“Cape Care Community Health Trust” - Section summaries:

Section 1: Preamble.

Equal access to quality health care for all residents is the foundation for a healthy community. Currently, rising costs are a hardship for all, and care is becoming less accessible across Barnstable County. The Cape Care Community Health Trust will promote cost control and affordability; provide universal equitable access to coordinated, comprehensive health care benefits; and employ evidence-based systems to enhance to quality of services.

Section 2: Definitions.

Key terms used in this chapter are defined.

Section 3. Establishment of the Cape Care Community Health Trust.

The Trust, a public instrumentality of Barnstable County, is established, and has limits defined for its trustees, officers and employees.

Section 4: Powers.

Broad authorizations for the varied activities necessary to carry out the purposes of the Trust, including making contracts and agreements, ownership of property, hiring of officers, employees and consultants, establishing advisory boards, managing and investing funds.

Section 5: Purposes.

The Trust shall guarantee access for every Barnstable County resident to appropriate health care services, shall achieve measurable improvements in outcomes, shall save money through a single administrative structure and improve satisfaction among both care providers and consumers.

The Trust shall be the payer for all covered services to residents; and public education as indicated and health-risk reduction efforts.

Cape Care Community Health Trust

Section 6: Board of Trustees; Composition; Powers and Duties.

Six trustees shall be elected, one from each state legislative district on the Cape, and seven to eleven trustees shall be appointed ex-officio, representing designated organizations.

Terms and responsibilities are delineated; oversight of administration of Cape Care Community Health Trust, including the Executive Director; oversight of annual budget process; establishment of all necessary policies; prudent management of Trust funds; review and reporting on system performance.

Section 7: Executive Director; Purpose and Duties.

Authority and responsibilities of the executive and administrative head of the Trust; reports to the Trustees.

Section 8: Medical Director and Quality Assurance Division; Powers and Duties

The chief medical officer shall have overall responsibility for assuring the appropriateness and adequacy of services delivered under the Trust, and shall direct the division. The medical director shall establish standards of care, recommend benefit coverage, and review services provided under the Trust.

Section 9: Professional Advisory Board

Comprised of participating health care providers and others, and chaired by the medical director, responsible for the oversight of health care policy and delivery, and provider relations.

Section 10: Administrative Division; Director; Purpose and Duties.

The division shall be responsible for the collection, investment and disbursement of funds; and budget development.

Section 11: Planning Division; Director; Purpose and Duties.

The division shall be responsible for coordinating health care resources to ensure all eligible participants reasonable access to covered services, and for the short- and long-term planning for the resources required to meet community needs.

Section 12: Information Technology Division; Purpose & Duties.

The division shall be responsible for development of electronic medical record and prescribing systems; integrating all relevant data sources for planning and public health purposes; and preparing an annual report on outcomes measures to the County and community.

Cape Care Community Health Trust

Section 13: Regional Offices.

Three regional offices shall provide health promotion and wellness activities and other needed member services.

Section 14: Eligible Participants.

Defines all Barnstable County residents as eligible to be enrolled and covered; defines out-of-network care coverage provisions.

Section 15: Eligible Health Care Providers and Facilities

Defines eligible licensed providers; establishes conditions for participation, including non-discrimination and no unauthorized balance-billing or out-of-pocket charges.

Section 16: Prospective Payments to Eligible Health Care Providers and Facilities for Operating Expenses.

Establishes a range of payment mechanisms, from fee-for-service, to capitated, to overall operating budget basis, for providers of covered services.

Section 17: Retrospective Payments to Eligible Health Care Providers and Facilities for Operating Expenses.

Provides for retrospective adjustment of payments made as indicated by unexpected variance in service utilization or expenditures.

Section 18: Funding for Capital Investments by Eligible Health Care Providers and Facilities.

The Trust shall not directly fund capital investments by providers. Payments for health care services may be directed to capital needs.

Section 19: Covered Benefits.

Sets the goals for provision of all high quality, appropriate and medically necessary health care services; reductions in health risks and increased use of preventive services; the integration of physical, mental and behavioral health care; and the assurance of a primary care “medical home” for every covered individual.

Defines the comprehensive lifetime benefits that would be available to every individual - as age-appropriate or necessary. Requires development of standards for utilization through an open evidence-based process, and an appeal process for non-covered benefits.

Cape Care Community Health Trust

Section 20: Funding Sources.

Identifies the proposed financing mechanisms, beginning with the savings expected in a coordinated system approach to care delivery. Premised on retention of current federal, commonwealth and other governmental subdivision expenditures for health care services to residents. Cape Care anticipates Medicare Advantage, MassHealth, Commonwealth Connector certification as a managed care organization for covered residents.

Details the residual funding sources sought; a county property tax, requiring authorization by the Commissioners; and an Employer Health Care Contribution, with the expectation that this shall meet state employer obligations under Ch. 58; and all available collateral sources.

Section 21: Insurance reforms.

Requires of insurers written disclosure to prospective private insurance purchasers of the comparative availability, scope of benefits coverage, provider networks including ancillary services, and costs of enrollment in the Cape Care Community Health Trust.

Section 22: Health Trust regulatory authority.

The Trust shall adopt and promulgate regulations to implement the Trust; emergency regulations to be in effect only for transition period.

Section 23: Implementation of the Health Care Trust.

Sets transition timelines; from first meeting of Trustees within ninety days of enactment; to provider enrollments and policy development by two years; and full implementation of the benefit plan within three years of enactment.

Cape Care Community Health Trust

Senate / House No. _____ “Cape Care Community Health Trust”

By Mr. O’Leary and Mr. Patrick and other members of the General Court for legislation to establish the Cape Care Community Health Trust.

Health Care Financing.
The Commonwealth of Massachusetts
Seal of the Commonwealth of Massachusetts

In the Year Two Thousand and Nine.
AN ACT to establish the Cape Care Community Health Trust

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

The Massachusetts General Laws are hereby amended by adding the following new chapter:

Section 1: Preamble.

The foundation for a productive and healthy Barnstable County is a health care system that provides equal access to quality health care for all its residents. Massachusetts spends more on health care per capita than any other state or country in the world, causing undue hardship for the state, municipalities, businesses, and residents, but without achieving universal access to quality health care. In Barnstable County, the worsening economic pressure on care providers has resulted in out-migration, with diminished access to care. The Cape Care Community Health Trust will promote the three main pillars of a just, efficient health care system for our residents: cost control and affordability, universal equitable access, and high quality medical care.

(a) Cost Control and Affordability

Controlling costs is the most important component of establishing a sustainable health care system for the County. The Cape Care Community Health Trust will control costs by establishing a global budget, by achieving significant savings on administrative overhead through consolidating the financing of our health care system, by volume purchasing of pharmaceuticals and medical supplies, and by more efficient use of our health care facilities and provider network. The strong public health tradition in this county will be strengthened by enhanced data management capabilities, and will lead to improved control of infectious disease and environmental health risks. Our present

Cape Care Community Health Trust

fragmented system does not effectively support effective preventive care. Cape Care will enhance primary care “homes” for all enrolled; coordinating health services and removing barriers to access will promote early detection and intervention, avoiding more serious illnesses and more costly treatments.

(b) Universal Equitable Access

Thousands of Barnstable County residents still lack health insurance coverage of any sort. Even more residents are covered by plans requiring high deductibles and co-payments that make medical care unaffordable even for the insured. Even with insurance, many barriers impede access to care. The Community Health Care Trust shall provide health care access to all residents without regard to financial status, employment status, ethnicity, gender, or previous health problems. Coverage shall be continuous and affordable for individuals and families, since there will be minimal or no financial barriers to access, such as co-pays or deductibles. And a coordinated approach to care will assure that continuous primary care and timely access to specialty care is available to all.

(c) Quality of Care

The World Health Organization rates health outcomes in the United States health care system lower than those of almost all other industrialized countries, and a number of developing countries as well. Poor health outcomes result from the lack of universal access, the lack of oversight on quality due to the fragmentation and complexity of our health care system, and the frequent lack of preventive and comprehensive care benefits offered under commercial health plans. The Trust will reduce errors through information technology, will improve medical care by eliminating much of the present administrative complexity to focus on care, and will incorporate evidence-based, non-commercial education for both providers and consumers. The facilitation of community-wide Electronic Health Records as a means to enhance effective, coordinated and affordable health care, will be a key enhancement possible within a true care-delivery system. The Trust shall solicit and evaluate input from patients on the functioning of the health system, and shall report to the County and community on outcomes measures.

Section 2: Definitions.

The following words and phrases as used in this chapter shall have the following meanings, except where the context clearly requires otherwise:

“**Board**” means the board of trustees of the Cape Care Community Health Trust.

Cape Care Community Health Trust

“Employer” means every person, partnership, association, corporation, trustee, receiver, the legal representatives of a deceased employer and every other person, including any person or corporation operating a railroad and any public service corporation, the state, county, municipal corporation, township, school or road, school board, board of education, curators, managers or control commission, board or any other political subdivision, corporation, or quasi-corporation, or city or town under special charter, or under the commission of government, using the service of another for pay in the commonwealth.

“Executive Director” means the executive director of the Cape Care Community Health Trust.

“Health care” means care provided to a specific individual by a licensed health care professional to promote physical and mental health, to treat illness and injury and to prevent illness and injury.

“Health care facility” means any facility or institution, whether public or private, proprietary or nonprofit, that is organized, maintained, and operated for health maintenance or for the prevention, diagnosis, care and treatment of human illness, physical or mental, for one or more persons.

“Health care provider” means any professional person, medical group, independent practice association, organization, health care facility, or other person or institution licensed or authorized by law to provide professional health care services to an individual in the commonwealth.

“Health maintenance organization” means a provider organization that meets the following criteria:

- (1) Is fully integrated operationally and clinically to provide a broad range of health care services;
- (2) Is compensated using capitation or overall operating budget; and
- (3) Provides health care services primarily through direct care providers who are either employees or partners of the organization, or through arrangements with direct care providers or one or more groups of physicians, organized on a group practice or individual practice basis.

“Professional advisory board” means a committee of advisors appointed by the Trustees.

“Resident” means a person who lives in Barnstable County as evidenced by an intent to continue to live in Barnstable County and to return to Barnstable County if temporarily absent, coupled with an act or acts consistent with that intent. The Trust shall adopt

Cape Care Community Health Trust

standards and procedures for determining whether a person is a resident. Such rules shall include:

(1) a provision requiring that the person seeking resident status has the burden of proof in such determination;

(2) a provision requiring reasonable durational domicile requirements not to exceed 2 years for long term care and 90 days for all other covered services;

(3) a provision that a residence established for the purpose of seeking health care shall not by itself establish that a person is a resident of the County; and

(4) a provision that, for the purposes of this chapter, the terms “domicile” and “dwelling place” are not limited to any particular structure or interest in real property. Homeless individuals meeting criteria above shall specifically be considered “resident.”

“**Trust**” means the Cape Care Community Health Trust established in section three of this chapter.

Section 3. Establishment of the Cape Care Community Health Trust.

There is hereby created an independent body, politic and corporate, to be known as the Cape Care Community Health Trust, also hereinafter referred to as the Trust, to function as the single public agency responsible for the collection and disbursement of funds required to provide health care services for every resident of Barnstable County. The Cape Care Community Health Trust is hereby constituted a public instrumentality of the County and the exercise by the Trust of the powers conferred by this chapter shall be deemed and held the performance of an essential governmental function. The Cape Care Community Health Trust is hereby placed in some relation, to be determined, to the Barnstable County Department of Human Services, but shall not be subject to the supervision or control of said office or of any board, bureau, department or other agency of the commonwealth or county except as specifically provided by this chapter.

The provisions of chapter two hundred sixty-eight A shall apply to all trustees, officers and employees of the Cape Care Community Health Trust, except that the Cape Care Community Health Trust may purchase from, contract with or otherwise deal with any organization in which any trustee is interested or involved: provided, however, that such interest or involvement is disclosed in advance to the trustees and recorded in the minutes of the proceedings of the Cape Care Community Health Trust: and provided, further, that a trustee having such interest or involvement may not participate in any decision relating to such organization.

Neither the Cape Care Community Health Trust nor any of its officers, trustees, employees, consultants or advisors shall be subject to the provisions of section three B of chapter seven, sections nine A, forty-five, forty-six and fifty-two of chapter thirty, chapter

Cape Care Community Health Trust

thirty B or chapter thirty-one: provided, however, that in purchasing goods and services, the corporation shall at all times follow generally accepted good business practices.

All officers and employees of the Cape Care Community Health Trust having access to its cash or negotiable securities shall give bond to the Cape Care Community Health Trust at its expense, in such amount and with such surety as the board of trustees shall prescribe. The persons required to give bond may be included in one or more blanket or scheduled bonds.

Trustees, officers and advisors who are not regular, compensated employees of the Cape Care Community Health Trust shall not be liable to the commonwealth, to the Trust or to any other person as a result of their activities, whether ministerial or discretionary, as such trustees, officers or advisors except for willful dishonesty or intentional violations of law. The board of the Cape Care Community Health Trust may purchase liability insurance for trustees, officers, advisors and employees and may indemnify said persons against the claims of others.

Section 4: Powers.

The Cape Care Community Health Trust shall have the following powers:

- (1) to make, amend and repeal by-laws, rules and regulations for the management of its affairs;
- (2) to adopt an official seal;
- (3) to sue and be sued in its own name;
- (4) to make contracts and execute all instruments necessary or convenient for the carrying on of the purposes of this chapter;
- (5) to acquire, own, hold, dispose of and encumber personal, real or intellectual property of any nature or any interest therein;
- (6) to enter into agreements or transactions with any federal, state or municipal agency or other public institution or with any private individual, partnership, firm, corporation, association or other entity;
- (7) to appear on its own behalf before boards, commissions, departments or other agencies of federal, state or municipal government;

Cape Care Community Health Trust

- (8) to appoint officers and to engage and employ employees, including legal counsel, consultants, agents and advisors and prescribe their duties and fix their compensations;
- (9) to establish advisory boards;
- (10) to procure insurance against any losses in connection with its property in such amounts, and from such insurers, as may be necessary or desirable;
- (11) to invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in such investments as may be lawful for fiduciaries in the commonwealth pursuant to sections thirty-eight and thirty-eight A of chapter twenty nine;
- (12) to accept, hold, use, apply, and dispose of any and all donations, grants, bequests and devises, conditional or otherwise, of money, property, services or other things of value which may be received from the United States or any agency thereof, any governmental agency, any institution, person, firm or corporation, public or private, such donations, grants, bequests and devises to be held, used, applied or disposed for any or all of the purposes specified in this chapter and in accordance with the terms and conditions of any such grant. A receipt of each such donation or grant shall be detailed in the annual report of the Cape Care Community Health Trust; such annual report shall include the identity of the donor, lender, the nature of the transaction and any condition attaching thereto;
- (13) to do any and all other things necessary and convenient to carry out the purposes of this chapters.

Section 5: Purposes.

The purposes of the Cape Care Community Health Trust shall include the following:

- (1) To guarantee every Barnstable County resident access to high quality health care by providing reimbursement for all medically appropriate health care services offered by the eligible provider or facility of each resident's choice;
- (2) To save money by replacing the current mixture of public and private health care plans with a uniform and comprehensive health care plan available to every Barnstable County resident;
- (3) To replace the redundant private and public bureaucracies required to support the current system with a single administrative and payment mechanism for covered health care services;

Cape Care Community Health Trust

- (4) To use administrative and other savings to:
 - (a) assure affordable coverage to all Barnstable County residents
 - (b) expand covered health care services;
 - (c) contain health care cost increases; and
 - (d) create provider incentives to improving health care service quality and delivery to patients;

- (5) To participate in the Commonwealth's Determination of Need process for capital needs for health care facilities in Barnstable County. An evaluation and public report on any Determination of Need application shall be prepared and submitted to the responsible agency. A decision-making role in that process shall be developed.

- (6) To achieve measurable improvement in health care outcomes;

- (7) To prevent disease and disability and maintain or improve health and functionality;

- (8) To ensure that all Barnstable County residents receive care appropriate to their special needs as well as care that is culturally and linguistically competent;

- (9) To increase satisfaction with the performance of the health care system among health care providers and consumers, including the employers and employees of the county;

- (10) To implement policies which strengthen and improve culturally and linguistically sensitive care;

- (11) To develop an integrated population-based health care database to support health care planning.

Section 6: Board of Trustees; Composition; Powers and Duties.

The Board of Trustees shall consist of one elected representative from each of the six state legislative districts in Barnstable County; and of not less than seven, nor more than eleven, specified ex-officio delegates, for a Board of not less than thirteen nor more than seventeen members.

- (1) Elected trustees shall be chosen every two years, concurrent with the regular election of state representatives.

- (2) Each Trustee must be a resident of Barnstable County.

Cape Care Community Health Trust

- (3) The terms of elected trustees shall begin with the first Wednesday in January succeeding their election and shall extend to the first Wednesday in January in the third year following their election and until their successors are chosen and qualified.
- (4) Ex-officio representatives shall be selected as delegates by designated organizations on Cape Cod, which have significant involvement or stakeholder role in health care and human services delivery. The initial organizations shall be defined in the process of establishing the Trust; and changes thereafter shall be by the Board of Trustees.
- (5) The Board, by a simple majority, may add or remove organizations from the list of those delegating representatives, without altering the term of a sitting ex-officio delegate. In the event that a designated organization ceases to function, the Board may vote another to fill the role and to delegate a representative.
- (6) Each appointed ex-officio trustee shall serve a term of three years; provided, however, that initially two of the total appointed trustees shall serve one-year terms, three shall serve two-year terms, and two shall serve three-year terms. The initial appointed trustees shall be assigned to one, two or three year terms by lot. Any person appointed to fill a vacancy on the board shall serve for the unexpired term of the predecessor trustee. Any appointed trustee shall be eligible for reappointment. Any appointed trustee may be removed from his appointment for cause. No trustee shall serve more than three full terms.
- (7) The board shall elect a chair from among its members every two years. A simple majority of trustees shall constitute a quorum, and the affirmative vote of a majority of the trustees present and eligible to vote at a meeting shall be necessary for any action to be taken by the board. The board of trustees shall meet at least ten times each year and shall have final authority over the activities of the Cape Care Community Health Trust.
- (8) The trustees shall be reimbursed for actual and necessary expenses and loss of income incurred for each full day serving in the performance of their duties to the extent that reimbursement of those expenses is not otherwise provided or payable by another public agency or agencies. For purposes of this section, “full day of attending a meeting” shall mean presence at, and participation in, not less than six hours of meeting and travel time.
- (9) No member of the board of trustees shall make, participate in making, or in any way attempt to use his or her official position to influence a decision in which he or she knows or has reason to know that he or she, or a family member or a business partner or colleague has a financial interest.

Cape Care Community Health Trust

- (10) The Board shall:
- (a) Be responsible for oversight of administration of Cape Care Community Health Trust, including the Executive Director of the Trust
 - (b) Establish all necessary policies, and review and amend them from time to time
 - (c) Assure ongoing compliance with an approved "Mission Statement"
 - (d) Attempt to resolve disputes that may arise from time to time
 - (e) Serve as an Appeals Board for Benefits coverage determinations
 - (f) Manage investment of Cape Care Community Health Trust funds; maintain adequate reserves to cover reasonably projected losses; derive safest investment income
 - (g) Contract and monitor adequacy of reinsurance
 - (h) Establish policy on medical issues, population-based public health issues, research priorities, scope of services, and expanding access to care, based on recommendations of the Professional Advisory Board
 - (i) Evaluate proposals for innovative approaches to health promotion, disease and injury prevention, health education and research, and health care delivery. The specific public health goals of improving diet and exercise patterns, and curtailing tobacco use and smoke exposure will have specific emphasis, for their demonstrated significant role in reducing a population's cardiovascular disease and cancer risks.
 - (j) Develop methods for reporting and making recommendations to municipal and/or County government, in order to facilitate improved access to healthy foods, nutrition services and exercise, as well as to limit tobacco use and environmental smoke exposure across the community
 - (k) Establish standards and criteria by which requests by health facilities requiring state approval for capital improvements shall be evaluated, and oversee submission to the Commonwealth of written comment on any such applications, based on those standards and criteria
 - (l) Oversee preparation of annual operating and capital budgets for the countywide delivery of health care services under the Cape Care Community Health Trust
 - (m) Regularly evaluate system performance for effectiveness, efficiency, accessibility and other review criteria as determined by the Board
 - (n) Alter administrative structure as circumstances may dictate

Cape Care Community Health Trust

Section 7: Executive Director; Purpose and Duties.

The board of trustees shall hire an executive director who shall be the executive and administrative head of the Cape Care Community Health Trust and shall be responsible for administering and enforcing the provisions of law relative to the Cape Care Community Health Trust. The director shall report to, and be responsible to, the Trustees.

The executive director may, as s/he deems necessary or suitable for the effective administration and proper performance of the duties of the Cape Care Community Health Trust and subject to the approval of the board of trustees, do the following:

- (1) adopt, amend, alter, repeal and enforce, all such reasonable rules, regulations and orders as may be necessary;
- (2) appoint and remove employees and consultants:

The executive director shall:

- (1) establish an enrollment system to ensure that all eligible and willing Barnstable County residents are formally enrolled and have the opportunity to access care;
- (2) utilize the purchasing power of the County to negotiate price discounts for prescription drugs and all needed durable and nondurable medical equipment and supplies;
- (3) negotiate or establish terms and conditions for the provision of high quality health care services and rates of reimbursement for such services on behalf of the residents of the County;
- (4) develop prospective and retrospective payment systems for covered services to provide prompt and fair payment to eligible providers and facilities;
- (5) oversee preparation of annual operating budgets for the delivery of health care services;
- (6) oversee preparation of annual benefits reviews to determine the adequacy of covered services; and
- (7) prepare an annual report to be submitted to the County Commissioners and to be easily accessible to every Massachusetts resident.

Cape Care Community Health Trust

Section 8: Medical Director and Quality Assurance Division; Duties and Purpose

There shall be a physician medical director, who shall be the chief medical officer of the Cape Care Community Health Trust, and director of the Quality Assurance Division. The powers and duties given the medical director in this chapter and in any other general or special law shall be exercised and discharged subject to the direction, control and supervision of the executive director of the Cape Care Community Health Trust. The medical director shall be appointed by the executive director of the Trust, with the approval of the board of directors, and may, with like approval, be removed. The medical director shall serve as chair of the professional advisory committee to provide expert advice.

The quality assurance division shall support the establishment and promulgation of a universal, best quality of standard of care with respect to:

- (1) appropriate staffing levels to assure patient access to providers;
- (2) appropriate medical technology;
- (3) design and scope of work in the health workplace; and
- (4) evidence-based best clinical practices for preventive, therapeutic and restorative medical care.

The medical director shall recommend to the executive director a schedule of covered benefits, and a formulary of covered pharmaceuticals. A process shall be established to develop initial recommendations, and ongoing revisions as may be necessary. A process shall be established for appeals from coverage determinations.

The medical director shall conduct a comprehensive annual review of the quality of health care services and outcomes throughout the County and submit such recommendations to the board of directors as may be required to maintain and improve the quality of health care service delivery and the overall health of Barnstable County residents. In making its reviews, the quality assurance division shall consult with the regional, administrative, and planning divisions and hold hearings across the County on quality of care issues. The division shall submit to the board of directors its final review and recommendations on how to ensure the highest quality health care service delivery by October 1 of each year. Subject to board approval, the Cape Care Community Health Trust shall adopt the recommendations.

Cape Care Community Health Trust

Section 9. Professional Advisory Board

There shall be a Professional Advisory Board composed of participating health care practitioners and institutions, public health policy experts, clinical pharmacists, health educators, economists, administrators and other professional advisors as are determined to be necessary for health policy development by the executive director. The medical director, as chief medical officer and head of the Quality Assurance Division, shall serve as chair.

The Board shall:

- (1) Provide representation and develop policy and procedure recommendations to the executive director.
- (2) Monitor health care promotion and delivery to all covered residents.
- (3) Recommend to the director a standard benefit package of health care determined to be medically necessary and appropriate. Benefits may be classified as “core” and “elective” with differential coverage offered. A preventive health focus shall be an essential value, including a public health approach to screening standards, and assuring that resources are adequate to achieve goals.
- (4) Evaluate and recommend changes to covered benefits, including new technologies, over time. Reference to authoritative external reviews of costs and benefits shall be incorporated.
- (5) Recommend goals for appropriate allocation of limited financial and health care resources.
- (6) Be responsible for the drug formulary development, periodic revisions, and oversight of pharmaceutical benefit; with approval of Board of Trustees.
- (7) Recommend to the executive director a reimbursement schedule, including fee modifiers, in order to implement community health policy goals.
- (8) Recommend health manpower development goals to meet regional care needs.
- (9) Oversee the credentialing process for all eligible practitioners.

Cape Care Community Health Trust

- (10) Oversee development of systems to facilitate integrated, effective and efficient health care delivery, by an organization of independently owned and operated providers. This shall involve the following components:
- a. Determination of covered services, and provider reimbursement schedules. These shall be evidence-based, reflect best practices, and would encourage provision of all necessary and appropriate community health care services. Assuring access to primary care providers for all residents shall be a priority.
 - b. Monitoring of community health trends for health care planning, and support for initiatives to improve health indicators:
 - i. Claims data analysis for disease patterns and variance, as surveillance for acute- and chronic-illness risk reduction;
 - ii. Long-term health trends and unusual patterns;
 - iii. Coordination with findings of Barnstable County Health and Human Resources reports and staff and Town health departments.
 - c. Education of health care consumers and providers, especially concerning appropriate utilization of health care resources.
 - d. Evaluation and recommendation of practice support systems as determined to be necessary.

Section 10: Administrative Division; Director; Purpose and Duties.

There shall be an administrative division within the Cape Care Community Health Trust, which shall be under the supervision and control of a director. The powers and duties given the director in this chapter and in any other general or special law shall be exercised and discharged subject to the direction, control and supervision of the executive director of the Trust. The director of the administrative division shall be appointed by the executive director of the Trust, with the approval of the board of trustees, and may, with like approval, be removed.

The director shall establish a professional advisory committee, composed of participating health care practitioners and institutions, public health policy experts, clinical pharmacists, health educators, economists, administrators and other professional advisors as are determined to be necessary for health policy development, to provide expert advice.

The administrative division shall have day-to-day responsibility for:

Cape Care Community Health Trust

- (1) making prompt payments to providers and facilities for covered services;
- (2) collecting reimbursement from private and public third party payers and individuals for services not covered by this chapter or covered services rendered to non-eligible patients;
- (3) developing information management systems needed for provider payment, rebate collection and utilization review;
- (4) investing trust fund assets consistent with state law and section nineteen of this chapter;
- (5) developing operational budgets for the Cape Care Community Health Trust; and
- (6) assisting the planning division to develop any capital budgets for the Cape Care Community Health Trust.

Section 11: Planning Division; Director; Purpose and Duties.

There shall be a planning division within the Cape Care Community Health Trust, which shall be under the supervision and control of a director. The powers and duties given the director in this chapter and in any other general or special law shall be exercised and discharged subject to the direction, control and supervision of the executive director of the Cape Care Community Health Trust. The director of the planning division shall be appointed by the executive director of the Trust, with the approval of the board of trustees, and may, with like approval, be removed. The director may, at his/her discretion, consult with or refer to the professional advisory committee to provide expert advice.

The planning division shall have responsibility for coordinating health care resources to ensure all eligible participants reasonable access to covered services. The responsibilities shall include but are not limited to:

- (1) an annual review of the adequacy of health care resources throughout the County and recommendations for changes. Specific areas to be evaluated include but are not limited to the resources needed for underserved populations and geographic areas, for culturally and linguistically competent care, and for emergency and trauma care. The director shall develop short term and long term plans to meet health care needs.
- (2) an annual review of capital health care needs. Included in this evaluation, but not limited to it are recommendations for a budget for all health care facilities, evaluating all

Cape Care Community Health Trust

capital expenses in excess of a threshold amount to be determined annually by the executive director, and collaborating with local and statewide government and health care institutions to coordinate capital health planning and investment. The director shall develop short term and long term plans to meet covered health care expenditure needs.

In making its review, the planning division shall hold hearings on proposed recommendations. The division shall submit to the board of trustees its final review and recommendations by October 1 of each year. Subject to board approval, the Cape Care Community Health Trust shall adopt the recommendations.

Section 12: Information Technology Division; Purpose & Duties.

There shall be an information technology division within the Cape Care Community Health Trust, which shall be under the supervision and control of a director. The powers and duties given the director in this chapter and in any other general or special law shall be exercised and discharged subject to the direction, control and supervision of the executive director of the Cape Care Community Health Trust. The director of the information technology division shall be appointed by the executive director of the Trust, with the approval of the board of trustees, and may, with like approval, be removed. The director may, at his/her discretion, consult with or refer to the professional advisory committee to provide expert advice.

The responsibilities of the information technology division shall include but are not limited to:

- (1) developing a confidential electronic medical records system and prescription system in accordance with laws and regulations to maintain accurate patient records and to simplify the billing process, thereby reducing medical errors and bureaucracy;
- (2) developing a tracking system to monitor quality of care, establish a patient data base and promote preventive care guidelines and medical alerts to avoid errors.

Notwithstanding that all billing shall be performed electronically, patients shall have the option of keeping any portion of their medical records separate from their electronic medical record. The information technology director shall work closely with the directors of the regional, administrative, planning and quality assurance divisions. The information technology division shall make an annual report to the board of trustees by October 1 of each year. Subject to board approval, the Trust shall adopt the recommendations.

Cape Care Community Health Trust

Section 13: Regional Offices.

Cape Care shall maintain three physical sites as home bases for health promotion and wellness activities, as well as other member services, one in the upper Cape, one in the mid-Cape and one on the outer Cape. The trustees shall review the adequacy and appropriateness of the number and location of local offices at least once every three years.

Section 14: Eligible Participants.

Those persons who shall be recognized as eligible to participate in the Cape Care Community Health Trust plan shall include:

- (1) All Barnstable County residents, as defined in Section 2, are eligible for enrollment and coverage, regardless of employment status. No mandate to utilize the Cape Care Community Health Trust for coverage of health care services is expressed or implied.
- (2) Payment for emergency care of Barnstable County residents obtained out of county shall be at prevailing local rates. Payment for non-emergency care of Barnstable County residents obtained out-of-county shall be according to rates and conditions established by the executive director. The executive director may require that a resident be transported back to Massachusetts when prolonged treatment of a condition is necessary.
- (3) Visitors to Barnstable County shall be billed, or have their insurance billed, for all services received under the Cape Care Community Health Trust. The executive director of the Trust may establish intergovernmental arrangements with the Commonwealth of Massachusetts, and other states and countries to provide reciprocal coverage for temporary visitors.

Section 15: Eligible Health Care Providers and Facilities.

Eligible health care providers and facilities shall include an agency, facility, corporation, individual, or other entity directly rendering any covered benefit to an eligible patient, provided, however, that the provider or facility:

- (1) is licensed to operate or practice in the commonwealth;

Cape Care Community Health Trust

(2) furnishes a signed agreement that:

(a) all health care services shall be provided without discrimination on the basis of age, sex, race, national origin, sexual orientation, income status or preexisting condition;

(b) the provider or facility shall comply with all state and federal laws regarding the confidentiality of patient records and information;

(c) no balance billing or out-of-pocket charges shall be made for covered services unless otherwise provided in this chapter; and

(d) the provider or facility shall furnish such information as may be reasonably required by the Trust for making payment, verifying reimbursement and rebate information, utilization review analyses, statistical and fiscal studies of operations and compliance with state and federal law;

(3) meets state and federal quality guidelines including guidance for safe staffing, quality of care, and efficient use of funds for direct patient care;

(4) meets any additional requirements that may be established by the Cape Care Community Health Trust.

Section 16: Prospective Payments to Eligible Health Care Providers and Facilities for Operating Expenses.

The Cape Care Community Health Trust shall negotiate or establish, with eligible health care providers, health care facilities or groups of providers or facilities, payment rates for covered services. Such payment rates may be made on a fee for service, capitated system or overall operating budget basis and shall remain in effect for a period of 12 months unless sooner modified by the Trust. Except as provided in section sixteen of this chapter, reimbursement for covered services by the Cape Care Community Health Trust shall constitute full payment for the services rendered.

Prospective payments provided under this section can be used only to pay for the operating costs of eligible health care providers or facilities, including reasonable expenditures, as determined through budget negotiations with the Cape Care Community Health Trust, for the maintenance, replacement and purchase of equipment. Payments for operating expenses shall not be used for payment of exorbitant salaries. Any prospective payments made in excess of actual costs for covered services shall be returned to the Cape Care Community Health Trust. Prospective payment rates and schedules shall be adjusted annually to incorporate retrospective adjustments.

Cape Care Community Health Trust

Section 17: Retrospective Payments to Eligible Health Care Providers and Facilities for Operating Expenses.

The Cape Care Community Health Trust shall provide for retrospective adjustment of payments to eligible health care facilities and providers to:

- (1) assure that payments to such providers and facilities reflect the difference between actual and projected utilization and expenditures for covered services; and
- (2) protect health care providers and facilities who serve a disproportionate share of eligible participants whose expected utilization of covered health care services and expected health care expenditures for such services are greater than the average utilization and expenditure rates for eligible participants statewide.

Section 18: Funding for Capital Investments by Eligible Health Care Providers and Facilities.

The Cape Care Community Health Trust shall not directly fund capital investments; however, eligible health care providers and facilities may utilize operating income derived from provision of covered services to fund such capital investments.

Section 19: Covered Benefits.

- (1) The Cape Care Community Health Trust shall pay for all professional services provided by eligible providers and facilities to eligible participants needed to:
 - (a) provide high quality, appropriate and medically necessary health care services;
 - (b) encourage reductions in health risks and increase use of preventive and primary care services;
 - (c) assure a primary care "medical home" for every enrolled Barnstable resident.
 - (d) integrate physical health, mental and behavioral health and substance abuse services.
- (2) Standard covered benefits shall include all high quality health care determined to be medically necessary or appropriate, and recommended by the Professional Advisory Board and approved by the Trustees, including, but not limited to, the following:

Cape Care Community Health Trust

- (a) prevention, diagnosis and treatment of illness and injury, including immunizations, laboratory, diagnostic imaging, inpatient, ambulatory and emergency medical care, blood and blood products, dialysis, organ transplants, endoscopic screening, mental health services, acupuncture, physical therapy, chiropractic and podiatric services, and a specialist second-opinion option;
- (b) promotion and maintenance of health through appropriate screening, counseling, and nutrition and health education;
- (c) the rehabilitation of sick and disabled persons, including physical, occupational, speech, psychological, and other specialized therapies;
- (d) prenatal, perinatal and maternity care, family planning, fertility and reproductive health care, and genetic counseling;
- (e) developmental evaluation; medical and behavioral;
- (f) behavioral health services, including effective mental illness prevention strategies; inpatient and outpatient testing, diagnosis, counseling, and treatment in the most appropriate settings; coordination with medical providers; and advocacy services as indicated.
- (g) clinical nutrition services;
- (h) medical social work services;
- (i) home health care including personal care; other needed support services; foster care; adult day care;
- (j) long term care in institutional and community-based settings;
- (k) hospice care, both inpatient and at-home;
- (l) language interpretation and such other medical or remedial services as the Trust shall determine.
- (m) emergency and other medically necessary transportation;
- (n) dental services, other than cosmetic dentistry;
- (o) basic vision care and correction, other than laser vision correction for cosmetic purposes;
- (p) hearing evaluation and treatment including hearing aids;
- (r) podiatry services;
- (s) prescription drugs;
- (t) durable and non-durable medical equipment, supplies, prosthetics and appliances.

(3) Mental health services

- (a) Services for mental illness shall be integrated, to the extent possible, with comprehensive health care delivery
- (b) Communication between disciplines shall be facilitated.
- (c) Centralized triage and referral shall facilitate timely, appropriate evaluation and therapy
- (d) Reduction of barriers to access services is critical.

Cape Care Community Health Trust

- (e) Suicide prevention strategies shall be more available through a community wide network of efforts.
 - 1. Cape-wide on-call teams
 - 2. central phone resource line
 - 3. community education
 - 4. police training

- (4) Because tobacco abuse, poor diet choices, inadequate physical exercise and alcohol account for over a third of all deaths, and that individual choices significantly predict health outcomes, a comprehensive wellness and health promotion program will be central. Individual Health Resources Assessment shall be conducted for all enrollees.
 - (a) Financial and other incentives to risk-reduction behaviors for participants and providers shall be offered.
 - (b) Adequate resources must available and affordable to the system.
 - (c) Public health focus on tobacco, diet and physical exercise in collaboration with other community agencies shall be developed.
 - (d) Linked electronic medical records shall be utilized for their potential to prompt all providers to interventions.

- (5) Standards for appropriate utilization of covered services shall be promulgated. These shall be evidence-based, transparently developed, and open. An appeal process for exceptions to non-covered benefits must be elaborated and shall be available.

- (6) Not covered shall be therapies and procedures determined by the director to be principally of cosmetic intent.

- (7) Co-payments for services must not present a barrier to access to essential “core” health care services.
 - (a) cost sharing may be required of care that is designated “elective.”
 - (b) Such determination of covered services considered “core” and “elective” shall be through an initial and open periodic review of covered services.

- (8) No annual deductibles shall be imposed.

- (9) Patients shall have free choice of participating physicians and other clinicians, hospitals and other inpatient care facilities.

Cape Care Community Health Trust

Section 20: Funding Sources.

The organization of health care under the provisions of this chapter is expected to control costs principally through the following means:

- (a) simplification of the administration of health care finance and reimbursement;
- (b) achievement of volume purchase discounts on pharmaceuticals, medical supplies, and specialized services;
- (c) early detection and intervention for health problems through timely, universally available primary and preventive care, in order to reduce preventable adverse outcomes;
- (d) reduction of the excessive costs resulting from the overuse of highly expensive resources, by a process of utilization review, and targeted provider and community education.

The Cape Care Community Health Trust shall be the repository for all health care funds and related administrative funds. The sources of Cape Care Community Health Trust funding for provider reimbursement and operations shall include the following:

(1) All monies the commonwealth currently appropriates to pay for health care services or health insurance premiums for enrolled residents in Barnstable County, including but not limited to, all current state programs which provide covered benefits and appropriations to cities, towns and other governmental subdivisions to pay for health care services or health insurance premiums; provided, however, that the Trust shall then assume responsibility for all benefits and services previously paid for by the commonwealth with these funds. All current state health care programs that provide covered benefits shall be included in this requirement. The executive director shall seek from the Legislature a contribution for health care services that shall not decrease in relation to state government expenditures of health care services in the year that this chapter is enacted.

(a) The Cape Care Community Health Trust shall qualify as a health maintenance organization recognized and accepted under the MassHealth program, and receive payments for enrolled residents as the community default provider.

(b) According to the requirements of Ch. 58 (The Commonwealth Care program) every resident of the Commonwealth of Massachusetts is required to have health care insurance coverage that satisfies certain criteria of adequacy. The coverage provided under the Trust shall meet all such criteria, and the Trust shall qualify as a health maintenance organization recognized and accepted by the Commonwealth Care and Connector programs as a valid insurance plan option. As the community default

Cape Care Community Health Trust

provider, an extensive network of care for enrolled Barnstable Residents will be available.

(2) All monies the commonwealth receives from the federal government to pay for health care services or health insurance premiums for enrolled residents in Barnstable County; provided, however, that the Trust shall then assume responsibility for all benefits and services previously paid by the federal government with these funds. The Trust shall seek to maximize all sources of federal financial support for health care services in Barnstable County. Accordingly, the executive director shall seek all necessary waivers, exemptions, agreements, or legislation, if needed, so that all current federal payments for health care shall, consistent with the federal law, be paid directly to the Trust Fund. In obtaining the waivers, exemptions, agreements, or legislation, the executive director shall seek from the federal government a contribution for health care services in Massachusetts that shall not decrease in relation to the contribution to other states as a result of the waivers, exemptions, agreements, or legislation.

(3) The Cape Care Community Health Trust shall qualify as a health maintenance organization recognized and accepted by Medicare, and shall receive payments for the care of enrolled residents, as the community default provider under the Medicare Advantage program. Enrolled Medicare Advantage participants shall be covered for all standard Trust plan benefits.

Prior to obtaining any federal program's financing through the Cape Care Community Health Trust, the Trust shall seek to ensure that participants eligible for federal program coverage receive access to care and coverage equal to that of all other Trust participants. It shall do so by:

(a) paying for all services enumerated above not covered under the relevant federal plans;

(b) paying for all such services during any federally mandated gaps in participants' coverage; and

(c) paying for any premiums, deductibles, co-payments, co-insurance or other cost sharing incurred by such participants.

(4) All monies collected by cities, towns and other governmental subdivisions to pay for health care services or health insurance premiums for enrolled residents; provided, however, that the Trust shall then assume responsibility for all benefits and services previously paid for by those governmental subdivisions with these funds.

(5) All monies collected through a Barnstable County Health Tax:

Cape Care Community Health Trust

(a) The services delivered to eligible and enrolled Barnstable residents shall additionally, be funded in some part in accordance with the procedures established by the Barnstable county home rule charter, and in accordance with this section.

(b) A budget proposal reflecting anticipated revenues and expenses for the following fiscal year shall be submitted annually in accordance with Barnstable county administrative and budgetary procedures.

(c) Subject to the terms and conditions of the Barnstable county home rule charter, the Cape Care Community Health Trust may accept funding including, including certain state tax revenues, and grants from public or private persons or entities. Such receipts shall be applied to the cost of operation of the Cape Care Community Health Trust.

(d) To the extent that the amounts for the Cape Care Community Health Trust budget exceed revenues derived under subsection (c) such excess amounts may be raised in accordance with sections thirty and thirty-one of chapter thirty-five of the General Laws. Any such excess amounts shall be exempt from the provisions of section twenty A of chapter fifty-nine of the General Laws and amounts so assessed by the county or any municipality shall not be included in calculating the total taxes assessed under subsection (a) or the maximum levy limit under subsection (f) for such municipality under section twenty-one C of chapter fifty-nine of the General Laws. Any such assessment made upon the municipalities of Barnstable county in accordance with sections thirty and thirty-one of chapter thirty-five of the General Laws shall be indicated separately from all other county taxes within the assessments made by the assessors thereof. Any amounts received under the assessments made pursuant to this subsection or pursuant to paragraph (ii) shall be deposited into The Cape Care Community Health Trust.

(7) All monies collected through payment of an Employer Health Care Contribution by all employers, based on total payroll, starting with the enactment of the benefit plan of the Cape Care Community Health Trust, as determined by the Trust in consultation with the Department of Revenue. The amount of this Contribution shall be in line with, or less than, the average contributions that employers make toward employee health benefits as of the effective date of this act, adjusted to a rate less than national health care inflation or deflation. The Contribution shall be collected through the Department of Revenue for deposit in the Trust Fund.

(a) Any employer that pays to the Department of Revenue such a Employer Health Care Contribution shall be recognized as meeting the obligation for coverage under the provisions of Ch. 58.

(b) Any employer that has a contract with an insurer, health services corporation or health maintenance organization to provide health care services or benefits for its employees, which is in effect on the effective date of this section, shall be entitled to an income tax credit against premiums otherwise due in an amount equal to the Employer Health Care Contribution due, pursuant to this section.

(c) Any insurer, health services corporation, or health maintenance organization which provides health care services or benefits under a contract with an employer which

Cape Care Community Health Trust

is in effect on the effective date of this act, with any employees electing Cape Care Community Health Trust coverage shall pay to the Trust an amount equal to the Employer Health Care Contribution which would have been paid by the employer if the contract with the insurer, health services corporation or health maintenance organizations were not in effect, through the plan year. For purposes of this section, the term “insurer” includes union health and welfare funds and self-insured employers.

(d) All employers in Barnstable County shall be required to fully disclose to employees residing in Barnstable county, clearly understandable information concerning the comparative availability, scope of covered benefits, health care providers and ancillary services, of the Cape Care Community Health Trust plan.

(8) All monies collected from collateral sources through coordination of benefits, for payment for health care services covered by the Trust. It is the intent of this act to establish a single public payer for all health care in the County. However, until such time as the role of all other payers for health care has been terminated, health care costs shall be collected from collateral sources whenever medical services provided to an individual are, or may be, covered services under a policy of insurance, health care service plan, or other collateral source available to that individual, or for which the individual has a right of action for compensation to the extent permitted by law.

As used in this section, collateral source includes all of the following:

- (a) insurance policies written by insurers, including the medical components of automobile, homeowners, worker’s compensation and other forms of liability insurance;
- (b) health care service plans and pension plans;
- (c) employers;
- (d) employee benefit contracts;
- (e) government benefit programs;
- (f) a judgment for damages for personal injury;
- (g) any third party who is or may be liable to an individual for health care services or costs;

As used in this section, collateral sources do not include either of the following:

- (a) a contract or plan that is subject to federal preemption;
- (b) any governmental unit, agency, or service, to the extent that subrogation is prohibited by law.

An entity described as a collateral source is not excluded from the obligations imposed by this section by virtue of a contract or relationship with a governmental unit, agency, or service.

The executive director shall attempt to negotiate waivers, seek federal legislation, or make other arrangements to incorporate collateral sources in Massachusetts into the Trust.

Cape Care Community Health Trust

Whenever an individual receives health care services under the system and s/he is entitled to coverage, reimbursement, indemnity, or other compensation from a collateral source, s/he shall notify the health care provider or facility and provide information identifying the collateral source other than federal sources, the nature and extent of coverage or entitlement, and other relevant information. The health care provider or facility shall forward this information to the executive director. The individual entitled to coverage, reimbursement, indemnity, or other compensation from a collateral source shall provide additional information as requested by the executive director.

The Cape Care Community Health Trust shall seek reimbursement from the collateral source for services provided to the individual, and may institute appropriate action, including suit, to recover the costs to the Trust. Upon demand, the collateral source shall pay to the Cape Care Community Health Trust the sums it would have paid or expended on behalf of the individuals for the health care services provided by the Trust.

If a collateral source is exempt from subrogation or the obligation to reimburse the Trust as provided in this section, the executive director may require that an individual who is entitled to medical services from the collateral source first seek those services from that source before seeking those services from the Cape Care Community Health Trust.

To the extent permitted by federal law, contractual retiree health benefits provided by employers shall be subject to the same subrogation as other contracts, allowing the Trust to recover the cost of services provided to individuals covered by the retiree benefits, unless and until arrangements are made to transfer the revenues of the benefits directly to the Cape Care Community Health Trust.

Default, underpayment, or late payment of any tax, premium, or other obligation imposed by the Trust shall result in the remedies and penalties provided by law, except as provided in this section.

Eligibility for benefits shall not be impaired by any default, underpayment, or late payment of any tax, premium, or other obligation imposed by the Cape Care Community Health Trust.

(9) The Cape Care Community Health Trust shall retain:

- (a) all charitable donations, gifts, grants or bequests made to it from whatever source consistent with state and federal law;
- (b) payments from third party payers for covered services rendered by eligible providers to non-eligible patients but paid for by the Cape Care Community Health Trust;
- (c) income from the investment of Trust assets, consistent with state and federal law.

Cape Care Community Health Trust

Section 21: Insurance disclosure.

Insurers regulated by the division of insurance, shall be required to fully disclose, to prospective purchasers residing in Barnstable county, clearly understandable information concerning the comparative availability, scope of covered benefits, health care providers and ancillary services, of the Cape Care Community Health Trust plan.

Section 22: Health Trust regulatory authority.

The Cape Care Community Health Trust shall adopt and promulgate regulations to implement the provisions of this chapter. The initial regulations may be adopted as emergency regulations but those emergency regulations shall be in effect only from the effective date of this chapter until the conclusion of the transition period.

Section 23: Implementation of the Health Care Trust.

The first meeting of the Directors shall take place within ninety days of enactment of this legislation.

The Cape Care Community Health Trust shall complete its period of transition within two years of enactment of this legislation. Full implementation of the benefit plan of the Cape Care Community Health Trust shall be completed within three years of enactment of this legislation.

Cape Care Community Health Trust

INDEX

- access, 9, 10, 12, 14, 16, 17, 21, 26, 27, 29
- access to specialty care, 10
- administration, 16, 17
- administrative overhead, 9
- administrative savings, 14
- advisors, 11, 12, 13, 21
- advisory committee, 21, 22
- affordability, 9
- alcohol, 26
- annual benefits reviews, 18
- annual review, 21, 22
- benefits, 16, 25
 - portable, 19, 25, 27
- Board of Trustees, 15
- budgets, 17, 18, 21
- Cape Care Community Health Trust, 9, 10, 11, 12, 13, 14, 16, 17, 20, 21, 22, 23, 24, 25, 29, 30, 32
- capital improvements, 17
- capital needs, 14
- chief medical officer, 19
- Commonwealth
 - Connector, 28
 - of Massachusetts, 14, 28
- community health, 20
- consultants, 12, 13, 17
- Co-payments, 27
- cosmetic, 26, 27
- cost control, 9
- data management, 9
- deductibles, 10, 27, 29
- deductibles and co-payments, 10
- dental, 26
- Department of Human Services, 12
- Determination
 - of Need, 14
- developmental evaluation, 26
- diagnosis, 25
- diet, 17
- Directors, 19, 25
- donations, 14
- early detection and intervention, 9
- education for consumers, 10
- education for providers, 10
- elective, 27
- Electronic Health Records, 10
- electronic medical records, 22, 27
- Eligible health care providers and facilities, 23
- eligible participants, 21, 23, 25
- emergency, 25, 26
- emergency care, 23
- employer, 10
- enrolled, 9, 17, 23
- enrollment, 17
- environmental health risks, 9
- equal access, 9
- equipment, 17, 24, 26
- evaluate, 10, 17
- evidence-based, 10, 27
- executive director, 11, 17, 20, 21, 22, 23
- exercise, 12, 17, 26, 27
- fee for service, 24
- financial barriers to access, 10
- financing of health care system, 9
- fragmentation and complexity, 10
- free choice, 27
- give bond, 12
- grant, 14
- grants, 14
- health care access, 10
- health care facilities, 9, 14, 22, 24, 25
- health care outcomes, 14
- Health care provider, 11
- health care system, 9
- health education, 16, 25
- hearing, 26
- home
 - medical, 25
- home health care, 26
- hospice care, 26
- infectious disease, 9
- information technology, 10, 22
- institutions
 - health care, 19, 21
- insurance, 10, 13, 23, 29, 32
- integrated, 20
- invest, 13
- investment, 16, 22
- investments, 13, 25
- liability insurance, 13
- long term care, 11, 26
- maternity care, 26
- Medical Director, 19
- medical equipment and supplies, 17
- medical records system, 22
- mental health, 11, 25
- mental illness, 26
- nutrition, 17, 26
- officers, 12, 13
- out of county, 23
- patient data base, 22
- payment systems, 18
- payments to providers, 21
- planning, 15, 21, 22, 26
- podiatry, 26
- powers, 12, 13, 20, 21, 22
- prescription drugs, 17, 26
- prescription system, 22
- prevention, 11, 16, 25, 26
- preventive, 9, 10, 22, 25
- primary
 - care, 20, 25
- primary care, 9, 10, 25
- Professional Advisory Board, 16, 19, 25
- promotion and maintenance of health, 25

Cape Care Community Health Trust

provider
 health care, 20
provider network, 9
providers, 9, 11, 15, 18, 23, 24, 25, 26, 27
 health care, 20
public health, 9, 16, 17, 21
purchasing, 12, 17
quality, 25
quality assurance, 22
quality of care, 10
rates of reimbursement, 18
regional offices, 23
rehabilitation, 26
reimbursement, 14, 16, 21, 24
research, 16
resident, 11, 12, 14, 15, 18, 23
residents, 19, 20, 23
retrospective, 18, 24, 25
social work services, 26
Suicide prevention, 26
tobacco, 17, 26, 27
transportation, 26
Trust Fund, 16
trustees, 10, 12, 13, 15, 16, 17, 20, 21, 22, 23
underserved populations, 21
vision, 26
visitors, 23
volume purchasing, 9
wellness and health promotion, 27