

CHIA Oversight Council

March 25, 2026



Meeting Agenda

1. Approval of Prior Meeting Minutes [VOTE]
2. Executive Director's Report
3. DOI and CHIA's PBM Data Collections
4. eAPCD Analytics
5. Data Release Reform
6. Priority Area Updates

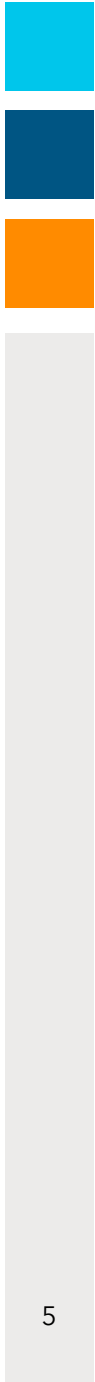


Approval of Prior Meeting Minutes

[VOTE]



Executive Director's Report



Executive Director's Report

1. Health Care Affordability Working Group
2. Budget and Legislative Update
3. 2026 Annual Report
4. Preview of Future Agenda Items
 - Dental analysis
 - Website redevelopment
 - Strategic evaluation of CHIA's work



Other Updates

Budget update

- Governor's FY27 budget (H2) included a \$32.9 million appropriation for CHIA
- CHIA to testify at the Joint Committee on Ways & Means hearing on March 27
- Council budget hearing scheduled for April 15
- The House and Senate will release their FY27 budget proposals in April and May, respectively

Legislative update

- Continuing to monitor health care bills ahead of the end of formal session on July 31



2026 Annual Report

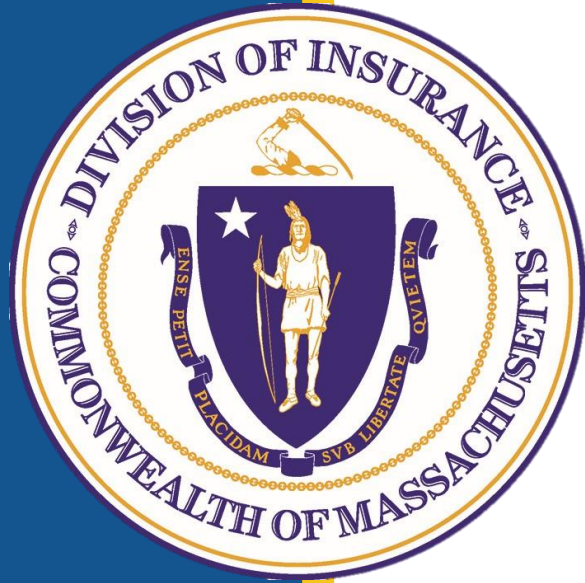
OVERVIEW AND KEY FINDINGS

Publication released March 12, 2026

- Key findings
 - Health care spending in MA totaled \$11,663 per person in 2024
 - Spending increase exceeded benchmark for fourth consecutive year
 - Premiums and member cost-sharing continue to be highest for employees at smaller firms and for individual purchasers
- Notable enhancements
 - New analysis of provider-administered drugs
 - More detailed view of member cost-sharing by service type
 - Baseline data on PBM market share
- Cost Growth Benchmark Hearing scheduled for April 1, 2026



DOI and CHIA's PBM Data Collections



Licensure of Pharmacy Benefit Managers

Update to CHIA Oversight Council

March 25, 2026



Background

On January 8, 2025, Governor Maura Healey signed Chapter 342 of the Acts of 2024* into law (the “Act”), which charged the Division of Insurance (“Division” or “DOI”) with **licensure and regulation of pharmacy benefit managers (“PBMs”)** in the Commonwealth, pursuant to the provisions of newly enacted **Chapter 176Y** in the Massachusetts General Laws.

Consistent with its **authority**, the Division seeks to license and regulate PBMs in a manner that will appropriately **safeguard** the Massachusetts health care delivery system and the **patients** it serves.

**An act relative to pharmaceutical access, costs and transparency (the “PACT Act” or “Act”); [Session Law - Acts of 2024 Chapter 342](#)*

State Oversight



Division of Insurance

DOI

- Licensure and regulation
- Examination



Center for Health Information & Analysis

CHIA

- Data collection and reporting
- Annual assessment



Health Policy Commission

HPC

- Annual Cost Trends Hearing
- Annual assessment

DOI's Authority

Section 37 of the Act **created M.G.L. c. 176Y**
("Licensing and Regulation of Pharmacy Benefit Managers"), **summarized** below:

Licensure & Regulation

- **License** PBMs seeking to operate in the Commonwealth no later than 1/1/26
- Promulgate rules and regulations to **implement, administer, and enforce** M.G.L. c. 176Y

Examination

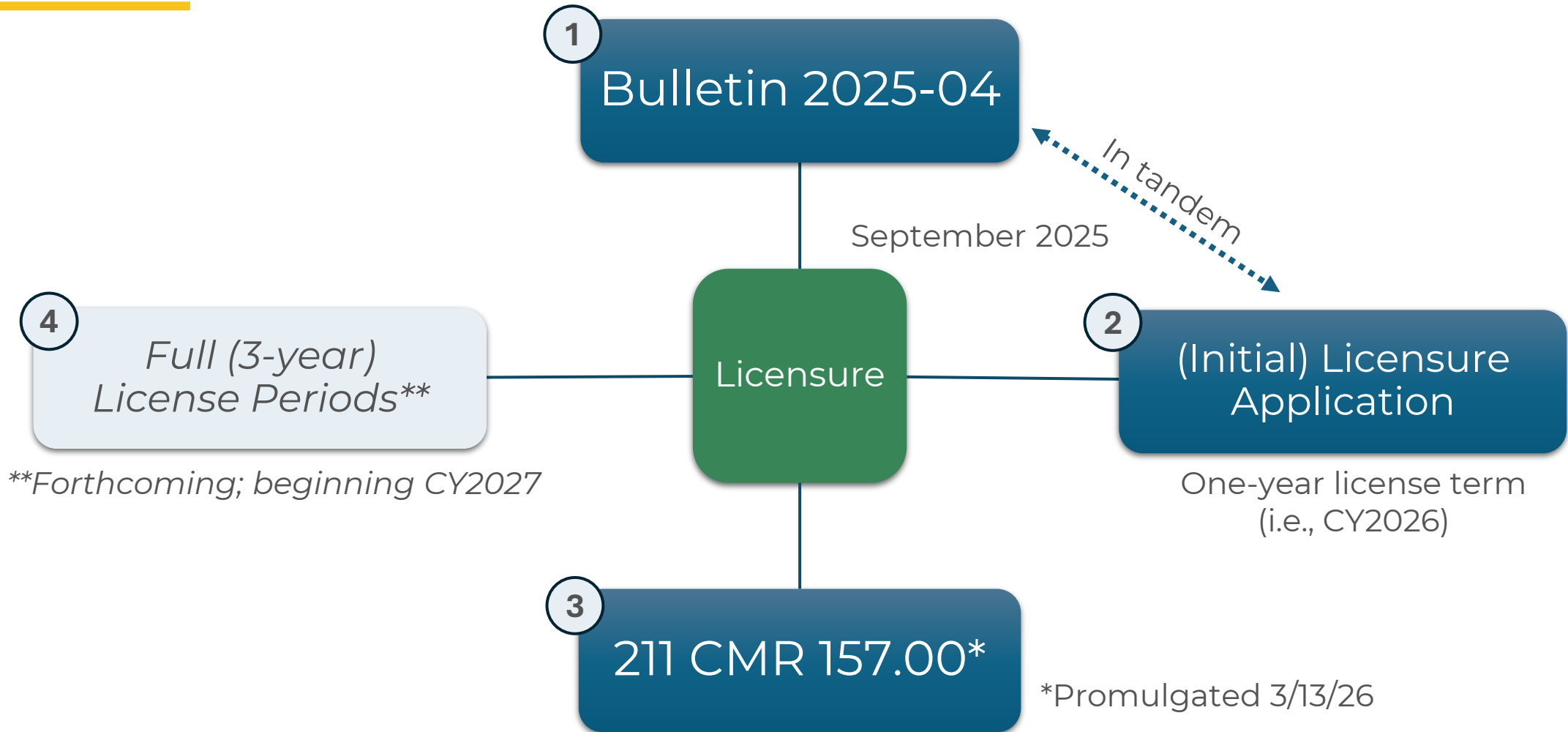
- **Examine** the affairs of PBMs when deemed prudent (but not less frequently than once every three years) to ensure that PBMs are able to **meet responsibilities** under contracts with carriers

Process Overview

The Division is pursuing an **informed** and **comprehensive** approach to PBM licensure. PBMs are not among the types of entities (insurers, insurance producers) historically regulated by the DOI.

- Spring-Summer 2025: Included, e.g., the Division hosting **public information sessions** to inform DOI's development of regulations & sub-regulatory guidance, conducted extensive **research** on PBM oversight, and engaged **collaboratively** with partners (e.g., other MA state agencies, other states, the National Association of Insurance Commissioners).
- Fall 2025: In recognition of the industry complexity and statutory timeline for licensure as a prerequisite for operating in Massachusetts, the Division issued **Bulletin 2025-04** (September) to advise PBMs and entities seeking to operate as PBMs in the Commonwealth on the requirements for submission of an application for an **initial, one-year license** (i.e., for CY2026). In December 2025, DOI **issued first licenses** and published **proposed regulation 211 CMR 157.00** to implement M.G.L. c. 176Y.
- Winter 2025-2026: A public hearing on the regulation was held in January, and the **final regulation** (*Licensing and Regulation of Pharmacy Benefit Managers (PBMs)*) was promulgated (March 13, 2026).

Path to PBM Licensure



Initial Licensure Summary

Licensed Pharmacy Benefit Managers
For the Period Through 12/31/2026

License #	Company	City and State of Headquarters
001	CarelonRX, Inc.	Indianapolis, IN
002	CaremarkPCS, LLC	Woonsocket, RI
003	DST Pharmacy Solutions, Inc.	Kansas City, MO
004	EmpiRx Health, LLC	Montvale, NJ
005	Express Scripts, Inc.	St Louis, MO
006	FairosRX, LLC	Amarillo, TX
007	Fairview Pharmacy Services, LLC	Shoreview, MN
008	Healthcare Highways Rx, LLC	The Colony, TX
009	Hospitality RX, LLC	Oak Brook, IL
010	Humana Pharmacy Solutions, Inc.	Louisville, KY
011	Independent Health's Pharmacy Benefit Dimensions, LLC	Buffalo, NY
012	InScriptRX, Inc.	Westwood, MA
013	Interchange RX, LLC	Tulsa, OK
014	MaxCare, LLC	Oklahoma City, OK
015	MaxorPlus, Ltd	Amarillo, TX
016	MedImpact Healthcare Systems, Inc.	San Diego, CA
017	Navitus Health Solutions, LLC	Madison, WI
018	OptumRX, Inc.	Minnetonka, MN
019	Prescriptive Health, Inc.	Redmond, WA
020	ProAct, Inc.	East Syracuse, NY
021	ProCare Pharmacy Benefit Manager, Inc.	Miramar, FL
022	Script Care, Ltd.	Beaumont, TX
023	Serve You Custom Prescription Management, Inc.	Milwaukee, WI
024	State RX, LLC	Boca Raton, FL
025	Smith Health, Inc.	San Francisco, CA
026	Southern Scripts, LLC	Natchitoches, LA
027	Towers Administrators, LLC	Boston, MA
028	TRHC TPA, LLC	Moorestown, NJ
029	True Rx Management Services, Inc.	Washington, IN
030	Vivid Clear Rx, Inc.	Omaha, NE
031	WellDyneRX, LLC	Lakeland, FL
032	Capital Rx, Inc.	New York, NY
033	LucyRx Health Solutions, Inc.	Fresno, CA
034	MedOne, L.C.	Dubuque, IA
035	Phoenix Benefits Management, LLC	Cumming, GA
036	Prime Therapeutics LLC	Eagan, MN
037	Prime Therapeutics Management LLC	Eagan, MN
038	Verus Rx, LLC	Dallas, TX
039	AmWINS Group Benefits, LLC	North Kingstown, RI
040	AffirmedRx, PBC	Louisville, KY
041	Drexel, Inc.	Phoenix, AZ
042	Rightway Healthcare, Inc.	New York, NY

- Pursuant to M.G.L. c. 176Y, the Division may grant a PBM license only when it is satisfied that an entity possesses the **necessary organization, background expertise, and financial integrity** to supply the services offered
- Bulletin 2025-04 outlined the **minimum necessary information** required for the Division to consider an initial license, generally summarized as follows:
 - (1) Contact information
 - (2) Organizational information
 - (3) Operational information
- In accordance with M.G.L. c. 176Y and Bulletin 2025-04, the Division has **licensed 42 PBMs** for operation in the Commonwealth for CY2026 (as of 3/13/26)

Overview of 211 CMR 157.00

211 CMR: DIVISION OF INSURANCE

211 CMR 157.00: LICENSING AND REGULATION OF PHARMACY BENEFIT MANAGERS (PBMs)

Section

157.01: General
157.02: Definitions
157.03: Licensing
157.04: Reporting
157.05: Contracts between PBMs and Pharmacies
157.06: Contracts between PBMs and Carriers
157.07: Pharmacy Information, Network Information and Service Level Requirements
157.08: Conflicts of Interest
157.09: Books and Records
157.10: Penalties
157.11: Severability

157.01: General

(1) Authority. 211 CMR 157.00 is promulgated pursuant to the authority granted by M.G.L. c. 176Y.

(2) Purpose. The purpose of 211 CMR 157.00 is to set forth rules and procedural requirements which the Commissioner deems necessary to implement the provisions of M.G.L. c. 176Y. A license may be granted only when the Division is satisfied that the entity possesses the necessary organization, background expertise, and financial integrity to supply the services sought to be offered.

(3) Applicability. No Person, business, or other entity shall establish or operate as a Pharmacy Benefit Manager (PBM), perform the functions of a PBM, or provide Pharmacy Benefit Management Services without obtaining a license from the Division in accordance with the provisions of 211 CMR 157.00.

157.02: Definitions

As used in 211 CMR 157.00 and the Division of Insurance's enforcement of M.G.L. c. 176Y generally, the following words mean:

Adverse Determination. A determination, based upon a review of information provided by a PBM or a Carrier or a designated Utilization Review Organization, to deny, reduce, modify, or terminate an admission, continued inpatient stay, or the availability of any other Health Care Services, including Pharmacy Services, for failure to meet the requirements for coverage based on Medical Necessity, appropriateness of health care setting and level of care, or effectiveness, including a determination that a requested or recommended Health Care Service or treatment is experimental or investigational. An Adverse Determination includes any denial of access to an out-of-Network Pharmacy where there is an oral or written assertion by a Covered Person or treating Health Care Professional that a Carrier's or PBM's preferred Network does not have Pharmacies that are able and available to dispense the patient's specific Prescription Drug and the preferred Network is therefore not adequate to deliver the needed Prescription Drug.

Affiliate or Affiliated. An Affiliate of, or Person affiliated with, a specific Person, is a Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

Consistent with the statute, 211 CMR 157.00 focuses on three primary areas of regulation:

- **Licensure** – sets forth information that needs to be submitted as part of a license application following the initial (CY2026) license term and timing thereof
- **Enforcement** – reiterates that the Division has the authority to limit, place on probation, suspend, refuse to issue, or revoke a PBM license and addresses specific activities that may lead the Division to commence enforcement or action on a license
- **Reporting Requirements** – requires periodic reports on a PBM's financial conditions and business operations to be submitted as a condition of licensure. The regulation acknowledges reporting obligations to CHIA (avoids duplication).

Timeline: Key Dates

Q1 2026

- January 1, 2026: statutory deadline for licensure; start of initial (CY2026) license periods
- March 13, 2026: promulgation 211 CMR 157.00

Q2 2026

- Additional engagement with PBMs regarding upcoming license renewal applications

Q3 2026

- July 1, 2026: deadline for license renewal applications, pursuant to 211 CMR 157.03 (“Licensing”)

Q3 → Q4 2026

- Division review of license renewal applications; anticipated issuance of license renewals

Q1 2027

- January 1, 2027: start of three-year license periods



CHIA's PBM Data Collection



UPDATE

- CHIA has finalized regulation and released data specifications to collect:
 - Covered drug lists, cost-sharing tiers, and utilization management requirements
 - Spending, prescriptions, and rebates associated with each drug
 - Administrative fees charged to plan sponsors and rebates retained or shared
 - Payments from PBMs to pharmacies and post-sale adjustments
- Leveraging DOI's licensed PBM list to conduct outreach and offer technical assistance to expected data submitters this spring
- Data due June 1 with first CHIA public report anticipated for Fall 2026
 - CHIA report will include baseline information on PBM market share, formulary structures, and cost and utilization measures
 - Will also support DOI and HPC initiatives





eAPCD Analytics

ACTIVE CHIA PROJECTS

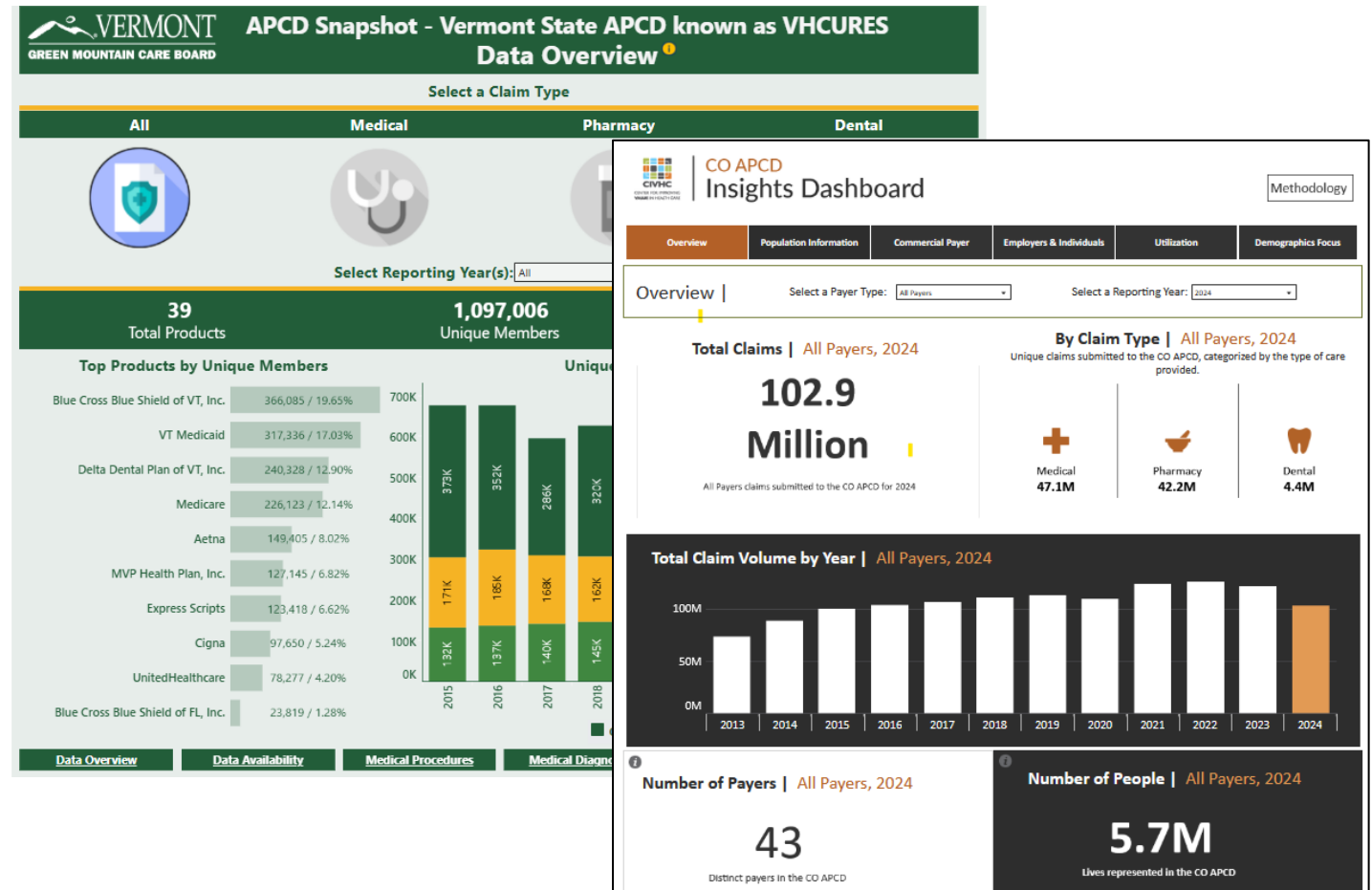
Project	Priority Areas
Enrollment Trends	Access and affordability
CompareCare	Statutory requirement
Prescription Drug Use and Spending	Access and affordability; gov't agency priority
Dental Services Use and Spending	Health equity; access and affordability; workforce capacity; gov't agency priority
Outpatient Services Utilization	Access and affordability; gov't agency priority
Perinatal Behavioral Health	Health equity; primary care and behavioral health
Behavioral Health Utilization for Children and Adolescents	Primary care and behavioral health
Legislative reports (mandated benefit reviews and telehealth)	Statutory requirement
Ongoing linkage across databases to enhance payer data/demographics	Health equity
Ad hoc analytical support to state agency partners	Gov't agency priority



eAPCD Analytics

NEW PROPOSAL: SUMMARY DASHBOARD

Many APCDs produce data summaries with **topline indicators** of cost, coverage, and utilization





eAPCD Analytics



NEW PROPOSAL: PROVIDER ORGANIZATION SOLUTION

- Attributing patients, utilization, and costs to provider organizations via claims and enrollment data has been a challenge
- Proposing to create **master provider organization** map solution for MA APCD
- Range of potential applications:
 - Support for Primary Care Task Force recommendations for measurement
 - Potentially preventable ED utilization and primary care providers
 - Linking APCD analytics to other CHIA-collected provider data



eAPCD Analytics

NEW PROPOSAL: ANALYTIC REPORTS

Project	Priority Areas
Provider-administered drug utilization in outpatient settings	Access and affordability
Provider service line cost comparisons	Access and affordability; statutory requirement (provider price variation)
Community behavioral health center (CBHC) care: patient demographics, utilization and cost trends	Access and affordability; primary care and behavioral health
Urgent care setting costs and spending trends	Access and affordability; primary care and behavioral health
Costs associated with readmissions and frequent utilization	Access and affordability
Administrative quality measure exploration (e.g., screening rates)	Statutory requirement



eAPCD Analytics

DISCUSSION TOPICS

- Do these topics appropriately advance Council priorities (e.g., access and affordability, primary care and behavioral health, and health equity)? Should any of these be prioritized, sequenced first, or removed?
- Should CHIA prioritize durable, repeatable data products (e.g., dashboards or standardized reports and tables) or deeper, time-limited analyses tied to specific policy questions?
- How important is it for CHIA to invest in foundational eAPCD infrastructure (such as provider organization attribution and mapping) versus producing near-term analytic findings, even if that limits short-term outputs?
- How should success be defined for the eAPCD analytic agenda: policy impact, responsiveness to state agencies, sustainability of analytic products, or some combination—and how should CHIA report progress back to the Council?



Data Release Reform

Improving the accessibility, availability, and safeguards of CHIA data



Data Release Reform

WHY DATA RELEASE REFORM WAS NEEDED

- APCD and Case Mix data release process was lengthy and complex for researchers
- Internal review required an extensive case-by-case analysis of each application
- Numerous product combinations created fulfillment delays
- Data Release Reform simplifies the process and improves data accessibility



Numbers to Consider

WHAT TO ADDRESS

75%

Required extensive
case-by-case legal analysis

415

Possible Combinations of Data

240

Average number days from
application to data release



New Framework to Simplify Legal Disclosures



STATUTE AND REGULATIONS

- Legislature made changes via Shield Law 2.0
- CHIA Regs effective February 27, 2026
- Government Agencies: “Public Purpose”
- Providers and Payers: “Treatment, Payment, or Health Care Operation” (TPO)
- Research purposes: HIPAA Framework
- De-identified data: Other health policy uses



New Review Process to Reduce Time to get Data

IMPROVED EFFICIENCY AND SIMPLIFICATION

- New Dynamic Application for All Requests
- New Process
 - Automated reminders, emails, database
 - Document generation
 - DRC no longer required
 - Researchers provide IRB waiver
- Updated Data Use Agreement
 - Enhanced safeguards
- Working to Standardized Data Products



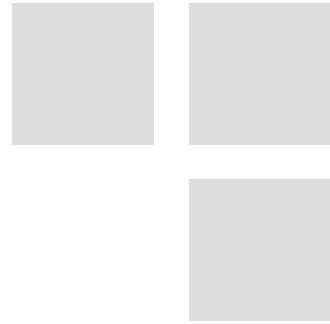
Data Release Reforms

DISCUSSION TOPICS

- How does the Council view the shift to a voluntary HIPAA-based release framework for researcher access?
- How do Council members view the balance between streamlining access and increasing appropriate data safeguards under the new framework?
- As CHIA continues refining its product offerings, what feedback has the Council heard from end users about the data that best support their work?
- Are there lessons from other states' data release models that the Council believes CHIA should consider as it implements these reforms?



Priority Areas



Primary Care and Behavioral Health



Primary Care and Behavioral Health

UPDATES AND NEXT STEPS

Primary Care Task Force (PCTF)

- PCTF has completed three deliverables: defining primary care, establishing a spending target, and proposing a payment model framework.
- Remaining deliverables related to health plan design, resident care needs, and workforce to be completed in June.
- Deliverables inform future CHIA data collection and analysis.

Upcoming Work: Spring/Summer 2026

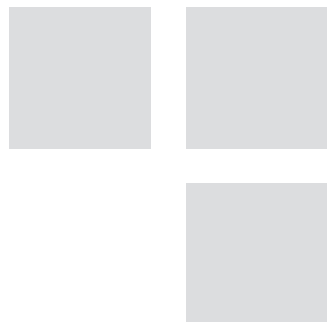
- New analysis using APCD to better capture integration of behavioral health in primary care settings
- Primary Care and Behavioral Health Spending Report (2023-2024)
- Primary Care Dashboard
- Behavioral Health Dashboard

Behavioral Health

FINDINGS FROM THE MARCH 2026 ANNUAL REPORT

In 2024, spending on behavioral health services represented 8.1% of commercial, 22.4% of MassHealth, and 2.3% of Medicare Advantage health care spending, similar to 2023.





Health Equity



Health Equity

APCD-Member Simplified data collection

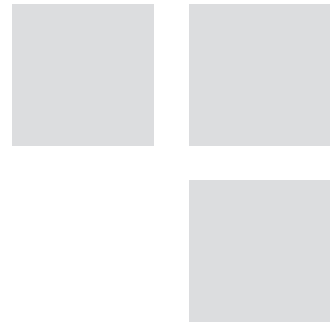
- Enhanced member demographic information (race, ethnicity, language, etc.) in APCD Member Simplified File
- Payers submitting test and production data this month
 - Will be evaluated for quality, completeness, and suitability for inclusion in future reporting

Health Equity Dashboard (annual update June 2026)

- Showcases key measures of health care inequities monitored at CHIA
- Focus on race, ethnicity, and geography

Continued agency partnerships

- Supporting EOHHS's AHEM initiatives through data and analytics
- Continuing hospital EHR data collection



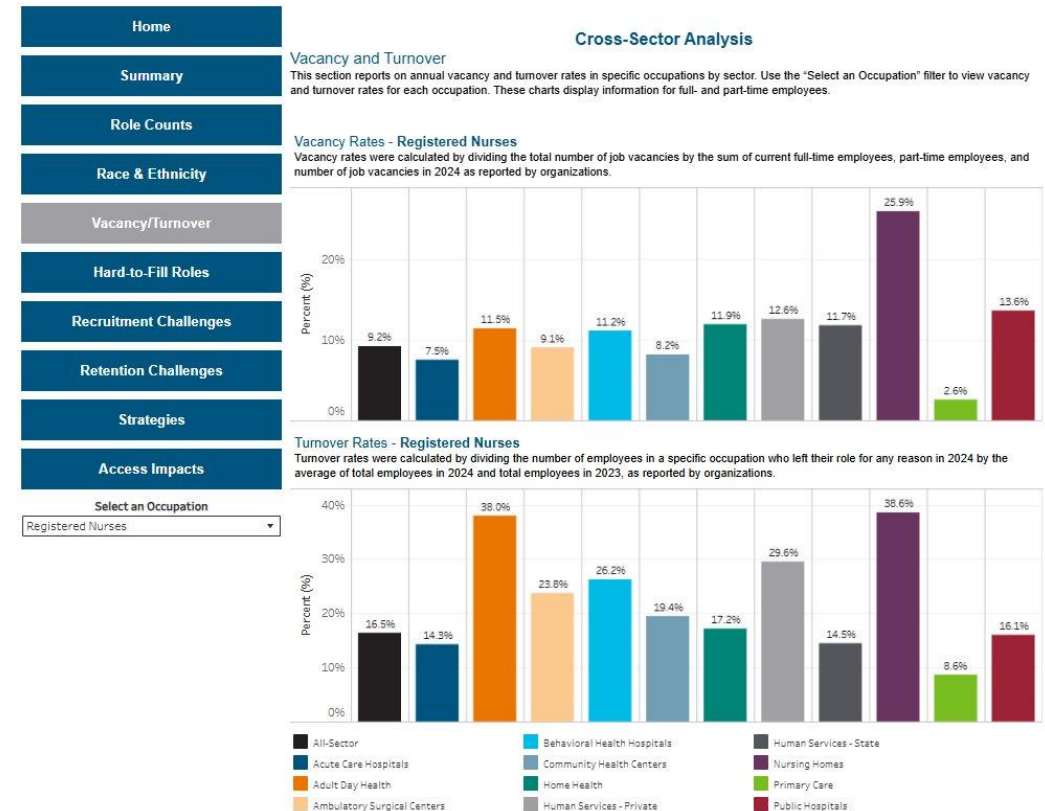
Workforce Initiatives

Massachusetts Health Care and Human Services Workforce Survey (MHCW)

2025 RESULTS AVAILABLE FOR 13 SECTORS AND CROSS-SECTOR ANALYSIS

- Second fielding of biennial organization-level survey
- Collects staffing data, recruitment/retention information

Discussion: Opportunities to further disseminate?



chiamass.gov/mhcw



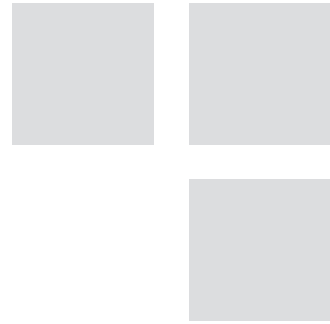
Other Workforce Initiatives

Integrated Nursing Dashboard

- Collaborative effort between DPH, EOHHS, and CHIA
- Leverages workforce data sources including MHCW Survey, RN/LPN re-licensure surveys, BORN, BLS
- Dashboard published February 2026

Employee Voice Focus Group Study

- Perspectives from direct care workers in post-acute care settings on recruitment and retention issues
- Recruitment ongoing, data collection through May 2026
- Results forthcoming fall 2026

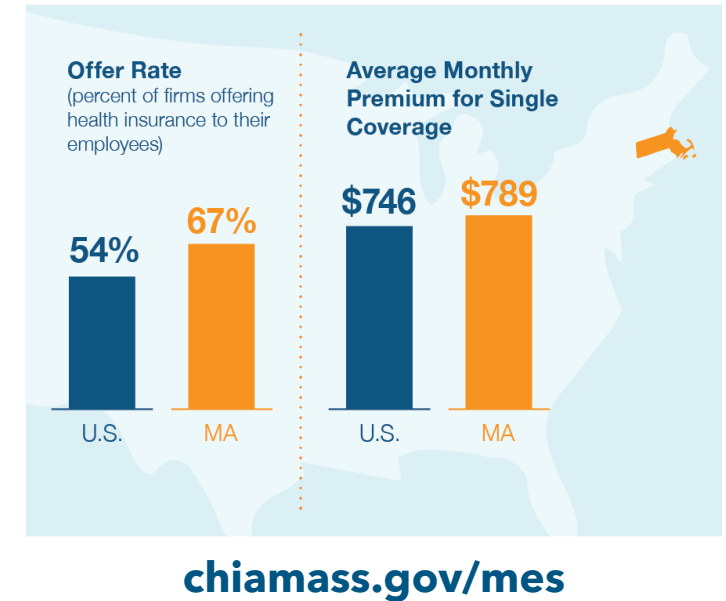


Massachusetts Employer Survey

Massachusetts Employer Survey (MES)

BACKGROUND

- Biennial survey of MA employers since 2001
- Monitors employer health insurance offerings, employee take-up rates, cost-sharing, plan characteristics, and employer decision-making
- Key refinements for 2026 include new or revised questions on decision-making around impacts of rising health costs, self-insurance, use of self-insurance for cost control, tightening pharmacy benefits, PBM contracting, and PEOs
- 2026 survey fielding through May/June with sample of MA firms by size and industry
- Report publication expected December 2026



Questions?

Questions?

