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House adds AI rules, longer runway to primary care bill

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Jul 29, 2026

Health Care Financing Committee Co-chair Rep. John Lawn listens during a hearing on July 1, 2025.

Chris Lisinski/SHNS

STATE HOUSE, BOSTON, July 29, 2026.....House Democrats advanced a primary care reform package Wednesday that also imposes new guardrails on the use of artificial intelligence, bolsters oversight of pharmacy benefit managers, and creates an accelerated

process for state public health regulators to vet certain Determination of Need applications.

House Speaker Ron Mariano previously voiced skepticism over the Senate's primary care bill (S 3141) that passed on a 35-4 vote last month. But the redrafted approach the House Ways and Means Committee (H 5618) released on Wednesday morning echoes a critical provision from the Senate — establishing a primary care spending target.

An Act strengthening primary care and advancing health care affordability

EXECUTIVE SUMMARY

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

Increasing Primary Care Spending and Assessment

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

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

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

Health Care Workforce Development

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

Federally Qualified Health Center Rate Floor

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

Strengthening the Health Safety Net and Financial Stability

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

Bay Staters often wait months to secure a visit with a primary care doctor, with the sector plagued by a shrinking workforce and dwindling investment compared to higher paying jobs in specialty care. Lawmakers are trying to address that longstanding problem and access to basic care that supporters say it important to maintain health.

The legislation is up for a vote Thursday, according to a joint statement from Mariano, House Ways and Means Chair Aaron Michlewitz and Health Care Financing Co-chair Rep. John Lawn.

"For many Massachusetts residents, an unsustainable rise in health care costs has made it increasingly difficult to access and afford basic health care services," the House leaders said. "To confront that challenge, this legislation makes critical investments in primary care by strengthening reimbursement rates, investing in our primary care workforce, expanding timely access to appointments, and by easing the administrative burdens that contribute to provider burnout."

The bill cleared the Ways and Means Committee on a 19-0 vote. Reps. Michael Chaisson, John Marsi, Joseph McKenna, Kelly Pease, Todd Smola, Alyson Sullivan-Almeida, Marcus Vaughn and Steven Xiarhos reserved their rights in the poll. Reps. Patricia Duffy, Ryan Hamilton, Russell Holmes, Kristin Kassner, Lindsay Sabadosa, Alan Silvia and Chynah Tyler took no action.

Under the HWM bill, primary care should represent 9% of all healthcare spending by 2030. The target would climb to 12% by 2033 and 15% by 2036. It's a longer runway than the Senate bill, which envisions reaching the 15% target by 2030.

In 2024, about 6.6% of commercial healthcare spending went toward primary care, according to the most recent state dashboard.

The Health Policy Commission would be tasked with administering and monitoring the target. The HPC would work with the Center for Health Information and Analysis and the Division of Insurance to make sure that increased primary care spending does not result in overall healthcare spending growth or increased premiums and cost-sharing.

The bill also revamps the HPC's performance improvement process for healthcare entities that exceed the state's cost growth benchmark. The HPC could require a "primary care commitment," which for providers or provider organizations could involve increased payment

rates, behavioral health integration, appointment access like same-day scheduling, and more. An insurer's primary care commitment could entail increased contracted payment rates for primary care services, reduced administrative burdens for primary care providers, and benefit design that improves access to care.

"SECTION 1. Section 1 of chapter 6D of the General Laws, as appearing in the 2024 Official Edition, is hereby amended by inserting after the definition of "After-hours care" the following 2 definitions:-

"Aggregate primary care expenditures", the annual per capita sum of all primary care expenditures in the commonwealth.

"Aggregate primary care expenditure target", the target amount of aggregate primary care expenditures for a calendar year, as established pursuant to section 9A.

SECTION 2. Said section 1 of said chapter 6D, as so appearing, is hereby further amended by inserting after the definition of "Physician" the following 4 definitions:-

"Primary care", the provision of coordinated, comprehensive medical services, on both a first-contact and a continuous basis, by a primary care provider.

"Primary care expenditures", payments for primary care services and other payments that directly support the delivery of primary care services, which shall be limited to the following:

(i) payments for services delivered by a primary care provider in an outpatient setting, by telehealth, or in a patient's home, nursing facility or other residential care setting;

(ii) payments for preventive medicine services delivered by a primary care provider, including examinations, screenings, assessments and counseling;

(iii) payments for the administration of injections, infusions and vaccines by a primary care provider;

Like the Senate, the House Ways and Means bill also embraced a new reimbursement strategy for primary care.

A primary care payment collaborative within the DOI would establish at least one advanced primary care payment model, aimed at supporting value-based care and moving away from the traditional fee-for-service structure. Instead, the model promotes predictable capitated payments on a per member, per-month basis. Insurers would be required to embrace at least one model and offer it to contracted primary care providers and provider organizations.

The model would also incorporate an incentive payment for providers that demonstrate "meaningful improvement" or exceed a performance standard when it comes to the time it takes for an established patient to obtain an appointment, the time for a new patient to schedule a visit, and growth in serving patients and communities that had primary care shortages, among other factors.

Going beyond the scope of the Senate's bill, the HWM bill regulates the use of automated utilization review tools, defined as AI, an algorithm or other software "used to conduct, or to generate information relied upon in, utilization review based in whole or in part on medical necessity." The tools can be used to vet requests for covered benefits. Violations could result in fines of up to $5,000.

The bill clarifies that automated tools for health insurers cannot be the "sole basis for an adverse determination" — and that a decision must be made by a licensed physician or healthcare professional. Insurers and utilization review organizations must disclose the use of automated tool on its website, and outline in written notices whether the tools were used in adverse determinations.

The tools cannot be designed or deployed in a way that discriminates against insurance enrollees based on federal or state law. Insurers must submit annual reports to DOI about the number of requests reviewed with the automated tools and the percentage of denials.

Lora Pellegrini, CEO of the Massachusetts Association of Health Plans, said she's concerned "the bill's artificial intelligence provisions are unnecessary given Massachusetts' existing statutory and regulatory framework."

"State law already requires that adverse utilization review determinations be made by appropriately licensed clinicians, and the Division of Insurance has established comprehensive standards governing insurers' responsible use of artificial intelligence," Pellegrini said.

Building on last session's prescription drug reform law, the HWM bill requires insurers, pharmacy benefit managers and "affiliated entities" to apply at least 80% of estimated prescription drug rebates in order to "reduce patient cost-sharing at the pharmacy counter," according to a House summary. The bill also boosts oversight of affiliated entities and other organizations that are vertically integrated with PBMs.

"The bill also lowers out-of-pocket costs by ensuring that patients benefit from prescription drug rebates at the pharmacy counter, and that insurance companies cannot deny patients the full benefit of prescription drug coupons," Mariano, Michlewitz and Lawn said. "We look forward to continued conversations with the Membership, and to passing this important legislation tomorrow."

The legislation also invests an initial $25 million into a new workforce development fund, ensures insurance parity for community health centers, shores up funding for the strained Health Safety Net Fund, and requires insurers to cover mobile integrated health services.

Community hospitals could also benefit from an expedited Determination of Need process if they're looking to expand primary care, behavioral health, maternal health and services in underserved communities. The projects would receive priority, with decisions issued with 60 days after an application is filed.

Following Thursday's vote, the House and Senate will likely name negotiators by Friday to start the work of reconciling their different primary care packages.

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