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Sent: Tuesday, February 04, 2014 11:04 AM
To: Paul Parker (pparker@mhcc.state.md.us; Ben Steffen (Ben.Steffen@maryland.gov)
Cc: Cameron, Patricia
Subject: Cost Effectiveness for New Cardiac Programs

Paul and Ben –

Below is the language I came up with as a result of the Senate Finance discussion on the draft state health plan for cardiac services. As I mentioned I believe there must be greater emphasis on proving cost effectiveness given the changed hospital payment system. In addition, given the angst about authorizing the MHCC to revoke a CON for not meeting the standards the front door should be strengthened.

In section .05AA(4) add:

“An applicant shall quantify the proposed program’s expected revenue per case operating at an efficient level, direct and indirect costs, and the optimal surgical volume required for the program to show a positive net gain.”

Call if you would like to further discuss.

Thanks

Pegeen