

Management Service Organization State Designation Application

Overview

COMAR 10.25.15.03, *Management Service Organization State Designation*, requires a Management Service Organization (MSO) seeking State Designation to submit an application to the Maryland Health Care Commission (MHCC or Commission).¹ State designation status is an endorsement of the organization, provides competitive advantages, and marketing opportunities by MHCC. An MSO seeking voluntary State Designation must submit this application to MHCC for review and approval. There is no application fee. State Designation is valid for two years from the date of issuance of an MSO State Designation certificate, unless suspended or revoked by the Commission. A State Designated MSO must submit an application for renewal at least 30 days before the expiration of its State Designation, as indicated in COMAR 10.25.15.04. For additional information on MSO related terminology and definitions, please refer to the Key Terms section on pages 3 and 4 of this application.

What is an MSO?

MSOs provide support services to health care providers using health IT with the aim of improving the patient experience of care and the health of patient populations, while reducing health care costs. An MSO is defined in COMAR 10.25.15.02B(5) as *an entity that provides technology and consultative services to health care providers, and makes available one or more hosted electronic health records systems and other health information technology solutions.*

Application Submission

1. The MSO State Designation application is available on MHCC's website at: mhcc.maryland.gov/mhcc/pages/hit/hit_mso/hit_mso.aspx.
2. Parts A through C of the application must be completed and all required documents must be attached to the application. The individual authorizing the application must be a signatory authority of the MSO.
3. The completed application and required documents must be submitted by e-mail to melanie.cavaliere@maryland.gov.
4. As stipulated in COMAR 10.25.15.03A, to qualify for MSO State Designation, an MSO must:
 - a. Demonstrate that it meets all MSO State Designation criteria in effect at the date of application; MSO State Designation criteria are listed in Part B of this application.
 - b. Affirm that the applicant, a related entity, or a person or entity that is a principal, owner, operator, or part of management of the entity has never:

¹ COMAR 10.25.15 available at: www.dsd.state.md.us/comar/SubtitleSearch.aspx?search=10.25.15.*

- i. Pleaded guilty to, been convicted of, or received probation before judgment or similar diversionary disposition for a crime related to the operation of an MSO or for a crime involving fraud, dishonesty, or false dealings; or
- ii. Been found in violation of State or federal laws or regulations governing the operation of an MSO;

Note: This affirmation can be completed by signing Part C of this application

- c. Provide additional information requested by the Commission as needed to complete the application in accordance with specified timelines; and
- d. Agree to comply with the requirements of COMAR 10.25.15, as stipulated in COMAR 10.25.15.03 (B)(5).

Note: This agreement can be completed by signing Part C of this application

MHCC Application Evaluation and Notification Process

1. The MHCC will review the application for completeness and request additional documentation if necessary.
2. The MHCC will evaluate the material submitted in the application to ensure compliance with the MSO State Designation criteria. The MHCC may ask for additional information throughout the evaluation process as needed.
3. Upon completion of review of application, MHCC will take one of the following actions:
 - a. Designate the MSO; or
 - b. Deny the designation for reasons specified to the MSO applicant.
4. The MHCC will notify the MSO applicant of the designation status via email; designated MSOs will be listed on MHCC's website.

Note: Information submitted to MHCC with MSO State Designation applications is subject to the Public Information Act under the State Government Article ("SG"), §§10-611 through §§10-630, Annotated Code of Maryland.² The MHCC will not divulge or release any proprietary or competitive information to the public. Information pertaining to the protection of the information submitted by an MSO applicant for State Designation is contained in the Maryland Public Information Act: www.oag.state.md.us/Opengov/Chapter3.pdf, pages 3-19.

MSO State Designation Renewal

As stipulated in COMAR 10.25.15.04, MSO applications for renewal of State Designation shall be provided to MHCC at least 30 days prior to the expiration of the State Designation. MSO applicants must demonstrate compliance with the MSO State Designation criteria in effect at the date of application for renewal. A State Designated MSO must achieve renewal of its State Designation prior to the expiration of its State Designation.

² Maryland Public Information Act available at: www.oag.state.md.us/Opengov/pia.htm.

Requirements for Third-Party Assessments of the MSO

MSO State Designation criteria require an assessment of the MSO by an independent third party (for more details, see Criterion 10 on pages 10 to 11 of this application). To achieve compliance with this criterion, MSOs must implement one of the following options:

1. An MSO that owns a data center to host its electronic health record (EHR) solution and/or EHR hosting facilities shall have a current accreditation by the Electronic Health Network Accreditation Commission (EHNAC), or a current Statement on Standards for Attestation Engagements No. 16, Reporting on Controls at a Service Organization, Type II Audit (SSAE 16 II)³.
2. An MSO that contracts with data center and/or EHR hosting facilities shall require its contracted data center and/or EHR hosting facilities to have a current accreditation by EHNAC, or a current SSAE 16 II.⁴
3. Service only MSOs shall provide documentation demonstrating that the MSO has undergone an independent third party privacy and security audit from an appropriately qualified organization within the previous 12 months.⁵

An *appropriate qualified organization* is one that is in the business of conducting independent audits, including privacy and security. MSOs may submit in writing to MHCC a request for consideration of a particular organization that the MSO believes is appropriately qualified to assess the compliance of the MSO with federal and State privacy and security laws. The MHCC strongly encourages MSOs considering applying for State Designation to begin the third party assessment process at least one year in advance of submitting the application.

Key Terms

- *Electronic health record (EHR)* - a complete electronic record system that:
 - Contains health-related information on one or more individuals; and
 - Is certified by an authorized testing and certification body designated by the Office of the National Coordinator for Health Information Technology
- *Entity* - an individual, trust or estate, general or limited partnership, joint stock company, unincorporated association or society, municipal or other corporation, incorporated association, limited liability partnership, limited liability company, the State, an agency or political subdivision of the State, a court, and any other governmental body
- *Health information exchange (HIE)* - an HIE allows health care practitioners to appropriately access and securely share patients' medical information electronically across disparate health care systems

³ An appropriate qualified organization is one that is in the business of conducting audits, including privacy and security. MSOs may submit in writing to MHCC a request for consideration of a particular organization the MSO believes is appropriately qualified.

⁴ Ibid. 3.

⁵ Ibid. 4.

- *Health information technology (health IT)* - generally consists of the following three components: EHRs, HIE and telehealth. Widespread use of health IT can help improve the quality of patient care, reduce medical errors, and achieve cost savings through greater efficiency
- *MSO* - an entity that provides technology and consultative services to health care providers, and makes available one or more hosted EHR systems and other health IT solutions
- *MSO State Designation certificate* - a certificate provided to the MSO by MHCC that documents award of State Designation
- *MSO State Designation criteria* - the standards published by MHCC on its website and by notice in the Maryland Register that an MSO must meet to qualify for State Designation
- *State Designation* or *State Designated* - the status awarded by MHCC to an MSO that has met the MSO State Designation criteria
- *Telehealth* - the delivery of health education and services using telecommunications and related technologies in coordination with health care practitioners. Telehealth can include the following technologies:
 - Real-time audio video conferencing: virtually connects patients with practitioners (sometimes referred to as *e-visits*) and may serve as an alternative to an in-person visit
 - Store-and-forward: uses non-real-time communication, such as email or other electronic transmission, to send clinical information, such as an x-ray, to health care practitioners for clinical review at a convenient time offline
 - Remote monitoring: collects and transmits data on specific health indicators, such as blood pressure or heart rate, to health care practitioners for tracking purposes
 - Mobile health: uses mobile communications devices, such as smartphones, for health services and information

Part A: MSO Applicant Information

Is the MSO applying for State Designation or renewal of State Designation?

State Designation

Renewal of State Designation

Legal name of MSO:

Doing business as (DBA)(s):

If the MSO is a corporate entity or a subsidiary of a larger organization, specify below

Corporate entity

Subsidiary (*specify*)

Website address:

Mailing address:

City:

State:

Zip code:

Federal tax ID:

State tax ID:

Name of MSO's primary contact:

Note: The individual authorizing this MSO State Designation application must be a signatory authority of the MSO.

Phone number:

E-mail:

Number of years and months the MSO has been in business: Years Months

Percent of MSO services that originate in Maryland:

Total number of MSO employees:

Number of Maryland resident MSO employees:

Is the MSO a certified Maryland Minority Business Enterprise (MBE)?⁶ Yes No

Part B: MSO Adherence to the Criteria for MSO State Designation

The *MSO Criteria for MHCC State Designation* (criteria) was developed in collaboration with an MSO Advisory Panel. As stipulated in COMAR 10.25.15.03B, an applicant for MSO State Designation must demonstrate that it meets all MSO State Designation criteria in effect at the date of the application. Likewise, as stipulated in COMAR 10.25.15.04A(2), applicants for renewal of State Designation must demonstrate compliance with the MSO State Designation criteria in effect at the date of the application for renewal. The MHCC will use discretion in its review of an applicant's criteria and may provide applicants with guidance as it pertains to meeting the criteria during the application process. The following details an MSO applicant's required adherence with MSO State Designation criteria.

1. *Criterion 1:* A Centers for Medicare & Medicaid Services EHR incentive program meaningful use assessment strategy to assist providers in performing a readiness assessment of their compliance with the current federal meaningful use requirements.

Attach the MSO procedures for performing and *reporting meaningful use gap analysis*, readiness assessment, and/or at least one and no more than three sample provider/practice report(s) (dummy data is acceptable) and label it *Criterion 1 Documentation*.

2. *Criterion 2:* Practice transformation⁷ procedures aimed at helping providers maximize the use of health IT for providers participating in innovative care delivery models.⁸ The

⁶ For more information about Maryland's MBE Certification, visit:

www.mdot.maryland.gov/Office%20of%20Minority%20Business%20Enterprise/Certifications%20and%20Forms/MBE%20Certification%20Application%20Page.html

⁷ Practice transformation refers to workflow and care delivery changes using health care teams to initiate and maintain quality improvements through evidence-based care.

⁸ Innovative care delivery models could include, but are not limited to, Patient Centered Medical Home programs, Patient Centered Specialty Practice, and Accountable Care Organizations.

procedures shall demonstrate MSO knowledge regarding innovative care delivery models and EHR systems integration to support innovative care models.

Attach the MSO procedures for assessing progress of providers participating in innovative care delivery models in meeting care model standards, sample materials and/or documentation that the MSO delivers as part of its engagement to help the provider maximize their use of EHRs and other health IT and label it *Criterion 2 Documentation*.

3. *Criterion 3:* Procedures to assist practices in extracting reportable data⁹ required for quality initiatives from their EHR and presenting the information in an understandable format to providers. An MSO shall have demonstrated procedures, tools and experience in the extraction and reporting of quality initiatives.

Attach listing of extraction/reporting tools used and sample quality improvement reports (substitution data is acceptable) and label it *Criterion 3 Documentation*.

4. *Criterion 4:* A strategic communication plan for expanding health IT to providers in the MSO's service area.¹⁰

Attach the MSO's current marketing plan and label it *Criterion 4 Documentation*.

5. *Criterion 5:* Procedures to assist providers in expanding their patients' awareness of the benefits of health information technology, and their patients' engagement with health IT and use of health information technology.

Attach the MSO's procedures that demonstrate knowledge of various patient engagement approaches and office workflow options to facilitate patient engagement, and ability to discuss the changing patient engagement meaningful use requirements and label it *Criterion 5 Documentation*.

6. *Criterion 6:* A health IT gap assessment that will assist providers in the identification of workflow and care delivery deficiencies that can be mitigated through the adoption of health information technology.

Attach the MSO's procedures for performing and reporting practice and clinical workflow analysis, corrective action plans, and sample *provider/practice technology gap assessment* reports and label it *Criterion 6 Documentation*.

7. *Criterion 7:* Offer an EHR solution that is hosted or web-based with current meaningful use certification¹¹ by the Office of the National Coordinator for Health Information Technology.

Attach the service agreement between the MSO and the EHR vendor and label it *Criterion 7 Documentation*.

⁹ Reportable data may include data required for programs the practice is participating in, such as the meaningful use program, patient centered medical home, accountable care organizations, and others.

¹⁰ The MSO's service area includes any geographic location in which the MSO has clients.

¹¹ This includes certified health IT products recognized for meaningful use by the Office of the National Coordinator for Health IT. See the following website for more information: www.healthit.gov/policy-researchers-implementers/certified-health-it-product-list-chpl.

8. *Criterion 8:* Training certification documentation for employees who have access to protected health information as defined by the Health Insurance Portability and Accountability Act 1996 (HIPAA) and as amended by the Health Information Technology for Economic and Clinical Health (HITECH) Act.

Attach the procedures for training employees and policies on ongoing training that demonstrates that MSO employees that have access to protected health information received relevant HIPAA and HITECH training and label it *Criterion 8 Documentation*.

9. *Criterion 9:* Procedures for transparent and accurate marketing materials describing the scope, warranties, and cost of all offered services.

Attach a completed MSO Disclosure Statement¹² and procedures for providing the MSO Disclosure Statement to providers/practices and label it *Criterion 9 Documentation*.

10. *Criterion 10:* A description of the MSO's businesses model and the appropriate documentation from one of the following:

- a. An MSO that owns a data center to host its EHR solution and/or EHR hosting facilities shall have a current accreditation by EHNAC, or a current SSAE 16 II. An MSO may request in writing that MHCC recognize an alternative independent third party assessment.¹³

Attach evidence of compliance for one of the following and label it *Criterion 10 Documentation*: (1) the data center and/or EHR hosting facilities listed on the EHNAC website as an accredited organization; (2) the report from the SSAE 16 II audit of the data center and/or EHR hosting facilities; or (3) the report from the MHCC-approved alternative independent third party assessment.

- b. An MSO that contracts with data center and/or EHR hosting facilities shall require its contracted data center and/or EHR hosting facilities to have a current accreditation by EHNAC, or a current SSAE 16 II. An MSO may request in writing that MHCC recognize an alternative independent third party assessment.¹⁴

Attach one of the following and label it *Criterion 10 Documentation*:

- The data center and/or EHR hosting facilities used that are EHNAC accredited;
- The report from the SSAE 16 II audit of the data center and/or EHR hosting facilities; or
- The report from the MHCC-approved alternative independent third party assessment

¹² The MSO Disclosure Statement is available online at: mhcc.maryland.gov/mhcc/pages/hit/hit_mso/documents/mso_disclosure_statement.docx

¹³ An appropriate qualified organization is one that is in the business of conducting audits, including privacy and security. MSOs may submit a request in writing to MHCC for consideration of a particular organization the MSO believes is appropriately qualified.

¹⁴ Ibid. 13.

- c. Service only MSOs shall provide documentation demonstrating that the MSO has undergone an independent third party privacy and security audit from an appropriately qualified organization within the previous 12 months.¹⁵

Attach the report from the independent third party privacy and security audit completed by an appropriately qualified organization and a remedial action plan to address any findings and label it *Criterion 10 Documentation*.

11. *Criterion 11*: Procedure to comply with non-financial quarterly reporting requests by MHCC that may be posted on MHCC's website and may consist of:

- The number and specialty of providers that have signed a contract with the MSO;
- The number and specialty of providers the MSO assisted with implementing an EHR;
- The number and specialty of providers the MSO assisted with achieving meaningful use; and
- Any other element requested by MHCC.

Attach procedures for collecting and reporting the above data elements and at least one and no more than three sample report(s) (dummy data acceptable) for each of the elements listed above and label it *Criterion 11 Documentation*.

Part C: Attestation

By submitting this application and if approved for State Designation, my organization agrees to be listed on MHCC's website as a State Designated MSO, including corporate name, address, phone number, website address (if applicable), and any other information as requested by MHCC. If approved for State Designation, my organization also agrees comply with the requirements of COMAR 10.25.15.

I recognize that all costs associated with the activities undertaken for MSO State Designation and compliance with COMAR 10.25.15 are at the expense of the MSO applicant. I understand that MHCC is not responsible for any costs incurred in an applicant's pursuit of State Designation or compliance.

By signing and submitting this application, my organization is affirming that the applicant, a related entity, or a person or entity that is a principal, owner, operator, or part of management of the entity has never: 1) pleaded guilty to, been convicted of, or received probation before judgment or similar diversionary disposition for a crime related to the operation of an MSO or for a crime involving fraud, dishonesty, or false dealings; or 2) been found in violation of State or federal laws or regulations governing the operation of an MSO.

I affirm under perjury and penalty that the information given in this MSO State Designation application is true and correct to the best of my knowledge and belief. I also understand that any

¹⁵ An appropriate qualified organization is one that is in the business of conducting audits, including privacy and security. MSOs may submit a request in writing to MHCC for consideration of a particular organization the MSO believes if appropriately qualified.

false information provided shall be a cause for denial of this MSO State Designation application or revocation of MSO State Designation granted.

Electronic Signature:

Entering an electronic signature or typing a name in the signature box above is the equivalent of a physical signature.

Title:

Date:

*PLEASE SUBMIT YOUR COMPLETED APPLICATION AND ALL REQUIRED DOCUMENTS
TO MELANIE.CAVALIERS@MARYLAND.GOV*

FOR ASSISTANCE, PLEASE CONTACT MHCC BY TELEPHONE AT 410-764-3282
