

Report on MHCC User
Fee Assessment
as Required by Senate Bill 786 -
Department of Health and Mental
Hygiene -MHCC Modifications and
Clarifications

&

House Bill 800 -
Maryland Health Care
Commission -
Program Evaluation

December 20, 2012

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I. INTRODUCTION

Chapter 702 of the 1999 enabling legislation (House Bill 995) required the Commission to study and make recommendations on the appropriate funding level and the allocation of user fees among those currently assessed. The Commission completed this requirement and submitted its recommendations to the General Assembly in January, 2001. These recommendations were: 1) raise the user fee cap; 2) conduct a workload distribution study, every four years, to ensure each industry is assessed a fair percentage aligned with the services provided by the Commission; and 3) remove the current apportionments, by industry, from statute and incorporate them into regulations after the study is complete.

The Commission, during the 2001 legislative session, submitted these recommendations in Senate Bill 786 entitled, "Department of Health and Mental Hygiene – Maryland Health Care Commission – Modifications and Clarifications." Enacted legislation (Chapter 565) required the Commission to: 1) raise the user fee cap to \$10 million; 2) use a methodology that accounts for the portion of the Commission's workload attributable to each industry assessed; and 3) adopt regulations to permit a waiver of the fee assessment requirements for certain health care practitioners. In adopting these regulations, the Commission is required to consider the hourly wages of the health care practitioners and give preference to exempting those health care practitioners with an average hourly wage substantially below that of other health care practitioners.

II. REQUIREMENT UNDER CHAPTER 627 (HOUSE BILL 800) PASSED DURING THE 2007 LEGISLATIVE SESSION

Uncodified language in Chapter 627 (House Bill 800) requires the Commission to study the extent to which other health care providers, not currently subject to a user-fee assessment, utilize the Commission resources and to discuss the feasibility and desirability of extending a user fee to additional types of providers regulated by the Commission. This legislation also raised the ceiling on the Commission's current user fee cap to \$12 million to include indirect costs paid to the Department of Health and Mental Hygiene.

III. BACKGROUND OF THE ASSESSMENT MECHANISM

This report fulfills the aforementioned statutory requirements by evaluating the workload of the Commission and reallocating the percentages apportioned to each payer.

Currently, the Commission assesses: 1) Payers for an amount not to exceed 29% of the total budget; 2) Hospitals and Special Hospitals for an amount not to exceed 31% of the total budget; 3) Nursing Homes for an amount not to exceed 22% of the total budget; and 4) Health Occupational Boards for an amount not to exceed 18% of the total budget. The amount of an individual entity's assessment is derived differently for each group assessed.

- Payers are assessed a fee in a manner that apportions the total amount assessed to be based on a ratio of each payer's total premium collected in the state for health benefit plans to the total collected premiums of all payers in the state;
- Hospitals are assessed the amount equal to one-half of the total fee to be assessed on hospitals times the ratio of admissions of the hospital to total admissions of all hospitals; and the amount equal to one-half of the total fee to be assessed on hospitals times the ratio of gross operating revenue of each hospital to total gross operating revenues of all hospitals;
- Nursing Homes are assessed the amount equal to one-half of the total fee to be assessed on nursing homes times the ratio of admissions of the nursing home to total admissions of all nursing homes; and the amount equal to one-half of the fee to be assessed on nursing homes times the ratio of gross operating revenue of each nursing home to total gross operating revenues of all nursing homes; and
- Health Occupation Boards are assessed a flat fee that apportions the total amount assessed based on number of licensees for all boards assessed.

IV. BACKGROUND OF THE WAIVER PROCESS

When considering the assessment for Health Occupation Boards, the Commission is required to establish a methodology that examines both the average hourly wage and creates the waiver process. Because surveying each individual practitioner to find the average hourly wage is neither feasible nor cost effective, staff uses information easily obtained from both the Health Occupation Boards and the State Personnel System's standard salary scale to complete this methodology. Each Health Occupation Board submits to MHCC: 1) each professional category that they are responsible to either license or certify; 2) number of licensees; and 3) whether the board assesses that category of license.

To complete the task of finding the average hourly wage, staff uses the State Personnel Classification and Compensation system to match classification by grade level, including all levels under that classification: e.g., Occupational Therapist I, II, III, and what the compensation is from lowest to highest for each category of licensee. This information provides the Commission an overall average for health care practitioners and a tool to comparatively evaluate each category and determine the applicability of the criteria of "substantially below the average."

The Commission currently collects the practitioner assessment from:

- 1) Chiropractors; 2) Dietitians/Nutritionists; 3) Occupational Therapists excluding Occupational Therapists Assistants; 4) Social Workers excluding Social Worker Associates; 5) Speech Language Pathologists, Audiologists, Hearing Aid Dispensers; 6) Nurses excluding Licensed Practice Nurses, Nurse Psychotherapists, and Nurse Assistants; 7) Podiatrists; 8) Physical Therapists excluding Physical Therapy Assistants; 9) Physicians; 10) Psychologists excluding Psychologist Associates; 11) Pharmacists; 12) Optometrists; 13) Professional Counselors and Therapists; 14) Dentists excluding

Dental Hygienists and Dental Assistants; 15) Massage Therapists; and 16) Acupuncturists excluding Animal Acupuncturists.

V. ALLOCATION OF COSTS – Senate Bill 786 - Requirements for Fiscal Year 2014 Implementation of New Apportionments

The Commission's budget is prepared by the distribution of costs to five centers. These centers are separated by Project Coding Appropriation codes and are:

- **Executive Direction** – incorporates all administrative costs/salaries needed to operate the Commission on a daily basis;
- **Center for Information Services and Analysis** – incorporates all costs for Data Base Applications Development, Cost and Quality Analysis, and Network and Operating Systems;
- **Centers for Long-Term and Community Based Services** – incorporates all costs for Benefit Analysis and HMO Quality and Performance;
- **Center for Health Care Financing and Health Policy** – incorporates all costs for Benefit Analysis, HMO Quality and Performance, the Long Term Care Quality Initiative and Long Term Care Policy and Planning;
- **Center for Hospital Services** – incorporates all costs for Hospital Services Policy and Planning, Certificate of Need, Specialty Services Policy and Planning and the Hospital Quality Initiative;
- **Center for Health Information Technology** – incorporates all costs for Health Information Technology Policy and EDI Services and EHR Development.

Five of the Commission's centers have very defined projects—both in scope and with respect to who the targeted audience is— which makes allocation of those costs straightforward (Summary Workload Analysis 1, 2, 3 and 4). The exception is the Executive Direction Division.

The Executive Direction Division's budget consists of the salaries of the Executive Director, the administrative staff, the legal staff, all other adjustments to salaries for the Commission, but most importantly, all residual costs associated with day-to-day operations. Therefore, expenditures associated with this division are more difficult to allocate (Summary Worksheet 5). Staff considered a variety of ways to apportion these residual costs and determined that they should be distributed evenly between all industries at 25% each.

In the process of allocating expenditures apportioned between the industries assessed, staff examined statutory requirements set forth for each division and the projects associated with them during the last four budget cycles. However, using the latest two budget cycles illustrating actual expenditures for Fiscal Year 2012 and a projection of where the dollars are going to be expended in Fiscal Year 2013 is a more accurate representation of the Commission's projects and the dollars associated with them. Also, Fiscal Year 2010 and Fiscal Year 2011 budget requests only grew at approximately 1.5% annually, representing inflation.

Actual expenditures for Fiscal Year 2012 were \$10,490,612, well below the appropriated amount of \$11,318,011. The largest contributing factor for not spending the total appropriation was

vacancies. During Fiscal Year 2011 and 2012 the Commission had 24 vacancies, largely to due to employee retirement. The Commission has made great strides in filling these vacancies and currently has only 5 vacancies awaiting exemption to the freeze approval.

The budget appropriation for Fiscal Year 2013 is \$11,738,159. The fiscal staff will be seeking a budget amendment of \$901,272 for a total Fiscal Year 2013 budget of \$12,639,431. The budget amendment is required to cover the costs associated with the Patient Centered Medical Home Program. When the program was piloted and implemented, the Fiscal Year 2013 budget had already been submitted, therefore, these costs were not accounted for. The additional revenue will come from the Commission's current surplus of \$2.7 million.

There is a broad difference between the Fiscal Year 2012 Actual, \$10,490,612 and the Fiscal Year 2013 budget inclusive of the amendment, \$12,639,431. This difference could have a big impact on the industries we assess, such as the Health Occupation Boards per licensee assessment. We have illustrated the differences in allocation of percentages below.

Scenario 1) Using the methodology, expenditures per industry, and the Fiscal Year 2012 Actual, \$10,490,612 the allocation would be as follows:

- Payers - \$2,786,634 or (27%)
- Nursing Homes - \$1,855,439 or (18%)
- Hospitals - \$3,447,054 or (33%)
- Health Occupational Boards - \$2,060,717 or (20%)

Scenario 2) Using the methodology, expenditures per industry, and the Fiscal Year 2013 Budget with the amendment, \$12,639,431. The allocation would be as follows:

- Payers - \$3,577,934 or (29%)
- Nursing Homes - \$1,806,774 or (15%)
- Hospitals - \$4,026,216 or (33%)
- Health Occupational Boards - \$2,850,653 or (23%)

Staff recommends allocating a percentage to each industry that would be the average percentage of the two-year budget cycle, which provides that no industry will sustain an increase that would have an adverse affect. The allocation would be as follows:

- Payers – 28%
- Nursing Homes – 17%
- Hospitals – 33%
- Health Occupational Boards – 22%

VI. WAIVER PROCESS – Requirement for Annual Average Wage – Health Occupation Boards

The exemption process is determined in two ways. First, using the average annual wage determined in Fiscal Year 2009, Grade 14/base or the compensatory equivalent of \$36,280, staff looked once again to the State Personnel Salary Guide to examine if compensation had risen for

this grade level. The Fiscal Year 2013 State Personnel Salary Guide lists Grade 14/base compensation at \$36,280, no increase in the average wage.

Secondly, staff looked at each category of health professional and their respective compensation level on the state scale to determine if the Commission may “exempt” any classification of health care provider who would be considered earning substantially below this new average. There were no new additions to the “exempted categories” and they remain as follows: 1) Occupational Therapist Assistants; 2) Social Worker Associates; 3) Psychology Associates; 4) Licensed Practical Nurses; 5) Nursing Assistants; 6) Nurse Psychotherapists; 7) Animal Acupuncturists; 8) Dental Hygienists; and 9) Dental Assistants.

VII. INCLUSION OF ADDITIONAL HEALTH CARE PROVIDERS

The Commission first studied the feasibility of inclusion of ambulatory surgical facilities in Fiscal Year 2009; at that time the recommendation was not to include them as the work attributable to these facilities was less than 1%. Again, this is the recommendation as the work attributable to them is less than 2%.

This year staff looked at both Home Health and Hospice facilities. The current workload for services provided to both of the industries is less than 1% each and is strictly labor hours. Looking over a two year period, Fiscal Year 2012 and Fiscal Year 2013 the amount of labor hours relatively stays the same or slightly increases. At this time, there are no special projects/contractual services budgeted to warrant their inclusion. These percentages are illustrated in the Summary – Percentage Allocation. Therefore, the recommendation is to not include Home Health or Hospice in the Commission’s assessment and to continue to study the feasibility in future reports.

VIII. RAISING THE USER-FEE CAP

The Commission’s current statutory cap is \$12 million. The law stipulates that the Commission can appropriate more than \$12 million; however, it cannot bill more than \$12 million to the industries that pay our assessment. The last time the user fee cap was raised was during Fiscal Year 2008 from \$10 to \$12 million. As indicated in this report, the Commission has exceeded that cap through appropriation during this fiscal year, but has not billed these amounts to the industries as we work to reduce our reserve. The Commission Staff recommends that the Commission seek legislation in the 2014 session of the General Assembly to raise the current statutory cap. The cap increase would not be implemented until the Fiscal Year 2015 budgetary cycle.

STAFF RECOMMENDATIONS

- Amend COMAR 10.25.02 – User Fee Assessment on Health Care Practitioners and COMAR 10.25.03 – User Fee Assessment of Payers to reflect the cost allocations identified in this study. Payers to be assessed 28%, Nursing Homes to be assessed 17%, Hospitals to be assessed 33%, and Health Occupation Boards to be assessed 22%.
- Keep the Average Annual Wage for the Health Care Practitioners at \$36,280 in COMAR 10.25.02 – User Fee Assessment on Health Care Practitioners.
- Submit Legislation to raise the user fee statutory cap for implementation in the Fiscal Year 2015 budget
- Continue to study the feasibility of assessing other health care providers who benefit from the services provided by the Commission.

WORKLOAD
ANALYSIS
WITH
ALL HEALTH
CARE
SERVICES

WORKLOAD ANALYSIS 1																	
CENTER FOR INFORMATION SERVICES AND ANALYSIS																	
SALARIES	TOTAL BUDGET		PAYERS		NURSING HOMES		HOSPITALS		HLTH BOARDS		AMSURGE		HOSPICE		HOME HEALTH		
	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	
	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	
Administrative Staff (Includes IT Staff)	740,390	779,175	185,098	194,794	74,039	77,918	229,521	241,544	251,733	264,920							
Database & Applications Development	402,407	380,913	80,481	76,183	56,337	53,328	148,891	140,938	116,698	110,465							
Cost & Quality Analysis	329,753	335,794	158,281	161,181	9,893	10,074	19,785	20,148	141,794	144,391							
Turnover	(75,207)	(54,873)	(18,802)	(13,718)	(18,802)	(13,718)	(18,802)	(13,718)	(18,802)	(13,718)							
Misc. Adjust to Salaries	11,344	0	2,836	0	2,836	0	2,836	0	2,836	0							
Total Salaries - Actual	1,408,687		407,895		124,303		382,231		494,259								
Total Salaries - Budget	1,464,588	1,441,009		418,439		127,601		388,911		506,057							
*Salaries include FICA, Health, Retirement Health, & Retirement																	
PROJECTS	TOTAL BUDGET		PAYERS		NURSING HOMES		HOSPITALS		HLTH BOARDS		AMSURGE		HOSPICE		HOME HEALTH		
	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	
	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	
Medical Care Database Contractor	805,654	707,750	362,544	318,488	0	0	80,565	70,775	362,544	318,488							
Patient Centered Medical Home	300,000	500,000	150,000	250,000	0	0	0	0	150,000	250,000							
(Budget Amendment -PCMH) Amendment will be \$901,000 additional existing resources	0	1,227,940	0	613,970	0	0	0	0	0	613,970							
Total Projects	1,105,654	2,435,690	512,544	1,182,458	0	0	80,565	70,775	512,544	1,182,458							
TOTAL PROGRAM	2,514,341	3,876,699	920,439	1,600,897	124,303	127,601	462,796	459,686	1,006,803	1,688,515							

WORKLOAD ANALYSIS 2

CENTERS FOR HEALTH CARE FINANCING AND HEALTH POLICY AND LONG-TERM AND COMMUNITY BASED SERVICES

SALARIES	TOTAL BUDGET		PAYERS		NURSING HOMES		HOSPITALS		HLTH BOARDS		AMSURGE		HOSPICE		HOME HEALTH	
	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT
Administrative Staff	233,019	237,597	93,208	95,039	93,208	95,039	0	0	0	0			23,302	23,760	23,302	23,760
Small Group Market	119,868	122,215	119,868	122,215	0	0	0	0	0	0			0	0	0	0
Methodology/Surveys/Data	200,160	181,433	0	0	130,104	117,931	0	0	0	0			50,040	45,358	20,016	18,143
HMO/PPO Quality & Performance	121,066	85,651	121,066	85,651			0	0	0	0			0	0	0	0
Long-Term Care Quality Initiative	135,218	137,860	0	0	135,218	137,860	0	0	0	0			0	0	0	0
Long-Term Care Policy & Planning	204,922	208,947	0	0	153,692	156,710	0	0	0	0			30,738	31,342	20,492	20,895
Turnover	(47,648)	(34,631)	(11,912)	(8,658)	(11,912)	(8,658)	0	0	0	0			(11,912)	(8,658)	(11,912)	(8,658)
Misc. Adjust to Salaries	7,565	2,082	1,891	521	1,891	521							1,891	521	1,891	521
Total Salaries - Actual	974,170		324,121		502,200		0		0				94,059		53,789	
Total Salaries - Budget	922,080	941,154		294,768		499,403		0		0				92,323		54,660

*Salaries include FICA, Health, Retirement Health, & Retirement

PROJECTS	TOTAL BUDGET		PAYERS		NURSING HOMES		HOSPITALS		HLTH BOARDS		AMSURGE		HOSPICE		HOME HEALTH	
	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT
HMO/PPO Performance Guides - Contracts	615,015	699,000	615,015	699,000	0	0	0	0	0	0			0	0	0	0
Mandated Benefits/ Comprehensive Standard Health Benefit Plan	148,729	75,000	104,110	52,500	0	0	0	0	44,619	22,500			0	0	0	0
Small Group Virtual Compare	15,000	15,000	15,000	15,000	0	0	0	0	0	0			0	0	0	0
Small Group Outreach	900	0	900	0	0	0	0	0	0	0			0	0	0	0
Nursing Home Performance Guide	15,673	30,000	0	0	15,673	30,000	0	0	0	0			0	0	0	0
Nursing Home Family/Resident Survey	250,554	263,000	0	0	250,554	263,000	0	0	0	0			0	0	0	0
Racial & Ethnic Variations	26,250	25,000	26,250	25,000	0	0	0	0	0	0			0	0	0	0
Home Health - HHCAHPS	0	0	0	0	0	0	0	0	0	0			0	0	0	0
Hospice	0	0	0	0	0	0	0	0	0	0			0	0	0	0
Minimum Data Set/LTC	259,526	96,000	0	0	259,526	96,000	0	0	0	0			0	0	0	0
Total Projects	1,331,646	1,203,000	761,275	791,500	525,753	389,000	0	0	44,619	22,500			0	0	0	0
TOTAL PROGRAM	2,305,816	2,144,154	1,085,396	1,086,268	1,027,953	888,403	0	0	44,619	22,500			94,059	92,323	53,789	54,660

WORKLOAD ANALYSIS 3
CENTER FOR HOSPITAL SERVICES

SALARIES	TOTAL BUDGET		PAYERS		NURSING HOMES		HOSPITALS		HLTH BOARDS		AMSURGE		HOSPICE		HOME HEALTH	
	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT
Administrative	236,368	277,065					236,368	277,065								
Hospital Policy & Planning/CON	562,102	630,536					466,545	510,734			95,557	119,802				
Hospital Quality Initiative	552,454	615,339					552,454	615,339								
Specialized Health Care Services	208,224	210,689					208,224	210,689								
Turnover	(82,965)	(61,170)					(82,965)	(61,170)								
Misc. Adjust to Salaries	(37,743)	55,588					(37,743)	55,588								
Total Salaries - Actual	1,438,440						1,342,883				95,557					
Total Salaries - Budgeted	1,571,061	1,728,047						1,608,245				119,802				
*Salaries include FICA, Health, Retirement Health, & Retirement																

PROJECTS	TOTAL BUDGET		PAYERS		NURSING HOMES		HOSPITALS		HLTH BOARDS		AMSURGE		HOSPICE		HOME HEALTH	
	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT
Certificate of Need	24,188	25,000					24,188	25,000								
Primary Angioplasty (PCI Workgroup)	0	100,000					0	100,000								
Hospital Files	11,000	25,000					11,000	25,000								
Geographical Mapping	15,990	8,000					15,990	8,000								
Freestanding Medical Facilities	11,000	25,000					11,000	25,000								
Hospital Guide	744,823	835,000					744,823	835,000								
Amsurge Directory	16,530	16,530									16,530	16,530				
Total Projects	823,531	1,034,530					807,001	1,018,000								
TOTAL PROGRAM	2,261,971	2,762,577					2,149,884	2,626,245			112,087	136,332				

WORKLOAD ANALYSIS 4

CENTER FOR HEALTH INFORMATION TECHNOLOGY

SALARIES	TOTAL BUDGET		PAYERS		NURSING HOMES		HOSPITALS		HLTH BOARDS		AMSURGE		HOSPICE		HOME HEALTH	
	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT
Administrative	316,883	323,110	31,688	32,311	31,688	32,311	79,221	80,778	142,597	145,400	31,688	32,311				
Electronic Data Interchange	237,740	279,554	23,774	27,955	23,774	27,955	59,435	69,889	106,983	125,799	23,774	27,955				
Health Information Technology	164,174	170,105	16,417	17,011	16,417	17,011	41,044	42,526	73,878	76,547	16,417	17,011				
Turnover	(38,790)	(27,053)	(7,758)	(5,411)	(7,758)	(5,411)	(7,758)	(5,411)	(7,758)	(5,411)	(7,758)	(5,411)				
Misc. Adjust to Salaries	5,651	1,346	1,130	269	1,130	269	1,130	269	1,130	269	1,130	269				
Total Salaries - Actual	685,658		65,252		65,252		173,071		316,831		65,251					
Total Salaries - Budgeted	758,421	747,062		72,135		72,135		188,050		342,604		72,135				
*Salaries include FICA, Health, Retirement Health, & Retirement																
PROJECTS	TOTAL BUDGET		PAYERS		NURSING HOMES		HOSPITALS		HLTH BOARDS		AMSURGE		HOSPICE		HOME HEALTH	
	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT	FY 12 ACTUAL	FY 13 PROJECT
Telemedicine	16,660	0	1,666	0	1,666	0	4,165	0	7,497	0	1,666	0				
Telemedicine Task Force Solutions	25,000	0	2,500	0	2,500	0	6,250	0	11,250	0	2,500	0				
Prior Authorization	25,316	0	2,532	0	2,532	0	6,329	0	11,392	0	2,532	0				
Prior Authorization - Best Standards	24,316	0	2,432	0	2,432	0	6,079	0	10,942	0	2,432	0				
Progress of Implementing Prior Authorization	17,482	0	1,748	0	1,748	0	4,371	0	7,867	0	1,748	0				
Electronic Health Records/Meaningful Use	22,617	0	2,262	0	2,262	0	5,654	0	10,177	0	2,262	0				
EHR Incentive Program	0	55,000	0	5,500	0	5,500	0	13,750	0	24,750	0	5,500				
Ambulatory Practice Connectivity	24,420	25,000	2,442	2,500	2,442	2,500	6,105	6,250	10,989	11,250	2,442	2,500				
MSO Performance Assessment	0	25,000	0	2,500	0	2,500	0	6,250	0	11,250	0	2,500				
LTC EHR Adoption	0	20,000	0	2,000	0	2,000	0	5,000	0	9,000	0	2,000				
HIE Financial Audit	0	24,000	0	2,400	0	2,400	0	6,000	0	10,800	0	2,400				
Privacy and Security	0	25,000	0	2,500	0	2,500	0	6,250	0	11,250	0	2,500				
HIT Consumer Education	0	25,000	0	2,500	0	2,500	0	6,250	0	11,250	0	2,500				
HIE Cyber Security & Core Infrastructure Test.	0	25,000	0	2,500	0	2,500	0	6,250	0	11,250	0	2,500				
Total Projects	155,811	224,000	15,581	22,400	15,581	22,400	38,953	56,000	70,115	100,800	15,582	22,400				
TOTAL PROGRAM	841,469	971,062	80,833	94,535	80,833	94,535	212,024	244,050	386,945	443,404	80,833	94,535				

WORKLOAD ANALYSIS 5
EXECUTIVE DIRECTION

	TOTAL BUDGET		PAYERS		NURSING HOMES		HOSPITALS		HLTH BOARDS		AMSURGE		HOSPICE		HOME HEALTH	
	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13
	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT	ACTUAL	PROJECT
Salaries for Executive Unit*	838,407	954,746	209,602	238,687	209,602	238,687	209,602	238,687	209,602	238,687						
Salaries for Legal Services*	249,629	252,467	62,407	63,117	62,407	63,117	62,407	63,117	62,407	63,117						
Turnover	(66,058)	(42,008)	(16,515)	(10,502)	(16,515)	(10,502)	(16,515)	(10,502)	(16,515)	(10,502)						
Reclassification - Commission Wide	59,965	128,042	14,991	32,011	14,991	32,011	14,991	32,011	14,991	32,011						
Efficiency Reduction	(30,241)	0	(7,560)	0	(7,560)	0	(7,560)	0	(7,560)	0						
Adjustment	0	11,302	0	2,826	0	2,826	0	2,826	0	2,826						
Total Salaries - Actual	1,051,702		262,926		262,926		262,926		262,926							
Total Salaries - Budgeted	1,316,299	1,304,549		326,137		326,137		326,137		326,137						
*Salaries include FICA, Health, Retirement Health, & Retirement																
	TOTAL BUDGET		PAYERS		NURSING HOMES		HOSPITALS		HLTH BOARDS							
PROJECTS	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13	FY 12	FY 13						
Health Policy Issues	77,617	100,000	77,617	100,000	0	0	0	0	0	0						
Printing for Executive Unit	4,000	4,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000						
Total Projects	81,617	104,000	78,617	101,000	1,000	1,000	1,000	1,000	1,000	1,000						
TOTAL PROGRAM	1,133,319	1,408,549	341,543	427,137	263,926	327,137	263,926	327,137	263,926	327,137						
Residual/Operating Costs																
Per Diems	10,175	18,300	2,544	4,575	2,544	4,575	2,544	4,575	2,544	4,575						
Court Reporters	8,250	2,615	2,063	654	2,063	654	2,063	654	2,063	654						
Postage	11,405	10,664	2,851	2,666	2,851	2,666	2,851	2,666	2,851	2,666						
Cellular Phones	6,715	8,511	1,679	2,128	1,679	2,128	1,679	2,128	1,679	2,128						
Telephone Services - Including Upgrade	35,738	37,886	8,935	9,472	8,935	9,472	8,935	9,472	8,935	9,472						
In-State Travel	27,482	22,705	6,871	5,676	6,871	5,676	6,871	5,676	6,871	5,676						
Out-of-State Travel	15,277	7,118	3,819	1,780	3,819	1,780	3,819	1,780	3,819	1,780						
Training	18,477	18,065	4,619	4,516	4,619	4,516	4,619	4,516	4,619	4,516						
Advertising	24,245	50,000	6,061	12,500	6,061	12,500	6,061	12,500	6,061	12,500						
Photocopy Rental	12,110	11,205	3,028	2,801	3,028	2,801	3,028	2,801	3,028	2,801						
Equipment Services	4,951	7,000	1,238	1,750	1,238	1,750	1,238	1,750	1,238	1,750						
Software	62,989	53,150	15,747	13,288	15,747	13,288	15,747	13,288	15,747	13,288						
Freight	3,411	11,845	853	2,961	853	2,961	853	2,961	853	2,961						
Indirect Costs to DHMH	757,326	850,965	189,331	212,741	189,331	212,741	189,331	212,741	189,331	212,741						
Office Supplies- Including Furniture	38,984	10,888	9,746	2,722	9,746	2,722	9,746	2,722	9,746	2,722						
Reference Books	8,889	7,000	2,222	1,750	2,222	1,750	2,222	1,750	2,222	1,750						
Data Processing Equip- Replace	96,479	41,000	24,120	10,250	24,120	10,250	24,120	10,250	24,120	10,250						
Dues & Memberships	11,008	12,748	2,752	3,187	2,752	3,187	2,752	3,187	2,752	3,187						
Insurance	2,672	2,399	668	600	668	600	668	600	668	600						
Rent	188,794	223,000	47,199	55,750	47,199	55,750	47,199	55,750	47,199	55,750						
Subscriptions	8,687	10,000	2,172	2,500	2,172	2,500	2,172	2,500	2,172	2,500						
Data Processing & Data Acquisition	56,798	35,998	14,200	9,000	14,200	9,000	14,200	9,000	14,200	9,000						
Printing	12,338	23,328	3,085	5,832	3,085	5,832	3,085	5,832	3,085	5,832						
Commission Retreat - Strategic Planning	10,496	0	2,624	0	2,624	0	2,624	0	2,624	0						
TOTAL	1,433,697	1,476,390	358,424	369,098	358,424	369,098	358,424	369,098	358,424	369,098						

SUMMARY - PERCENTAGE ALLOCATION																
	BUDGET		TOTAL ATTRIBUTED		TOTAL ATTRIBUTED		TOTAL ATTRIBUTED		TOTAL ATTRIBUTED		TOTAL ATTRIBUTED		TOTAL ATTRIBUTED		TOTAL ATTRIBUTED	
			PAYERS		NURSING HOMES		HOSPITALS		HEALTH BOARDS		AMSURGE		HOSPICE		HOME HEALTH	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
BASED ON FY 12 ACTUAL	10,490,612		2,786,634	27	1,855,439	18	3,447,054	33	2,060,717	20	192,920	<0.02	94,059	<0.01	53,789	<0.01
BASED ON FY 12 BUDGET	11,318,011		2,786,634	25	1,855,439	17	3,447,054	31	2,060,717	19	192,920	<0.02	94,059	<0.01	53,789	<0.01
BASED ON FY 13 BUDGET	11,738,159		3,577,934	31	1,806,774	16	4,026,216	35	2,850,653	25	230,867	<0.02	92,323	<0.01	54,660	<0.01
BASED ON FY 13 BUDGET/WITH AMENDMENT	12,639,431		3,577,934	29	1,806,774	15	4,026,216	32	2,850,653	23	230,867	<0.02	92,323	<0.01	54,660	<0.01
Overall Average - Allocation Recommendation				28		17		33		22		<0.02		<0.01		<0.01