



MARYLAND HEALTH CARE COMMISSION
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Thursday, June 16, 2011

Minutes

Vice Chair Falcone called the meeting to order at 1:05 p.m.

Commissioners present: Conway, Falcone, Krumm, Lyles, McLean, Olsen, Weinstein, and Worthington.

Vice Chair Falcone began the meeting by recognizing three staff members who were retiring in June.

He announced that Pamela Barclay, the Director of the Center for Hospital Services, would be retiring on June 30th. Vice Chair Falcone noted that Pam came to the Commission in 1988 and held various positions since then, pointing out that Pam has led policy changes, particularly in the area of cardiac services that have benefitted people both within and outside Maryland. Vice Chair Falcone read from a citation issued by Governor O'Malley honoring Pam's valuable service to the State of Maryland.

Vice Chair Falcone also noted that Lee Nelson would be retiring effective June 30th, after having worked with the Commission for 14 years. He noted that Lee served as the Chief of Network Operations and Systems and that he kept the Commission's network safe when other State agencies suffered attacks and resulting down time.

The Vice Chair thanked Norm Ringel, the third member of Commission staff who would be retiring on June 30. He stated that Norm began working for the former Maryland Health Resources Planning Commission in 1997 and has served as the Commission's Assistant Chief of Database and Applications Development. Vice Chair Falcone noted that Norn wrote data programs and developed maps that made data understandable to the rest of us.

ITEM 1.

Approval of the Minutes

Commissioner Krumm made a motion to approve the minutes of the May 19, 2011 public meeting, which was seconded by Commissioner Olsen and unanimously approved.

ITEM 2.

Update of Activities

Ben Steffen, Acting Executive Director, announced that the first organizational meeting of the Board of Trustees of the Maryland Health Benefit Exchange was held on June 3, 2011. He noted that the Maryland Health Benefit Exchange is a public corporation that is an independent unit of State government. It has a nine member Board of Trustees that includes: the Secretary of Health and Mental Hygiene, the Insurance Commissioner, the Executive Director of the Maryland Health Care Commission, three Governor-appointed members representing employer and individual consumer interests, and three Governor-appointed members with specific knowledge

and expertise. The first substantive meeting of the Board will be held on June 27, 2011. Mr. Steffen pointed out that advisory committees are being formed and the formal nomination process has ended; however, interested persons may submit applications through the Health Benefit Exchange Board's website:
<http://dhmh.maryland.gov/healthreform/exchange/index.html>.

Mr. Steffen also thanked Pamela Barclay, on behalf of all members of the Commission staff, for her 23 years of excellent service, most recently as Director of the Commission's Hospital Services division. He added that Ms. Barclay is an excellent public servant whose dedication to the health and wellbeing of all Marylanders enhanced the lives of each of us in Maryland. He also thanked Lee Nelson and Norm Ringel for their years of excellent service as Commission staff in the Division of Information Services and Analysis.

Dolores Sands, Chief of Specialized Services Policy and Planning introduced Christina Nunez Dawes, Health Policy Analyst, to the members of the Commission.

ITEM 3.

PROPOSED ACTION: COMAR 10.24.05 – Continuation of Non-Primary Research Waiver through Participation in the Follow-On C-PORT-Registry

Suellen Wideman, Assistant Attorney General, presented a proposed change to regulations regarding the Continuation of Non-Primary Research Waivers through Participation in the Follow-On C-PORT E Registry. She noted that the change recommended by staff will eliminate the requirement for patient follow-up at six weeks post-procedure. She stated that the proposed amendment to the regulations will instead look to the patient's condition at the time of discharge from the hospital after the procedure. This change will make Maryland's requirements consistent with other states participating in the C-PORT E Follow-On Registry. Commissioner McLean made a motion to adopt the proposed regulations, which was seconded by Commissioner Olsen and unanimously approved.

ACTION: COMAR 10.24.05 – Continuation of Non-Primary Research Waiver through Participation in the Follow-On C-PORT-Registry regulations are hereby ADOPTED AS PROPOSED PERMANENT REGULATIONS.

ITEM 4.

PROPOSED ACTION: COMAR 10.25.08 – Evaluation of Quality and Performance of Health Benefit Plans: Proposed Action on Permanent Regulations

Carol Christmyer, Chief of the Long Term Care Quality Initiative, presented proposed regulations that will expand the State's requirements for health care quality reporting to include preferred provider organizations and other plans entering the market. The 2011 Maryland General Assembly enacted SB 56, Health Insurance - Evaluation of Quality of Care and Performance of Health Benefit Plans, which altered the requirements for and purposes of the system to comparatively evaluate the quality of care and performance of specified categories of health benefit plans; establishing that a purpose of the system is to assist specified health insurance carriers to improve care; requiring the system to solicit performance information from specified enrollees, including new types of health benefit plans. Ms. Christmyer requested that the Commission repeal and replace COMAR 10.25.08. Commissioner Conway made a motion to adopt the proposed regulations, which was seconded by Commissioner Krumm and unanimously approved.

ACTION: COMAR 10.25.08 – Evaluation of Quality and Performance of Health Benefit Plans are hereby ADOPTED AS PROPOSED PERMANENT REGULATIONS.

ITEM 5.

PROPOSED ACTION: COMAR 10.25.16 – Electronic Health Records State Regulated Payor Incentives: Proposed Action on Permanent Regulations

David Sharp, Director of the Center for Health Information Technology, presented regulations that will require State-regulated payers to offer a monetary incentive to primary care practices that adopt and use electronic health records for proposed action. Ben Steffen noted that primary care practices will be eligible for a one-time payment of up to \$15,000 and not for ongoing funding of an electronic medical record. Commissioner McLean made a motion to adopt the proposed regulations, which was seconded by Commissioner Lyles and unanimously approved.

ACTION: COMAR 10.25.16 – Electronic Health Records State Regulated Payor Incentives are hereby ADOPTED AS PROPOSED PERMANENT REGULATIONS.

ITEM 6.

ACTION: Renewal of Primary PCI Waivers

- **Shady Grove Adventist Hospital (Docket No. 11-15-0058 WR)**

Ms. Sands presented the recommendation on Shady Grove Adventist Hospital's application for renewal of its primary percutaneous coronary intervention (pPCI) waiver that will allow the hospital to continue to provide pPCI services without on-site cardiac surgery. Ms. Sands said that Shady Grove Adventist met all of the requirements for renewal of its two-year pPCI waiver, noting that Shady Grove Adventist met the 90 minute door to balloon threshold 94% of the time in 2010. Commissioner McLean made a motion to renew the Primary PCI waiver for two years, which was seconded by Commissioner Krumm and unanimously approved.

ACTION: Shady Grove Adventist Hospital is hereby granted a two-year primary PCI waiver.

- **Southern Maryland Hospital Center (Docket No. 11-16-0057 WR)**

Ms. Sands presented the recommendation on Southern Maryland Hospital Center's application for renewal of its primary percutaneous coronary intervention (pPCI) waiver that will allow the hospital to continue to provide pPCI services without on-site cardiac surgery. Ms. Sands noted that, in 2010, Southern Maryland had not met the door-to-balloon requirement for continuing its waiver; however, the hospital's performance had improved from the 63% threshold of patients who received reperfusion within 90 minutes in 2009. The hospital has demonstrated significant improvement since February 2011, achieving the required door-to-balloon threshold for 92% of appropriate patients. Commission staff have recommended that Southern Maryland continue to report door to balloon times monthly through December 2011, and provide written notice if 2011 data or 2012 data show that the hospital has not maintained its improved compliance with the requirement to provide primary PCI as soon as possible and not to exceed 90 minutes from patient arrival for at least 75% of appropriate patients. Following discussion among members of the Commission, Commissioner Conway made a motion to renew the Primary PCI waiver for two years subject to these conditions, which was seconded by Commissioner Krumm and unanimously approved.

ACTION: Southern Maryland Hospital Center is hereby granted a two-year primary PCI Waiver with conditions.

ITEM 7.

PRESENTATION: Long Term Care Healthcare Worker Influenza Vaccination Survey Report

Ms. Christmyer presented results of the Nursing Home survey and the Assisted Living pilot survey, conducted this year that collected influenza vaccination data on healthcare workers in these facilities. Following discussion among Commission members and staff, Ms. Christmyer pointed out that the data are aggregated, not individual patient level data results. Ms. Christmyer noted that, compared to nursing home and assisted living facilities healthcare workers, a greater percentage of hospital healthcare workers are vaccinated. Commissioner McLean suggested that vaccinations be made available at no cost to the recipient while informing them that vaccinations improve individuals' health outcomes. Vice Chair Falcone added that there is anecdotal evidence that some long term care healthcare staff receive vaccinations in other locations, though these workers are reported on survey results as a "no."

ITEM 8.

PRESENTATION: Small Group Market Summary of Carrier Experience as of December 31, 2010

Janet Ennis, Chief, Small Group Market, presented the findings of the 2010 financial survey of carriers, including enrollment by groups, covered lives, type of policy purchased, and the average age of the enrollees in this market. Ms. Ennis noted that the number of businesses that purchased group insurance coverage declined approximately 6% in 2010, with most of the drop occurring in the traditional, non-HSA compatible plans. She also reported that the 2010 average premium data, compared to 2008 and 2009, indicated that although average premiums for the PPO products declined, the average cost for HMO products increased. She also stated that the average cost for the standard plan without riders reached about 95% of the income affordability cap in 2010, noting that one possible factor for this increase could be wage stagnation compared to the continued rise in premiums. Ms. Ennis concluded by stating that the traditional loss ratio (the ratio of claims incurred to premiums earned) averaged about 74% across all small group carriers.

ITEM 9.

PRESENTATION: Potential Impact of the Affordable Care Act on the Current Individual and Small Group Markets

Vice Chair Falcone introduced Kurt Giesa, Director in the Milwaukee office of Oliver Wyman Actuarial Consulting, Inc., who presented from a paper authored by Oliver Wyman, a subsidiary of Mercer and requested by the Commission entitled, "Impact of the Patient Protection and Affordable Care Act on the Individual and Small-Employer Health Insurance Markets." Mr. Giesa reported that Maryland's earlier efforts at market reform in the small group market should result in less premium disruption in 2014 compared with other states. He suggested that several policy options to stabilize the markets are available; however, they involve trade-offs:

- Require equal rating inside and outside the exchange;
- Enforce a single open enrollment period inside and outside of the exchange;
- Allow benefit changes only at open enrollment;
- Limit new coverage to "Bronze level" unless insured demonstrates prior coverage at a higher level;
- Allow coverage levels to increase only one tier at a time;
- For small groups, limit individual employee choice of carrier or coverage level to employer's selection.

ITEM 10.

ADJOURNMENT

There being no further business, the meeting was adjourned at 3:00 p.m., upon motion of Commissioner Lyles, which was seconded by Commissioner Olsen and unanimously approved.