



## MARYLAND HEALTH CARE COMMISSION

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**Thursday, June 21, 2012**

### Minutes

Commissioner Tanio called the meeting to order at 1:05 p.m.

Commissioners present: Conway, Fleig, Lyles, Montgomery, Schneider, and Weinstein.  
Commissioner Falcone participated via conference call.

### ITEM 1.

#### Approval of the Minutes

Commissioner Montgomery made a motion to approve the minutes of the May 31, 2012 public meeting, which was seconded by Commissioner Fleig and unanimously approved.

### ITEM 2.

#### Update of Activities

Ben Steffen, Acting Executive Director, announced and welcomed Dr. Craig Tanio who was appointed Chair of the Commission, effective July 1, 2012. Mr. Steffen also recognized the retirement of Dolores Sands and took the opportunity to thank her for her dedication and valuable contributions to the Commission. He said Ms. Sands served the Commission and its predecessor, the Maryland Health Resources Planning Commission, for over 30 years and made major contributions to the development of Maryland's planning and regulatory policies. Commissioner Conway suggested that the Commission and staff explore options to recognize Ms. Sands by providing an appropriate gift. Mr. Steffen agreed.

Mr. Steffen provided a brief update on the progress of the Health Benefit Exchange Board. He said that fourteen key exchange functions were approved at the June 20 meeting of the Board.

David Sharp, Director, Center for Health Information Technology, announced the release of an information brief related to implementing electronic advance health directives and Medical Orders for Life Sustaining Treatment (MOLST) forms. A focus group proposed creating a patient managed registry for advance health directives where patients can make their own health information available electronically to treating providers, and proposed developing a registry for use by providers who are required to generate a MOLST form upon discharge for a defined population.

### **ITEM 3.**

#### **PRESENTATION: Small Group Market Summary of Carrier Experience as of December 31, 2012**

Janet Ennis, Chief of Small Group Market, presented the findings of surveys submitted by participating carriers in the small group market as of December 31, 2011. The presentation included information on enrollment by groups, the overall number of covered lives, the type of policies purchased, the average age of the employees enrolled in this market, and average premiums. Ms. Ennis reported that the number of small businesses that purchased group insurance coverage declined almost 8% in 2011, and that the number of lives covered decreased almost 3%. She also indicated that consumer-directed health benefit plans continue to gain popularity in this market. She then reported on the average premiums for the various plan types, noting that there are no clear cost trends among the various delivery systems. She also stated that the average cost for the comprehensive standard health benefit plan without riders reached about 98% of the income affordability cap in 2011. Ms. Ennis concluded by reviewing how the benefit structure and incentives could change in 2014 as a result of the ACA, and discussed some considerations for the Commission as qualified health plans become available in 2014.

### **ITEM 4.**

#### **UPDATE: All Payer Claims Database 2011 Submission**

Linda Bartnyska, Acting Director of the Center for Information Systems and Analysis, provided an update on the all payer claims database 2011 submission process. Ms. Bartnyska said that the required data files are due to the Commission no later than June 30, 2012 and to date, no extensions were requested. She said the data is necessary for the implementation of the ACA, PCMH, and global payment initiatives. Ms. Bartnyska discussed the Commission's commitments in the next six months, including: reporting on payments for professional services; moving per capita spending analysis into a different report; and evaluating the Assignment of Benefits law. She also discussed opportunities in the next six months, as well as longer term opportunities, including transitioning from mainly monitoring measure to using measures for decision making, receiving more frequent submission of data by carriers to improve timelines, and developing decision-making measures to assist consumers.

### **ITEM 5.**

#### **ACTION: Certificate of Need – Carroll Hospital Center, Inc. (Docket No. 12-06-2330)**

Carroll Hospital Center applied for a Certificate of Need to develop a comprehensive cancer program facility connected to its main hospital building. Paul Parker, Director of the Center for Hospital Services, presented the staff recommendation. Mr. Parker said the project will involve construction of a building addition and renovation of adjacent space in the Dixon Building of the hospital. He said the total estimated project cost is \$27,975,000 and that the project will be funded with cash and donations. Mr. Parker noted that this application does not meet an "unmet need" of the population served by CHC, as referenced in this criterion, in the sense that it involves the introduction of new clinical services. It does not. But the hospital has done a good job of outlining the benefits of this project as an approach to assuring that cancer treatment needs will be met with modern facilities of sufficient capacity in future years. Its needs assessment employs reasonable assumptions with respect to growth in demand for these services and the assets in place now are substantially depreciated and demonstrably under capacity for demand levels likely to be experienced within only a few years. The project contains no elements that categorically require Certificate of Need review

and approval. However, the hospital chose to obtain CON approval to make a substantive revenue adjustment request possible even though it could implement this project without CON approval by “pledging” to limit any rate adjustment to a total of \$1.5 million over the life of the project. Staff recommended that the Commission approve this project with conditions. Commissioner Fleig made a motion to approve the staff recommendation, which was seconded by Commission Weinstein and approved. Commissioner Schneider voted in opposition. In explaining his vote, Commissioner Schneider referenced the fact that staff could not objectively determine whether the project improved any “unmet need” of the community due to absence of state health plan criteria. He further requested that the staff consider new standards for CON approval in cases where there is no objective way to evaluate “need” so that the CON process is not used as a mechanism to solely leverage rate review requests.

**ACTION: Certificate of Need – Carroll Hospital Center, Inc. (Docket No. 12-06-2330) – is hereby APPROVED.**

#### **ITEM 6.**

##### **OVERVIEW: Summary of Comments on the Draft Proposed Hospice Regulations**

Linda Cole, Chief of Long-Term Care Policy and Planning, provided an overview of the summary of comments on the Draft Hospice Chapter of the State Health Plan and described the next steps in the process. Ms. Cole said that the chapter on hospice services was released for a 30-day informal public comment period on April 23. She said comments were received from 23 legislators, individuals, and organizations. In response to the comments, staff suggested clarifying draft regulations regarding sole provider jurisdictions. Ms. Cole stated that comments, analysis, and staff recommendations for changes will be posted to the Commission’s website. She stated that staff intended to meet again with its hospice work group and release the revised draft Plan Chapter for a second informal public comment period.

#### **ITEM 7.**

##### **BRIEFING: Report on the 2011/2012 Influenza Survey**

Theresa Lee, Chief of Hospital Quality and Performance, and Carol Christmyer, Chief of Long-Term Care Quality and Performance, reviewed results of the Commission’s 2011-2012 Influenza Surveys of hospital and nursing home staffs, and discussed the progress made in attaining Commission goals. This is the third year that the Commission has released results on health worker influenza vaccination rates. After reviewing rates last year, the Commission decided to set goals for both hospitals and nursing homes for 2012. The Maryland Nursing Home, Assisted Living, and Hospital Health Care Worker Influenza Vaccination Surveys were posted on line for completion by the facilities. The surveys sought information on vaccinations received or reported between September 1, 2011 and April 15, 2012. The survey results showed a 7.2% increase in the rate of health care workers vaccinated, and a 30% increase in one year in the number of nursing homes with 60% or great health care workers receiving the flu vaccine. This is the first year assisted living facilities were required to complete the survey; their vaccination rates are slightly higher than the CDC national estimated rate of for the general population, but lag behind the Maryland rates for hospital and nursing home health care workers. Staff will look into ways to increase those rates and incentivize providers to work toward 100% compliance. The flu vaccination rate for hospital employees continues to increase. The 2011-2012 hospital vaccination rate of 87.8% represents a 6% increase over the 2010-2011 rate. Thirty one hospitals achieved flu vaccination rates greater than or equal to 85% during the 2011-2012 flu season as compared to 21 hospitals last year. Overall, ten

Maryland hospitals demonstrated significant improvement in their flu vaccination rates as compared to last year. This information will be posted to the web-based Hospital Guide on July 11, 2012.

**ITEM 8.**

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 3:35 p.m., upon motion of Commissioner Schneider, which was seconded by Commissioner Montgomery and unanimously approved.