

Craig P. Tanio, M.D.
CHAIR



Ben Steffen
EXECUTIVE DIRECTOR

MARYLAND HEALTH CARE COMMISSION

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Thursday, November 20, 2014

Minutes

Chairman Tanio called the meeting to order at 1:00 p.m.

Commissioners present: Barr, Falcone, Fleig, Fronstin, Kan, McHale, McLean, Montgomery, Phillips, Schneider, Thomas, and Weinstein.

ITEM 1.

Approval of the Minutes

Commissioner Kan made a motion to approve the minutes of the October 16th public meeting of the Commission, which was seconded by Commissioner Barr and unanimously approved.

ITEM 2.

Update of Activities

David Sharp, Director of the Center for Health Information Technology and Innovative Care Delivery, said that Centers for Medicare and Medicaid Services released a grant for funding opportunities, *Transforming Clinical Practice Initiative: Practice Transformation Networks (PTN)*. Dr. Sharp said that this is a unique initiative aimed at transforming 150,000 clinical practices over the next four years by sharing, adapting, and further developing comprehensive quality improvement strategies. He said that staff is currently working on the application, in collaboration with other stakeholders and organizations.

Theresa Lee, Co-Director of the Center for Quality Measurement and Reporting, announced that the new Health Care Quality Reports website is now operational. Ms. Lee said that a link to the test site was sent to hospitals and consumer advocacy groups for their preview and comments, and that staff received very positive feedback. She reported that the Health Care Quality Reports website is in the final stages of development.

ITEM 3.

ACTION: Approval of Organization for External Review of Percutaneous Coronary Intervention (PCI) Services: Maryland Academic Consortium for PCI Appropriateness and Quality

Eileen Fleck, Chief of Acute Care Policy and Planning, presented a request from the Maryland Academic Consortium for PCI Appropriateness and Quality (MACPAQ) that the Commission approve its system for external review of PCI cases in Maryland hospitals as compliant with the regulatory requirements for external peer review found in COMAR 10.24.17. Ms. Fleck noted that MACPAQ will use a system in which four or more hospitals will have their cases reviewed through a process where the reviews are blinded to patient, physicians, and hospitals. She recommended that the Commission approve MACPAQ as an external peer review system. Commissioner McHale made a motion to approve the MACPAQ system for external peer review of PCI cases, which was seconded by Commissioner Barr and unanimously approved.

ACTION: Approval of Organization for External Review of PCI Services: Maryland Academic Consortium for PCI Appropriateness and Quality is hereby APPROVED.

ITEM 4.

ACTION: Appointment of Chair and Vice Chair, Cardiac Services Advisory Committee

Ms. Fleck said staff informed the Commission at the October meeting that a chair and vice chair would be selected after discussing the expectations of these roles and the process for nominating members of the Cardiac Services Advisory Committee (CSAC) at the first CSAC meeting in November. Ms. Fleck asked the Commission to approve Ben Steffen, Executive Director of the Maryland Health Care Commission, as Chair and approve Dr. John Conte, a cardiac surgeon, and Dr. Stafford Warren, an interventional cardiologist, as Vice Chairs. Commissioner Montgomery made a motion to approve the Chair and Vice Chairs, which was seconded by Commissioner Kan and unanimously approved.

ACTION: Appointment of Chair and Vice Chair is hereby APPROVED.

ITEM 5.

PRESENTATION: MRI Study

Mary Jo Braid-Forbes, President of Braid-Forbes Health Research, the Commission's consultant, presented key findings of the MRI Study. Ms. Braid-Forbes said that HB 536 which was introduced during the 2013 legislative session would have required a study "of the ordering of magnetic resonance imaging services by physicians in nonradiology group practices that before July 1, 2011 owned or leased a magnetic resonance imaging machine and referred patients for in-office magnetic resonance imaging scans on the machine." Although the legislation did not pass, Chairman Hammen sent a letter to the Commission requesting the study. Ms. Braid-Forbes said looking at MRIs performed on patients with private insurance and Medicare, there was no evidence found in this study that financial interest influenced MRI rates for the practices in 2010 as compared to 2012. She said that the rates of MRI use among the practices that owned MRIs are higher for both private insurers and Medicare in both 2010 and 2012. After controlling for factors such as age, payer, and Medicaid status ownership of an MRI did not contribute higher

use. Ms. Braid-Forbes concluded by stating that she would be developing a report that would be presented to the Commission in December.

ITEM .6

ACTION: Electronic Preauthorization – Benchmark Attainment Report

Angela Evatt, Chief of Health Information Exchange, and Nicole Majewski, Health Policy Analyst, presented a report on Electronic Preauthorization – Benchmark Attainment. Ms. Evatt provided an overview of electronic preauthorization, noting that preauthorization is required before certain medical and pharmaceutical services can be rendered to ensure the services are medically necessary, diagnosis based cost effective, and safe for patients. She said that the processes for preauthorization vary widely among State-regulated payors and pharmacy benefit managers and are generally handled manually, i.e., by fax or telephone. Ms. Majewski said that health care professionals' use of payors' and PBMs' online portals to submit electronic preauthorization request for medical services has increased in Maryland since the program was launched in 2012, however, growth in electronic preauthorization for pharmaceuticals over the same period has been disappointing. She said that the next steps in 2015 will be to continue collaborating with stakeholders to identify strategies for increasing awareness and utilization of payor's and PBMs online portals. Commissioner Schneider made a motion to approve the report, which was seconded by Commissioner Kan and unanimously approved.

ACTION: Electronic Preauthorization – Benchmark Attainment Report is hereby APPROVED.

ITEM 7.

ACTION: Maryland Physicians Trauma Fund Report

Bridget Zombro, Director of Administration, and Karen Rezabek, Program Manager, presented the Maryland Physicians Trauma Fund Report, and provided staff recommendations on steps the Commission could take to further streamline operations. Ms. Rezabek noted that the Commission is required to report annually to the Governor and the General Assembly on the status of the Maryland Trauma Physician Fund. She pointed out that the Fund provides payments to physicians for uncompensated care they render to trauma patients and also provides payments to Level II and Level III trauma hospitals that pay on-call stipends to physicians who accept trauma calls. Ms. Zombro said that the Fund received \$11.9 million from the \$5 registration fees collected by the Motor Vehicle Administration in fiscal year 2014, and expended \$4.8 million in uncompensated care, \$6.5 million in on-call and stand-by stipends, \$118,000 to Medicaid, and \$400,000 in administrative expenses. She said that the 8% reduction in payments effective July 1, 2009 remains in effect, with the exception of Medicaid. Ms. Zombro said that in 2012, the Office of Legislative Audits found that the Commission did not require its contractor to confirm that trauma patients were listed on the Trauma Registry and concluded that some claims were not eligible for reimbursement, and therefore, recommended that the Commission recoup the ineligible funds paid. After an extensive audit conducted by trauma physicians' billers with results verified by staff, MHCC staff found no evidence of fraudulent claims, and has since taken steps to require the Trauma Fund's third party administrator to verify that all patients are included in the MIEMSS registry prior to approval of claims for payment.

ITEM 8.

ACTION: Certificate of Need/Change in Approved Project: Ashley, Inc. d/b/a Father Martins Ashley (Docket No. 10-21-2340)

Kevin McDonald, Chief of Certificate of Need, presented the staff report and recommendation on the request by Father Martin's Ashley (FMA) for a change in its Certificate of Need approved in 2013. The facility is requesting authorization to increase the total project costs by \$2.275 million, bringing the projected total project costs to \$20,928,056. He said that the facility stated that the main driver of the cost increase was higher than anticipated costs for meeting State and Harford County regulations for waste water treatment and septic field requirements. He also noted that all of the additional cost is proposed to be covered by increased debt. Staff recommended approval of the requested change. After discussion, Commissioner Fleig made a motion to approve the staff recommendation, which was seconded by Commissioner McLean and unanimously approved.

ACTION: Certificate of Need/Change in Approved Project: Ashley, Inc. d/b/a Father Martins Ashley (Docket No. 10-21-2340) is hereby APPROVED

ITEM 9.

ACTION: Certificate of Need/Change in Approved Project: NMS Healthcare of Hagerstown (Docket No. 10-21-2307)

Mr. McDonald presented the staff report and recommendation on the request by NMS Healthcare of Hagerstown, LLC for a change to its previously approved Certificate of Need. Mr. McDonald said that NMS requested authorization to increase its total project cost to \$12,426,019, which is an increase of \$976,729. He said that NMS was also requesting a six-month extension of the third and final performance requirement applicable to this Certificate of Need. Mr. McDonald noted that NMS previously met the first and second performance requirements by executing a building construction contract on January 11, 2013, and initiating construction by November 11, 2013, following a Commission-approved extension of the second performance requirement deadline. He stated that NMS says that it cannot meet the third performance required deadline of project completion by January 11, 2015. Staff recommended approval of the requested changes, with the same condition that was placed on the original CON, and NMS's request for a six-month extension of its third performance requirement. Commissioner Falcone made a motion to approve the staff recommendation, which was seconded by Commissioner Fleig and unanimously approved.

ACTION: Certificate of Need/Change in Approved Project: NMS Healthcare of Hagerstown (Docket No. 10-21-2307) is hereby APPROVED.

ITEM 10.

ACTION: Update of Medical Care Database Manual

Srinivas Sridhara, Chief of the Division of Cost and Quality Analysis, provided an overview of the changes to the Medical Care Database (MCDB) Manual. Mr. Sridhara said that each year, Commission staff updates the MCBDB Submission Manual to streamline reporting, respond to

feedback, and address new data needs. He said that a major emphasis this year has been on collaborating with payors to review planned changes and streamline the reporting process. He also noted that clarifications have been made, where appropriate and based on feedback from payors, and that the format of the Manual was revised to make it easier to read and use. Mr. Sridhara stated that, based on payor responses to a survey and Staff's discussions with payors, new fields were added to capture claim adjustments, voids, and replacements. Commissioner Falcone made a motion to approve the 2015 MCDB Manual for posting on the Commission's website, which was seconded by Commissioner Barr and unanimously approved.

ACTION: Update of Medical Care Database Manual is hereby APPROVED for posting

ITEM 11.

UPDATE: Health Information Exchanges: Compliance with the Privacy and Security Regulations

Angela Evatt, Chief, Health Information Exchange, provided an update on the progress of health information exchanges (HIEs) in meeting existing Commission regulations that were adopted in compliance with 2011 State law. She also provided an assessment of HIE activities in Maryland. Ms. Evatt pointed out that the regulations require HIEs operating in Maryland to register with the Commission and to renew their registrations annually. Ms. Evatt noted that four of the eight HIEs that were identified as needing to comply with the HIE regulations have completed the registration process. Ms. Evatt stated that staff will continue to analyze data gathered as part of an environmental scan of HIEs operating in the State to determine if there are any gaps in the existing HIE regulations that might allow organizations to exchange protected health information absent the privacy and security protections established in regulation. Ms. Evatt said that the key preliminary findings indicated that, statewide, there is an imbalance in the protection of electronic health information among organizations that exchange protected health information. Potential recommendations include: (1) expand the definition of an HIE to ensure inclusion of evolving models of data exchange activities, both uni-directional and bi-directional exchange, and entities that act as intermediaries between two or more organizations exchanging data; (2) streamline the HIE registration process and require organizations that offer HIE services to conduct an annual audit against the regulation requirements and provide the results to the Commission; and (3) explore HIE shared services as a component for an HIE to be a State-designated HIE. An assessment brief is targeted for release in the first quarter of 2015.

ITEM 12.

UPDATE: 2013 Performance Year Results for Maryland Multi-Payor PCMH Program

Guy D'Andrea, President and Founder of Discern, Inc., provided an update on the 2013 performance year results for Maryland's Multi-Payor PCMH Program (MMPP). Mr. D'Andrea said that the goals of the Maryland Multi-Payor Patient Centered Medical Home are to increase quality, control costs, and improve patients' experience of care. He stated that the 2013 PCMH results show that MMPP practices received up-front fixed transformation payments from commercial payors totaling \$4.4 million in 2013 and that nearly half of the MMPP practices generated savings, for a total of about \$1.6 million. He also said that incentive payments for 10 practices were capped because their shared savings calculations showed more than a 10 percent

reduction in per capita total health care costs. Mr. D'Andrea also reported continued progress on quality measures, overall, there was about a 15 percent improvement over the last two years in quality measure composite scores. Mr. D'Andrea outlined the 2015 leading initiatives, which include: (1) increasing stakeholder awareness of PCMH programs as key components of practice transformation and innovative care delivery; (2) continuing to work with payors to share select data that can be easily interpreted by MMPP practices to enhance effective care management; (3) working with MMPP practices to implement strategies that will increase quality and improve performance; and (4) advancing health information technology in MMPP practices.

ITEM 13.

ADJOURNMENT

There being no further business, the meeting was adjourned at 3:55 p.m. upon motion of Commissioner Kan, which was seconded by Commissioner Phillips and unanimously approved.