



MARYLAND HEALTH CARE COMMISSION

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Thursday, November 15, 2018

Minutes

Chairman Moffit called the meeting to order at 1:05 p.m.

Commissioners present: Boyle, Hafey, McCarthy, Peters, Pollak, Rymer, and Sergeant. Commissioners Metz, O'Connor, O'Grady, Thomas, and Tomarchio participated via teleconference.

ITEM 1.

Approval of the Minutes

Commissioner Peters made a motion to approve the minutes of the October 15, 2018 public meeting of the Commission, which was seconded by Commissioner Sergeant and unanimously approved. Commissioner Boyle made a motion to approve the revised minutes of the September 20, 2018 public meeting of the Commission, which was seconded by Commissioner Hafey and unanimously approved.

ITEM 2.

Update of Activities

Ben Steffen, Executive Director, said that regulations for cardiac surgery and percutaneous coronary intervention services were posted for a 30-day comment period, and expected to be published by the AELR Committee on December 7, 2018.

Megan Renfrew, Chief of Government Relations and Special Projects, provided a brief update related to the EMS Reimbursement Work Group for New Care Delivery Models. Ms. Renfrew said that the steering committee has met regularly on Medicaid and Medicare components of the task, and also met individually with private insurers and the Maryland Hospital Association. She said that the report will be presented to MIEMSS Board in early December, and presented to the Commission at the December 20, 2018. She noted that the report would be sent to the Commission prior to the public meeting.

ITEM 3.

ACTION: 2019 MCDB Data Submission Manual

Each November, the MHCC formally updates its Medical Care Data Base (MCDB) Submission Manual for the upcoming year. Kenneth Yeates-Trotman, Acting Director for the Center for Analysis and Information Systems, presented the updates to the manual. Mr. Yeates-Trotman said that manual provides designated reporting entities with the technical specifications, layouts, and definitions necessary for filing the reports required under COMAR 10.15.16. He stated that there are no changes in Maryland's reporting requirements but noted the following reminders regarding: (1) protection of confidential information in MCDB data submissions (COMAR 10.25.06.06); (2) enforcing COMAR 10.25.06.06 via attestation to encrypt patient identifiers; (3) attestation by payors via the MCDB portal for each reporting quarter; and (4) attestation excludes the CRISP demographic files. Mr. Yeates-Trotman said that staff did not receive any negative responses from the carriers. Commissioner Boyle made a motion to approve the release the 2019 MCDB Data Submission Manual, which was seconded by Commissioner O'Grady and unanimously approved.

ACTION: The 2019 MCDB Data Submission Manual is hereby Approved

ITEM 4.

PRESENTATION: Diabetes Measure and the Potential of Maryland's APCD

Chairman Moffit noted that, under the Total Cost of Care (TCoC) Model, CMS and the State will test whether state-wide health care delivery transformation, in conjunction with Population-Based Payments, improves population health and care outcomes for TCoC. He said that the State will responsible for addressing a minimum of three population health priorities for Maryland residents. One of the priorities will likely be reducing the prevalence of diabetes. Ms. Judy Loren, an MHCC contractor, presented analysis and findings regarding the feasibility of using the MCDB for tracking diabetes prevalence and monitoring the costs of treating Maryland's nonelderly privately insured diabetics.

ITEM 5.

ACTION: Approval for Release – Maryland Trauma Physician Services Fund, Annual Report

Chairman Moffit stated that, in 2003, the Maryland General Assembly enacted legislation creating the Maryland Trauma Physician Services Fund to aid Maryland's trauma system by reimbursing trauma physicians for uncompensated care losses and by raising Medicaid payments to at least the Medicare rate when a Medicaid patient receives trauma care at a designed center. The legislation requires the MHCC and HSCRC to report on the status of the Trauma Fund each year. Bridget Zombro, COO, and Denise Ridgely, Program Manager, presented the 2018 Report. Ms. Zombro noted that the payments to all eligible providers and the administrative costs associated with making those payments totaled more the \$11 million in fiscal year 2018. She stated that the payments decreased slightly compared to fiscal year 2017, while on call and standby payments incrementally increased. Ms. Zombro said that the 2018 Budget Reconciliation Financing Act (BRFA) reduced the fund balance by \$8,000,000, leaving a surplus

balance to begin fiscal year 2019 of \$3,025,142. She said that appropriation for fiscal year 2019 is \$12,000,000. Ms. Zombro noted that staff is in the process of redesigning the Commission's trauma educational and training website, and will continue to work closely with the trauma community to gather information and recommendations to allow trauma-related uses of Fund balances. Commissioner O'Connor made a motion to approve the release of the report, which was seconded by Commission Hafey and unanimously approved.

ACTION: Release of the Maryland Trauma Physician Services Fund – Annual Report is hereby Approved

ITEM 6.

ACTION: Request for Project Change After Certificate of Need Approval – Coastal Hospice and Palliative Care (Docket No. 17-22-2404)

Coastal Hospice and Palliative Care (Coastal) applied for a modification to its existing Certificate of Need to increase the project capital cost. Eric Baker, Program Manager, presented the staff recommendation. Mr. Baker said that Coastal was issued a Certificate of Need in December 2017 to construct a 12-bed inpatient hospice. He said that this modification request is to increase the project cost by \$579,315, bring the total of the project to \$8,577,429. Mr. Baker said, the applicant reported that, during construction, it found conditions that required correction and additional renovation or site preparation. Staff recommended that the Commission approve the proposed modification of the Certificate of Need. Commissioner Sergent made a motion to approve the staff recommendation, which was seconded by Commission Hafey and unanimously approved.

ACTION: Request for Project Change After Certificate of Need Approval – Coastal Hospice and Palliative Care (Docket No. 17-22-2404) is hereby Approved.

ITEM 7.

ACTION: Request for Project Change After Certificate of Need Approval – Stella Maris, Inc. (Docket No. 16-03-2376)

Stella Maris, Inc. applied for a modification to its existing Certificate of Need to increase the total project costs. Laura Hare, Health Policy Analyst, presented the staff recommendation. Ms. Hare said that the applicant requested a modification to increase the cost of the project by \$4,024,479, which would bring the total cost of the project to \$33,716,308. She said that the cost increase results from Stella Maris's failure to account for additional inflation costs due to the project starting later than anticipated and that there were additional costs associated with construction, changes in market conditions, design changes, and additional upgrades. Ms. Hare noted that the facility will fund the additional cost by increasing its cash contribution, and additional mortgage loans. Staff recommended that the Commission approve the proposed modification, and continue with the same standard conditions used with the existing CON. Commissioner Pollak made a motion to approve the staff recommendation, which was seconded by Commissioner Boyle and unanimously approved.

ACTION: Request for Project Change After Certificate of Need Approval – Stella Maris, Inc. (Docket No. 16-03-2376) is hereby Approved.

ITEM 8.

PRESENTATION: Review of Preliminary Draft CON Modernization Recommendations

Chairman Moffit noted that the CON Modernization Task Force met on November 9, 2018 to consider draft recommendations for the final report. Commissioner Sergent and Paul Parker, Director of the Center for Health Care Facilities Planning and Development, presented the draft recommendations and discussed next steps. Mr. Parker said that a successful implementation of CON reform will proceed on three different tracks. He noted regulatory actions that could be started immediately, the statutory changes that could be sought in the 2019/2020 legislative session; and the areas for future study from which further regulatory and statutory changes are likely to emerge. He also said that the Commission should be focused on modernization and stated that some reforms may require more time. Mr. Sergent noted that the final Task Force meeting will be held on December 3, 2018 at 9:30 a.m. and that the Commission will consider the final report at its December 20, 2018 public meeting.

ITEM 9.

PRESENTATION: NHRI Total Cost of Care Report

The Network for Regional Health Initiatives (NHRI) released its third annual report comparing the total cost of care among the privately insured in six health care markets, including Maryland. Maryland's performance was favorable for the third consecutive year due to relatively lower prices and somewhat lower utilization. Kenneth Yeates-Trotman, Acting Director for the Center for Analysis and Information Systems presented the findings from the 2016 NHRI Report "Healthcare Affordability: Untangling Cost Drivers." He noted that Maryland's lower hospital and professional prices may be due to the hospital all-payer rate-setting system which limits the need for hospitals to shift unreimbursed costs from Medicare and Medicaid to private payers. He also noted that the professional rates reflect a historic trend of private professional rates being about the same as Medicare rates, overall. Mr. Yeates-Trotman said that staff will identify AND publish information about opportunities for reducing utilization by evaluating the use of low value care in Maryland's commercial population, as well as share information with other State partners on the potential impact of the new Maryland Total Cost of Care Model on the privately insured population. Staff will continue to add episode cost information to the Commission's Wear the Cost website.

ITEM 10.

UPDATE: Maryland Healthcare Quality Reports Website and Leapfrog Group Release

Courtney Carta, Chief of Hospital Quality Performance, highlighted updates to the Maryland Healthcare Quality Reports website, showed a video that increases consumer awareness of the website, and provided an overview of the recently released Leapfrog safety grade results. Ms. Carta noted that the updated hospital price transparency section now includes hospital case volume and average charges for calendar year 2017 and the first six months of 2018. She said that the performance information on Maryland Health Benefit Plans has been updated with 2017 clinical quality measures and plan member experience measures for use during the 2018 Open Enrollment period. Ms. Carta also provided an overview of the released Leapfrog Safety Grade results. She said that Maryland hospitals have shown notable improvements since first receiving

safety grades in the Fall 2017 report. She also noted that 44% of Maryland hospitals that received safety grades in both 2017 and 2018 have improved safety grades in 2018. She also noted that eight hospitals received a letter grade of “A,” and eleven hospitals received a “B” grade.

ITEM 11.

Overview of Upcoming Initiatives

Ben Steffen said that the December meeting is expected to include the Modernization of Certificate of Need Program’s final report, Certificate of Need matters, and a telehealth grant award announcement.

ITEM 12.

ADJOURNMENT

There being no further business, the meeting was adjourned at 4:00 p.m. upon motion of Commissioner Peters, which was seconded by Commissioner Boyle and unanimously approved.