



MARYLAND HEALTH CARE COMMISSION

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Friday March 1, 2019 Via Teleconference Minutes

Commissioners Present: Dr. Andrew Pollak, Marcia Boyle, Margaret Hammersla, Stephen Thomas, Michael O’Grady, Jason McCarthy, and Candice Peters.

AGENDA ITEM 1.

Welcome and Introductions

Ben Steffen, Executive Director, opened the call and asked Commissioners and Commission Staff to introduce themselves.

AGENDA ITEM 2.

UPDATE OF ACTIVITIES

SB 469- Drugs and Devices-Electronic Prescriptions-Requirements

Megan Renfrew, Chief of Government Affairs and Special Projects, provided an update on this bill, which the Commission opposed, a position which was consistent with the position taken by the Commission on the cross-filed house bill. This bill mandates use of electronic prescriptions for all prescribers.

HB 607- Maryland Trauma Fund- State Primary Adult Resource Center-Reimbursement of On-Call and Standby Costs

Ms. Renfrew provided an update on the bill, which seeks to provide Shock Trauma with access to on-call and standby costs through the Trauma Fund administered by the Commission. After the legislative policy discussion at the February 21, 2019 Commission meeting, Mr. Steffen noted that he presented information on the bill and the Trauma Fund at a meeting of Trauma Net, an advocacy group for trauma centers. Trauma Net decided to support the bill with an amendment. In addition to the bill, which the Commission supports, Commission staff suggests a study of the Trauma Fund in the next year to conduct a systematic evaluation of the fund distribution methodology with all stakeholders.

Unrelated to this bill, Mr. Steffen informed the Commissioners on the call that some of the Trauma Fund balance is at risk. The Department of Budget Management (DBM) anticipates a \$350 million short fall on revenue and identified a possible permanent \$2 million funding cut to the fund.

SB 1010-Maryland Health Care Commission- Assessment of Services at the University of Maryland Shore Medical Center in Chestertown; SB1018- Health Facilities-Chestertown Rural Health Care Delivery Innovations Pilot Program;

Megan mentioned that Senator Hershey had introduced two bills that are relevant to the Commission's work: *SB 1010-Maryland Health Care Commission- Assessment of Services at the University of Maryland Shore Medical Center in Chestertown* and *SB1018- Health Facilities-Chestertown Rural Health Care Delivery Innovations Pilot Program*. These bills will be discussed at a future meeting.

AGENDA ITEM 3.

ACTION: Discussion of Positions on Bills with Hearings during Week of March 4, 2019

Ms. Renfrew stated that three bills related to CON will be heard in the House Health and Government Operations (HGO) Committee during the week of March 4, 2019.

HB626- Health Care Facilities – Change in Bed Capacity – Certificate of Need Exemption (Delegate Krebs). This bill provides for changes in bed capacity without CON for existing hospice, hospital psychiatric bed, and ASAM level 3.7 substance abuse providers. This bill aligns with the CON modernization report. Maryland Hospital Association (MHA) will submit a letter of information. It was noted that Recovery Centers of America is working hard in support of the drug treatment component of the bill. Delegate Krebs, the bill sponsor, is strongly supportive of the hospice components of the bill. MHA mentioned that nursing homes may take a negative position. The Commission agreed, by consensus, to support the bill.

HB646-Maryland Health Care Commission-State Health Plan and Certificate of Need for Hospital Capital Expenditures (Delegate Pendergrass) This is MHA's bill and is sponsored by the Committee Chair. This bill requires an annual public process to rank State Health Plan chapters by priority and to revise at least one chapter a year. The bill also increases the hospital capital review threshold. While this increase in the capital review threshold is not identical to the CON modernization report recommendation, it is a good compromise supported by the hospitals. MHA supports this bill. The Commission agreed, by consensus, to support this bill.

HB931- Health Care Facilities- Certificate of Need- Modifications (Delegate Kipke) This bill, as introduced, partially aligns with a number of recommendations from the CON Modernization Report. It seeks to permit two-operating-room Ambulatory Surgery Facilities (ASFs) without CON, as well as 3-room ASFs for certain practice types through an exemption process. The Commission supports the change to allow all ownership types to have two ORs, but the three OR exemption does not align with the CON modernization report. The bill also removes the capital threshold for non-hospital facilities. This change is well aligned with the CON modernization report. Finally, the bill provides for an accelerated review process and automatic deeming process for certain uncontested CON applications after 90 days after docketing of an application. Staff recommend that this be increased to 120 days.

Commissioners discussed the importance of treating all ASF ownership types equally. Commissioners also discussed the deeming process and the importance that it be limited to uncontested applications. Ms. Renfrew mentioned that one delegate has already noted concerns that the deeming time period starts after docketing and has no impact on the completeness review process, which can be time consuming. Commissioners noted that the process to determine when the clock starts is under the applicant's control, not the Commission's. The Commissioners agreed to support with amendment.

HB1059- Health Care Facilities- Closing or Partial Closing- Public Notice

In addition to the three CON bills, Ms. Renfrew stated that there is an HGO hearing on this bill on Monday, March 4, 2019. This bill seeks to require a detailed set of actions by the Commission to ensure public notice and notice of elected officials when a hospital closes or partially closes. Ms. Renfrew noted that the bill sponsor was also focused on the facts on the ground in Havre de Grace, a FMF conversion, which occurs on a different timeline than other closures. Mr. Steffen provided the example of Franklin Square closing its pediatric unit last year. Notice of a hospital closure is currently required under statute, but there is little enforcement power when other facilities are closing. Staff recommend that the Commission submit a letter of information that describes current law and expresses concerns about the prescriptiveness of the bill, the bill's failure to allow for adjustment for different types of closures, and concern that hospital may not be best source for the community economic analysis. The Commission agreed with this recommendation by consensus.

AGENDA ITEM 4.

OVERVIEW OF UPCOMING ACTIVITIES

Ms. Renfrew noted that the Commission may not need a legislative policy call next week, as the only bills scheduled for hearings are cross-files of bills that the Commission has already discussed.

- SB 597: Maryland Health Care Commission - State Health Plan and Certificate of Need for Hospital Capital Expenditures (HB646)
- SB 649: Health Care Facilities - Change in Bed Capacity - Certificate of Need Exemption (identical to HB 626)

AGENDA ITEM 4.

ADJOURNMENT

The meeting adjourned by consensus.