Thursday, December 14, 2023

MINUTES

Chairman Sergent called the meeting to order at 1:04 p.m.

Commissioners present via telephone and in person: Bhandari, Blake, Boyle, Buczynski, Douglas, Gelrud, Gilmore, Jensen, Ojikutu, Spinner, Stroughton-Duncan and Wang.

AGENDA ITEM 1.

Approval of the Minutes

Commissioner Boyle made a motion to approve the minutes of the November 16, 2023, public meeting of the Maryland Health Care Commission (Commission or MHCC), which was held by teleconference hybrid. The motion was seconded by Commissioner Douglas and unanimously approved.

AGENDA ITEM 2.

Ben Steffen, Executive Director for MHCC, talked about HB 812 – Reproductive Health Care Townhall meetings with HIEs/EHRs and Claims Clearing Houses that are scheduled for December 18th and 20th 2023. Next, Mr. Steffen spoke about four mandate studies due to the Legislature including the Nursing Home Acquisitions Report, and a Report on the Maryland Commercial Fully Insured Market Alternative Payment Model Arrangements.

Mr. Steffen discussed the Interstate Telehealth Recommendations and the Palliative Care Report. The Commission will hear the following presentations in January 2024: Oversight of Small Assisted Living, Recommendations of the Commission on Trauma Funding (legislators are interested in changes, but request estimates of need), and Mandate Coverage of hearing aids for Adults. Mr. Steffen stated that there will be studies in the spring on the cumulative impact of mandates and pediatric dental. The Commission will be participating in an upcoming panel in the HGO and Appropriation Committees where we will contribute to the Pediatric Dental Report.

Mr. Steffen discussed the Commission on Behavioral Health Care Treatment and Access. The MHCC is to recommend ways to provide appropriate, accessible, and comprehensive behavioral health services, available on demand, to individuals in Maryland across the behavioral health continuum.

In June 2023, the Commission on Behavioral Health Care Treatment and Access was created by the General Assembly. Four workgroups or subgroups were created from that Commission including: 1. Geriatric Behavioral Health; 2. Youth Behavioral Health, Individuals with Developmental Disabilities, and Individuals with Complex Behavioral Health Needs; 3. Criminal Justice–Involved Behavioral Health; and 4. Behavioral Health Workforce Development, Infrastructure, Coordination, and Financing. MHCC will be working closely with this Commission as MHCC has been directed to conduct studies related to behavioral health workforce and payment adequacy.

AGENDA ITEM 3.

ACTION: Luminis Health Doctor's Community Medical Center- Obstetrics program to the hospital located in Prince George's County, Maryland (Matter No. 23-16-2466)

Jeanne Marie Gawel, Acting CON Chief in the Center for Health Care Facilities Planning and Development, presented Luminis Health Doctors Community Medical Center's Certificate of Need (CON) application for a 21-bed obstetrics unit.

Ms. Gawel stated that the proposed project consists of two main components: a new obstetrics program, and a new acute care patient tower. The new obstetrics program will increase bed capacity and bring needed obstetric services to Prince George's County, which is currently experiencing out-migration of obstetric services. The increased bed capacity will also improve maternal/infant outcomes in the County and reduce disparities. In addition, the project will attract and retain culturally competent providers of obstetric care to the community. The new tower will allow more room for support services. The project will include 301,952 square feet (SF) of new construction and renovation. The estimated total cost of the project is $299,012,841. She shared that the applicant anticipates funding the project with $33,688,629 in cash reserves, $5,000,000 in philanthropic support, $152,894,229 in interest income from bonds, and $95,000,000 from the State of Maryland.

Ms. Gawel concluded that, the project complies with the applicable standards, is needed, is a cost-effective approach to meeting the project's objectives, is viable, and will have an impact that is positive with respect to the applicant's ability to provide obstetric services in Prince George's County

The conditions of the CON are as follows:

(1) Luminis Health Doctors Medical Center shall close its obstetric program, and its authority to operate will be revoked, if: (i) it fails to meet the minimum annual volume of 1,000 obstetric discharges annually for any 24 consecutive month period, and (ii) it fails to provide good cause for its failure to attain the minimum volume, and a feasible corrective action plan for how it will achieve the minimum volume within a two-year period.

(2) Luminis Health Doctors Medical Center shall continue to provide a patient with an estimate of out-of-pocket charges prior to arrival for surgery.

(3) Before changing the funding mechanisms of the project, the applicant must submit a project change.

Commissioner Gelrud recused herself from this agenda item.

Commissioner Jensen moved to approve the Certificate of Need- Luminis Health Doctor's Community Medical Center- Obstetrics program which was seconded by Commissioner Buczynski and, after discussion, unanimously approved.

ACTION: Motion to APPROVE the Certificate of Need for Luminis Health Doctor's Community Medical Center- Obstetrics program to the hospital located in Prince George's County, Maryland is hereby APPROVED.

AGENDA ITEM 4.

ACTION: Nursing Home Acquisitions WG Report

Stacy Howes, Chief of Long-Term Care and Health Plan Quality Initiatives in the Center for Quality Measurement and Reporting, and Jeanne Marie Gawel, Acting Chief of Certificate of Need in the Center for Health Care Facilities Planning and Development presented the recommendations from the Nursing Home Acquisitions Workgroup. They provided an overview of the current nursing home industry, the members of the workgroup, what each workgroup meeting covered, and the final recommendations from the workgroup. Commissioners requested several key changes to the recommendations as follows:

1. An additional quality metric, current debt-to-income ratio, was added to recommendation 1.
2. Recommendation 3 was altered by adding the following sentence: The notice must include information regarding what the residents and families can expect throughout the acquisition process and a timeline for completion of the acquisition process.
3. An additional quality metric, infection survey results obtained from the Office of Health Care Quality, was added to recommendation 4.
4. Recommendation 5 was altered with, "The Commission shall seek to expand its authority to deny an acquisition" instead of "The Commission shall seek to expand its authority to recommend the denial of an acquisition."

Commissioners requested that the recommendation about reducing the number of 3- and 4-bed rooms be stronger. No changes were made to this recommendation because the recommendation is written in a way that represents a compromise of the workgroup's opinions.

ACTION: This Action Item was NOT VOTED ON at this time.

AGENDA ITEM 5.

ACTION: Updated Mandated Health Insurance Services Evaluation: Health Insurance-Annual Behavioral Health Wellness Visits- Required Coverage and Reimbursement-Senate Bill 108

Mr. Kenneth Yeates-Trotman, Director of the Center for Analysis and Information Systems, gave an update on revisions made to the report written by Axene Health Partners (Axene), a consulting firm, based on feedback from Commissioners at the November Commission meeting. Mr. Yeates-Trotman said that the Commission did not favor the report and presentation of the results as the format of the financial results did not follow past reports (on a per member per month—PMPM basis) presented at the Commission. The MHCC staff worked closely with Axene to make the necessary revisions to the report. Mr. Yeates-Trotman then highlighted the legislation's financial impact, noting that the mandate is expected to increase premiums by about 0.05% of $0.37 PMPM in 2025. Mr. Yeates-Trotman said that an annual increase of about 2 percent is also expected and that there will be a medical savings of 2.5 percent of total cost or $0.04 PMPM for each new patient due to the mandate.

Commissioner Boyle moved to APPROVE the Updated Mandated Health Insurance Services Evaluation: Health Insurance-Annual Behavioral Health Wellness Visits- Required Coverage and Reimbursement- Senate Bill 108, which was seconded by Commissioner Stroughton-Duncan and, after discussion, unanimously approved.

ACTION: Motion to APPROVE the Updated Mandated Health Insurance Services Evaluation: Health Insurance-Annual Behavioral Health Wellness Visits- Required Coverage and Reimbursement- Senate Bill 108 is hereby APPROVED.

AGENDA ITEM 6.

ACTION: Diagnostic and Supplemental Exams and Biopsies for Breast Cancer - Cost Sharing - SB0184/HB0376

Ms. Joan Barret, a consulting actuary with Axene Health Partners (Axene), presented the evaluation findings to the Commissioners. Ms. Barret stated that breast cancer impacts one in every eight women in the United States, with an estimated 300,000 new cases in 2023, and that 43,000 deaths were attributable to breast cancer. Ms. Barret added that early detection of breast cancer is critical to surviving the disease. A national survey showed that a five-year survival rate is much higher if the cancer is localized. Lastly, Ms. Barret said that one can expect about a $0.39 PMPM increase in premium of 0.06 percent of total healthcare costs.

Commissioner Gelrud moved to APPROVE the Diagnostic and Supplemental Exams and Biopsies for Breast Cancer - Cost Sharing - SB0184/HB0376, which was seconded by Commissioner Douglas and, after discussion, unanimously approved.
ACTION: Motion to APPROVE the Diagnostic and Supplemental Exams and Biopsies for Breast Cancer - Cost Sharing - SB0184/HB0376 is hereby APPROVED.

AGENDA ITEM 7.

ACTION: Treatment of Alopecia Areata - Coverage Requirements - SB0075

Ms. Casey Hammer, a principal consulting actuary with Milliman, presented the evaluation findings to the Commission. Ms. Hammer provided a summary of the legislation. Then she gave a brief overview of the alopecia areata disease (an autoimmune skin disease that can cause hair loss on any part of the body but typically affects the head and face) and the drugs approved by the FDA for the treatment of the disease. Ms. Hammer said that alopecia areata prevalence in the Maryland privately fully insured population mirrors national results (insurance market segments, individual: 0.21 percent; small group: 0.17 percent; fully insured large group: 0.21 percent). However, the State Health Plan population is much higher at 0.31 percent, and the Medicaid population is much lower at 0.15 percent.

Also, the disease prevalence is greater among people of color than white people. Ms. Hammer explained that health insurance carrier surveys show no cranial prostheses insurance coverage for people enrolled in the individual market, State Health Plan, and Medicaid. However, five percent of the small group enrollees and 28 percent of the fully insured large group enrollees have coverage. Also, 76 percent of Medicaid enrollees have coverage for JAK inhibitors. The demand for cranial prostheses is high—about 93 percent of respondents reported considering getting a hairpiece. About 86 percent of those considering got a wig, and the most common limitation to receiving cranial prostheses is cost (July 2022 National Alopecia Areata Foundation Survey). Lastly, Ms. Hammer mentioned that one can expect an increase in premium of about $0.06 PMPM for the fully insured commercial, $0.10 PMPM for the State Health Plan, and $0.54 PMPM for Medicaid populations.

Commissioner Douglas moved to APPROVE the Treatment of Alopecia Areata - Coverage Requirements - SB0075, which was seconded by Commissioner Boyle and, after discussion, unanimously approved.

ACTION: Motion to APPROVE Treatment of Alopecia Areata - Coverage Requirements - SB0075 is hereby APPROVED.

AGENDA ITEM 8.

ACTION: Labor & Delivery Services - Coverage- Cost-Sharing - SB0784

Ms. Casey Hammer, a principal consulting actuary with Milliman, presented the evaluation findings to the Commission. Ms. Hammer started by giving a summary of the legislative request and then gave a brief background of labor and delivery. Ms. Hammer discussed labor and delivery services coverage in terms of the Patient Protection and Affordable Care Act, State of Maryland mandates, and health insurance coverage under small group grandfathered plans. Ms. Hammer said that the survey (Maryland Insurance Administration and fully insured large group insurance carriers) showed that labor and delivery services for the most popular plans, insureds in plans with the richest benefits pay $0 out-of-pocket (OOP) for labor and delivery services or a copay per admission. However, insureds in plans with less rich benefits are subject to higher deductibles and have coinsurances, and up to 40% are paid OOP for labor and delivery services. Lastly, Ms. Hammer said that one can expect an increase in premiums of about $0.92 PMPM for the fully insured commercial and $0.81 PMPM for State Health Plan populations.

Commissioner Gelrud moved to APPROVE Labor & Delivery Services - Coverage- Cost-Sharing - SB0784, which was seconded by Commissioner Spinner and, after discussion, unanimously approved.

ACTION: Motion to APPROVE Labor & Delivery Services - Coverage- Cost-Sharing - SB0784 is hereby APPROVED.

AGENDA ITEM 9.

ACTION: Report on the Maryland Commercial Fully Insured Market Alternative Payment Model Arrangements as Required by SB582/HB1148

Mr. Kenneth Yeates-Trotman, Director of the Center for Analysis and Information Systems, gave a brief overview of the Two-Sided Incentive Arrangement report's purpose. This first report excludes all financial results because the alternative payment model data (APM) collected from health insurance carriers was limited—reflecting one or two payers and the results for total medical spending across payers on a PMPM basis does not look reasonable compared to expected results (total medical spending under primary care). Mr. Yeates-Trotman also said that this report is a baseline since two-sided programs theoretically started in October 2022 when the governor signed the legislation Chapter 297 of the 2022 Laws of Maryland. Mr. Yeates-Trotman then introduced Ms. Mary Jo Condon, a principal consultant with Freedman Healthcare, to present the report's findings. Ms. Condon started by briefly sighting the reason for the legislation and the purpose of the inaugural report. She then said that currently, nine states, including Maryland, monitor and collect data on value-based arrangement adoption and that four states (CO, DE, MA, OR) published reports. Ms. Condon explained that under Chapter 297 of the 2022 Laws of Maryland, MHCC is required to collect value-based care data and develop an annual report on the following:

1. Number and type of value-based arrangements;
2. Quality outcomes of value-based arrangements;

3. The number of complaints made regarding value-based arrangements;
4. Cost-effectiveness of value-based arrangements; and
5. Impact of two-sided incentive arrangements on fee schedules.

Ms. Condon gave an overview of the data collection approach (HCPLAN categories). Results (key findings) show 47 APM arrangements in 2022, and 117,747 covered Maryland residents in these APM arrangements. There were 12 two-sided arrangements, 19 episodes of care arrangements, and eight two-sided episodes of care arrangements. Only Aetna, CareFirst, and Cigna submitted data on APM arrangements. The MHCC did not collect data on quality metrics for this first report. Lastly, Ms. Condon said that the APM data will be collected and reported to legislators annually until 2032, according to Chapter 297 of the 2022 Laws of Maryland, and that MHCC will continue to work with payors to limit the burden of APM data submissions.

Commissioner Stroughton-Duncan moved to APPROVE Report on the Maryland Commercial Fully Insured Market Alternative Payment Model Arrangements as Required by SB582/HB1148, which was seconded by Commissioner Douglas and, after discussion, unanimously approved.

ACTION: Motion to APPROVE the Report on the Maryland Commercial Fully Insured Market Alternative Payment Model Arrangements as Required by SB582/HB1148 is hereby APPROVED.

AGENDA ITEM 10.

ACTION: MHCC User Fee Assessment
A. ACTION: User Fee Assessment Report
B. ACTION: COMAR 10.25.03 User Fee Assessment on Payers, Hospitals, and Nursing Homes - Proposed Regulations

Bridget Zombro, Commission Consultant, presented the study and answered questions in advance of the Commission's vote to approve the submission of the Workload Study to the General Assembly. Ms. Zombro also presented minor changes to the corresponding regulations, COMAR 10.25.03-User Fee Assessment on Payers, Hospitals, and Nursing Homes.

The Maryland General Assembly passed legislation in the 2001 Legislative Session effective 2002 that requires MHCC to perform a workload study and make recommendations on the appropriate funding level for the Commission and user fee allocation among those currently assessed every four years.

Commissioner Boyle made a Motion to APPROVE the User Fee Assessment Report, which was seconded by Commissioner Gilmore and after discussion, unanimously approved.

ACTION: User Fee Assessment Report is hereby APPROVED.

Commissioner Boyle made a Motion to APPROVE the COMAR 10.25.03 User Fee Assessment on Payers, Hospitals, and Nursing Homes - Proposed Regulations, which was seconded by Commissioner Gilmore and after discussion, unanimously approved.

ACTION: COMAR 10.25.03 User Fee Assessment on Payers, Hospitals, and Nursing Homes - Proposed Regulations are hereby ADOPTED.

AGENDA ITEM 11.

ACTION: Annual Maryland Trauma Physicians Services Fund for Fiscal Year 2023

Richard Proctor, Chief Operating Officer, presented the highlights of the Fiscal Year 2023 Maryland Trauma Physician Services Fund Report pursuant to seeking Commission approval for submission to the General Assembly, in accordance with Section 2-1257 of the State Government Article. The law requires the Commission and Health Services Cost Resources Commission to submit an annual report to the General Assembly and delineates what is required to be included. The report must include the amount of money in the Fund on the last day of the previous year, the amount applied for by the trauma physician and trauma centers, and the amount of reimbursements distributed. The report must also include any recommendations for altering the way trauma physicians and trauma centers are reimbursed from the Fund and the costs incurred in administering the Fund. Mr. Proctor addressed a question after his presentation and the Commission voted to approve the report as written.

Commissioner Jensen moved to APPROVE the Annual Maryland Trauma Physicians Services Fund for Fiscal Year 2023, which was seconded by Commissioner Boyle and, after discussion, unanimously approved.

ACTION: Motion to APPROVE the Annual Maryland Trauma Physicians Services Fund for Fiscal Year 2023 is hereby APPROVED.

AGENDA ITEM 12.

OVERVIEW OF UPCOMING ACTIVITIES

Mr. Steffen briefly spoke about January's Commission meeting. He stated that there will be a CON for the University of Maryland Shore Medical Center at Easton, findings from the Trauma Commission, 9.5 Million Trauma Fund to Distribute, and a report on Hearing Aids for Adults and Small Assisted Living Facilities.

ACTION REQUESTED: NONE

AGENDA ITEM 13.

ADJOURNMENT

Chairman Sergent asked for a motion to adjourn the meeting. After there being no further business, the meeting was adjourned at 5:04 p.m. upon the motion of Commissioner Douglas, which Commissioner Spinner seconded.

ACTION: NONE