MARYLAND HEALTH CARE COMMISSION

UPDATE OF ACTIVITIES

July 2011

CENTER FOR INFORMATION SYSTEMS AND ANALYSIS

Patient Centered Medical Home Program

Maryland Multi-payer Patient Centered Medical Home Program (MMPP)

PCMH Advisory Panel
The Commission will convene the first meeting of the PCMH Advisory Panel early next month. Commission staff will consult this representative group of program participants regarding the administration of the multi-payer program in accordance with the provisions of the program's Participation Agreement.

Attribution of Patients
Attribution of patients for the participating practices with the Program's participating health insurance carriers, self-insured employers, and staff from Social and Scientific Systems (the Commission's claims data base contractor) continues. The carriers will make the first Fixed Transformation Payments to the participating practices and the practices will have care coordinators engaged in August (extended from July).

Maryland Learning Collaborative (MLC)
The MLC staff have engaged more than 180 primary care providers and their key staff members in practice transformation activities. Key practice contacts have submitting practice transformation plans and have attended webinars regarding care management, practice management, NCQA reviews, and medical record reviews among other topics throughout the past month. Commission and MLC staff are finalizing plans for regional meetings of the collaborative to be held in August.

Program Evaluation
MHCC released a revised RFP for PCMH Program Evaluation services in June. Responses to the RFP are due no later than Friday, July 15, 2011 @ 4:00 pm. For further information, please contact the Commission's Procurement Officer, Sharon M. Wiggins at swiggins@mhcc.state.md.us.

Information regarding the PCMH program is available on the Commission's website at: http://mhcc.maryland.gov/pcmh/.

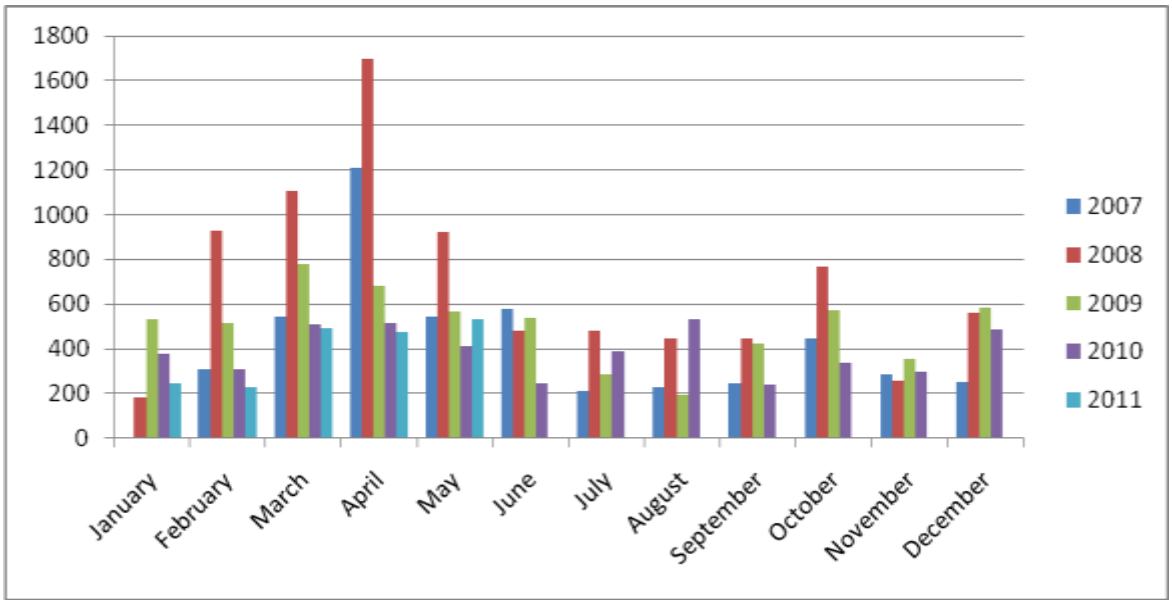
Maryland Trauma Physician Services Fund

On-Call Applications
Maryland Trauma Centers' Applications for on-call stipends will be due on July 29, 2011 for reimbursement of on-call expenses for January 1 through June 30, 2011.

Trauma Equipment Grants
Commission staff will release the 2011-12 Trauma Equipment Grant applications to the coordinators for each of Maryland's eligible Trauma Centers in late July.

Uncompensated Care Processing
CoreSource, Inc., the third party administrator (TPA) for the Trauma Fund, adjudicated claims with a total paid value of approximately $531,766 in May 2011. The monthly payments for uncompensated care from March 2007 through May 2011 are shown below in Figure 1.

Figure 1 – Trauma Fund Uncompensated Care Payments 2007-2011



Cost and Quality Analysis

Submission of 2010 Data to the Maryland Medical Care Data Base (MCDB)
As of July 11, 2011, the data base vendor, Social & Scientific Systems (SSS), had received data submissions from 17 of the 23 payers that are required to submit 2010 claims data to the MCDB. Among the submitting payers, nine submitted their data on CDs and eight submitted data by uploading it to MHCC's secure server. The remaining six payers were granted filing extensions, with two payers having a July 15th deadline and the other four having a July 30th deadline. This year's required data submission encompasses five different files: professional services claims, prescription drug claims, institutional services claims, a file of provider information, and an eligibility file of information on all Maryland residents insured by each payer.

The eligibility file is a new file that the payers are submitting for the first time. The file will include information for each Maryland resident insured by the payer during 2010, with a record for each month of coverage during the year. Until now, analysis of "per capita" spending in the MCDB was limited to a description of spending among the users of health care services. The addition of the eligibility file will enable calculation of utilization rates—the proportion of enrollees that received a professional service or an institutional service—as well as the average payment per enrollee.

Report on Utilization of Privately Insured Services by the Nonelderly in Maryland
The 2009 claims data submission required each payer to submit information on institutional services—principally, hospital inpatient and hospital outpatient services—for the first time. Staff and SSS will make use of the information on institutional services in a new report that will describe use of both professional and institutional services by privately insured Maryland residents in 2009. Because this is the first submission of institutional services by the payers, we anticipate that there may be some problems with the data and, accordingly, have set modest expectations for this report. It will report the average annual

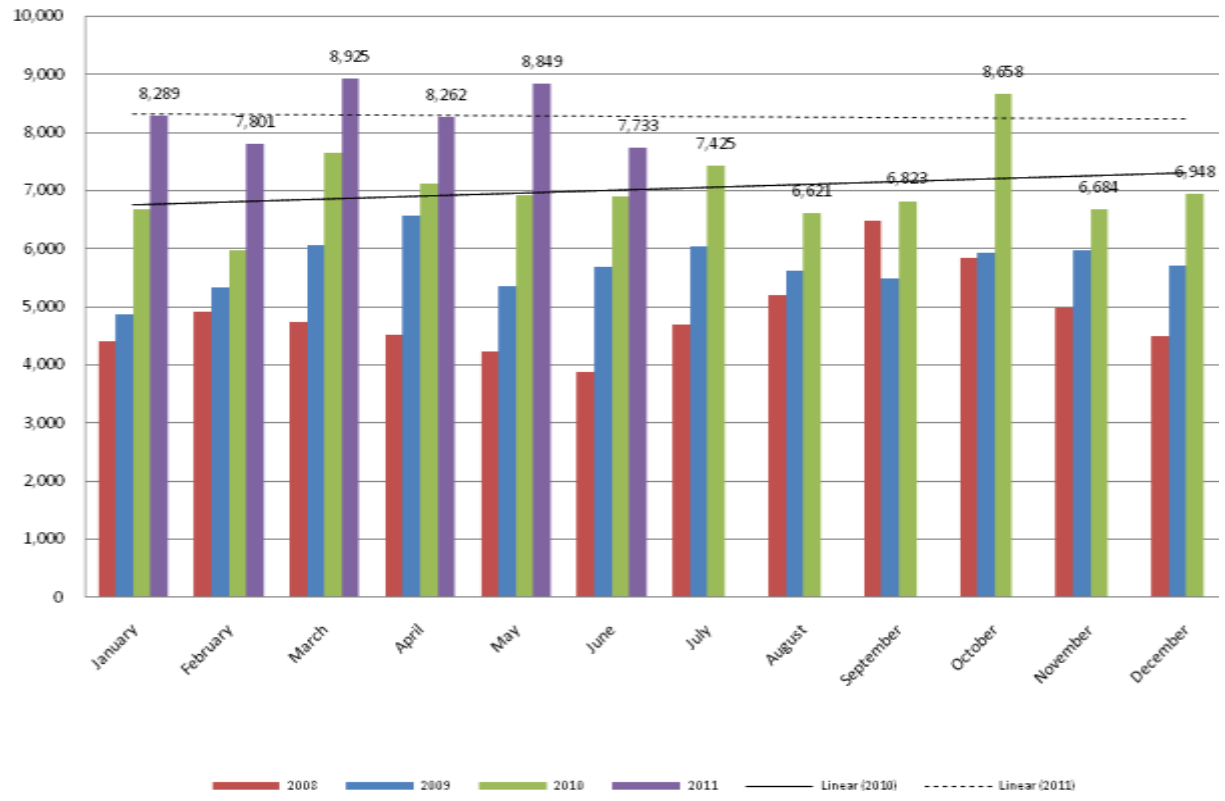
expenditure per user for professional services and institutional services, separately and in combination, overall and for selected plan types. This report is currently in the analysis phase and is expected to be completed by the end of August.

Report on Use of Professional Services by the Nonelderly, Privately Insured in Maryland
This legislatively mandated annual study has been completed and will be included in the Commissioners' July mailing. A summary of the findings will be presented at the July Commission meeting by Dr. Claudia Schur, Vice President, Center for Health Research & Policy, Social & Scientific Systems.

Data and Software Development

Internet Activities
After an increase of unique visitors to the MHCC website during May, 2011, the number of unique visitors decreased in June 2011 by approximately 8.5%, dropping to the lowest number of visitors in 2011; however, the number of visitors was nearly 12% higher than in June 2010 (as illustrated in Figure 2, below).

Figure 2 -- Unique Visitors to the MHCC Web Site



Typically, visitors to the MHCC website arrive directly, by entering an MHCC URL or referencing our saved URL, via a search engine such as Google, or from a referral through another State site. Visitors who arrive directly are typically aware of MHCC, but visitors arriving via search engines and referrals are more likely to be new users. The number of visitors from all traffic sources to the MHCC websites returned to the same level as March, 2011. The percentages for overall unique visitors by traffic sources decreased by nearly 7.45%, with 36.19% arriving directly, 45.55% arriving via search engines, and 18.27% by referring sites. These shares fluctuate up and down 3 to 4 percent from month to month.

Google remains the dominant search engine, which increased again from May 2011 by more than 3% for a total of 32.74% of all visitors to the MHCC site. Among the most common search keywords were:

- "maryland health care commission"
- "mhcc"
- "nursing homes in maryland"
- "pcmh"
- "maryland healthcare commission"

Again, the remaining visitors were referred from sites such as other state agencies. This share also shifts 3 to 4 percent month-to-month with no consistent upward or downward trend. Among top referrers were the DHMH website, the Maryland Web Portal (Maryland.gov), dhmh.maryland.gov, marylandaccesspoint.info, and consumerhealthratings.com.

Web Development for Internal Applications

Table 1 presents the status of development for internal applications and for the health occupation boards' licensing renewals. Planning is underway for several new projects. Three projects are of equal importance – the Provider Portal for Patient Centered Medical Home, User Fee Assessment, and the Physicians' Licensing Renewal. A combination of Commission staff and contractual resources will be used for these efforts.

Table 1– Web Applications Under Development

Board/Program	Anticipated Start Development/Renewal	Start of Next Renewal Cycle
Board of Physicians – Physician Licensure Renewal	Release on July 16	July 2011
Nursing Home Quality Site	Underway	Start of Project: February 2010
Health Insurance Compare	Underway	Start of Project: July 2010
Provider Portal/PCMH	On-going	Start of Project: April 2011
Hospital Quality Redesign	Planning	Start of Project: Fall 2010
MHCC User Fee Assessments	Underway	End of July 2011
Long Term Care Survey	Complete	July 2011

CENTERS FOR HEALTH CARE FINANCING AND LONG-TERM CARE AND COMMUNITY BASED SERVICES

Health Plan Quality and Performance

Health Plan Quality Initiative – the HEDIS RFP proposal submission period closed. A single proposal was received from the incumbent organization. A review team scored the proposal and recommended the vendor pending a best and final financial offer. Given the credentialing requirements, there are not many firms who perform this function in our geographic area. We have been most pleased with the performance of this vendor.

Proposals for the Adult CAHPS Survey for Health Plans were also submitted for review. A team has been formed and will meet shortly to recommend a vendor.

Report production for the Health Plan Performance Report is progressing. Most of the report content has been received for review and editing. Each year health plans submit a vignette showcasing programs related to the report theme which for 2011 is "Maintaining Wellness".

Proposed changes to regulation COMAR 10.25.08 *Evaluation of Quality and Performance of Health Benefit Plans* Staff are scheduled to be published in the Maryland Register July 29, 2011 for the formal 30 day comment period.

Small Group Market

Comprehensive Standard Health Benefit Plan (CSHBP)
VIRTUAL COMPARE, the information-only web portal developed for use by small businesses, was released on May 3rd. Over the past 30 days, the number of pages/visit viewed on the site averaged about 4, and the amount of time spent on the site increased to almost 6 minutes, up from almost 4 minutes from the previous month. Over 800 hundred brokers have registered to be listed on VIRTUAL COMPARE as well.

Health Insurance Partnership
The "Partnership" premium subsidy program has been available to certain small employers with 2 to 9 full time employees since October 1, 2008. As of July 11, 2011 enrollment in the Partnership was as follows: 349 businesses; 1,023 enrolled employees; 1,718 covered lives. The average annual subsidy per enrolled employee is about $2,400; the average age of all enrolled employees is 39; the group average wage is about $28,000; the average number of employees per policy is 4.2.

Mandated Health Insurance Services
Insurance Article § 15-1501, Annotated Code of Maryland, requires the Commission to submit an annual report to the General Assembly on: (1) any proposed mandated health insurance service that failed during the preceding legislative session; and (2) any request for analysis on a proposed mandated benefit that was submitted by a Legislator to the Commission by July 1st of that year. For the 2011 report, due by December 31st, Mercer will evaluation coverage for the treatment of bleeding disorders.

As required under Insurance Article § 15-1502, Annotated Code of Maryland, every four years, the Commission is required to conduct an analysis on each existing mandated health insurance service in Maryland, including a comparison of Maryland's mandates to those in Delaware, Pennsylvania, Virginia, and the District of Columbia. Mercer will be conducting this analysis later in the year. The report is due to the General Assembly by January 1, 2012.

Long Term Care Policy and Planning

Hospice Survey
The official start of the FY 2010 Maryland Hospice Survey was May 23, 2011 with a due date of July 25, 2011. As of July 11, six providers have completed and certified the survey. Staff will be providing assistance to providers as needed.

Nursing Home Occupancy and Payment Reports
The annual reports on nursing home occupancy and payment source have been completed. The following tables have been published in the April 22nd issue of the *Maryland Register:* "Nursing Home Licensed Beds Occupancy by Region and Jurisdiction: Maryland, Fiscal Year 2009" and "Required Maryland Medical Assistance Participation Rates for Nursing Homes by Region and Jurisdiction: Fiscal Year 2009." These are developed and published annually based on data from the Long Term Care Survey, MHCC bed inventory reports, and Medicaid cost reports. They are used for health planning and Certificate of Need review. These tables have now also been posted on the Commission's website.

Home Health Agency Data
Staff is updating the Home Health Agency (HHA) inventory, and analyzing utilization trends in jurisdictions authorized to provide HHA services based on data reported in the Commission's Annual Home Health Agency Surveys.

Home Health Agency Survey
The Home Health Agency (HHA) Survey collection period ended on June 18, 2011 for FY 2010 data. Sixty (60) surveys were completed by 57 HHAs including three agencies with bifurcated licenses. Staff is currently in the process of cleaning the data to create reports and public use data sets.

Long Term Care Survey
The 2010 Long Term Care (LTC) Survey data collection period began on March 28, 2011 with a due date of May 26, 2011. Using a $100 per day penalty for failure to submit, the Commission achieved a 100% submission rate. A total of 691 facilities completed the Long Term Care Survey including: 234 nursing homes; 330 assisted living facilities with 10 beds or more; 120 adult day care centers; and 7 chronic hospitals. Staff is currently in the process of cleaning the data which includes merging the LTC data with Medicaid Cost Report data. After the data has been cleaned staff will create reports and public use data sets.

Long Term Care Quality Initiative

Nursing Home Experience of Care Surveys
Activities required to finalize termination of the current contract for administering the annual surveys are completed. The contract was terminated after the first year for non-compliance with contract provisions and unsatisfactory performance. Although we opposed, we were required to contract with this vendor under the Department of Budget Management (DBM) low bidder rule. An RFP has been written to acquire another nursing home survey vendor and forwarded to the DHMH and DBM for approval.

Hospice Quality
Staff has met with Hospice representatives who have requested a Maryland specific hospice satisfaction survey similar to the nursing home survey. Given that there is a federal survey being developed we have suggested that further discussions be put on hold until the federal measures are defined. Staff will participate in a discussion on the development of national hospice quality measures for public reporting in Washington prior to the Commission meeting.

CENTER FOR HOSPITAL SERVICES

Hospital Quality Initiatives

Hospital Performance Evaluation Guide (HPEG) Update
The Hospital Performance Evaluation Guide is updated on a quarterly basis. On July 11, 2011, the MHCC updated the web-based Guide to include the most current data available for the process of care, HCAHPS, and HAI measures. The process of care measures (i.e., AMI, PN, HF, SCIP, CAC) were updated using data for the 12-month period ending December 2010. The patient experience measures (HCAHPS) were also updated using the calendar year 2010 data period.

CY2010 data on Active Surveillance Testing (AST) for Methicillin-resistant staphylococcus aureus (MRSA) in all intensive care units (ICUs) has been added to the Guide as well as the results of the 2010/2011 Health Care Worker Influenza Vaccination Survey (see discussion under HAI activities) .

Healthcare Associated Infections (HAI) Data

- *Approval of 5-year Contract for Validation of HAI Data*

Since July 1, 2008, Maryland hospitals have been required to use the National Healthcare Safety Network (NHSN) surveillance system to report data to the Commission on central line-associated blood stream infections (CLABSI) in any ICU. In July 2010, the Commission expanded its HAI data collection requirements to include surgical site infections related to hip, knee and coronary artery bypass graft (CABG) surgeries. In 2009, the Commission engaged the services of an independent auditor to perform an on-site chart review of CLABSI cases prior to public release of the information on the Hospital Guide. The staff is again in the process of procuring the services of a qualified contractor to review the HAI data, to include CLABSI, surgical site infections and other data planned for collection over the next five years. On July 6th, the Board of Public Works approved MHCC's request to enter into a 5-year contract with Advanta Government Services, LLC to provide HAI data quality review and on-site medical chart audits to verify the accuracy and completeness of the HAI data submitted by hospitals. The contract is scheduled to begin August 1, 2011.

- *2010-2011 Survey of Health Care Workers (HCW) Influenza Vaccination in Maryland Hospitals*

The CDC has long recommended annual influenza vaccinations for all health care workers. The National Quality Forum includes influenza vaccination of health care workers as one of its 34 safe practices that should be utilized universally to reduce risk to patients. Data on the number of health care workers who received seasonal influenza vaccinations is publicly reported on the Hospital Guide. The data is based on the results of an annual survey of hospitals conducted after the end of the flu season. For the 2009-2010 flu season, 78% of Maryland hospital-based health care workers received the seasonal influenza vaccination. Based on the results of the 2010/2011 Hospital HCW Influenza Vaccination Survey, the Maryland hospital vaccination rate has increased to 81%. In addition, the staff in conjunction with student interns from the Johns Hopkins University School of Public Health surveyed hospitals on their vaccination policies and practices. Eighteen hospitals reported implementation of mandatory flu vaccination requirements for hospital workers.

- *Survey of Hospital Infection Prevention and Control Programs*

The 2011 Annual Survey of Maryland Hospital Infection Prevention and Control Programs (IPCs) has been developed by MHCC staff, with the assistance of its Healthcare Associated Infections (HAI) Advisory Committee, to collect information on the staffing, operations, and activities of hospital infection prevention and control programs. The data collected in this survey will assist the Commission and the HAI Advisory Committee in understanding the basic characteristics of hospital programs as well as inform statewide HAI public reporting and quality improvement initiatives. This web-based survey was released to hospitals on July 7, 2011. The deadline for submission of survey responses is January 25, 2012.

- *Annual Conference of the Council of State and Territorial Epidemiologists(CSTE)*

The 2011 Annual Conference of the Council of State and Territorial Epidemiologists (CSTE) was held in Pittsburgh, Pennsylvania on June 12-16, 2011. CSTE is an organization of member states and territories representing public health epidemiologists. Earlier in the year, CSTE released an invitation to submit abstract proposals for consideration for presentation at the 2011 conference. Center staff submitted two

abstracts under the Infectious Disease category and both were approved – one as an oral breakout session and one as a poster presentation.

Poster Presentation: *Maryland Central Line-Associated Blood Steam Infections: Data Quality Review and Chart Audit* (The poster will be available to view before the Commission meeting.)

Oral Breakout Session: *Using Focus Groups to Guide Public Reporting of Central Line-Associated Blood Stream Infection (CLABSI) Data in Maryland*

Other Hospital Quality Initiatives Activities
In support of MHCC's hospital quality initiatives, the staff continues to reach out to other units within DHMH, federal agencies, professional organizations and other states, to share and gather information and to identify opportunities for collaboration and improvement. The staff continues to collaborate with the HSCRC staff on data issues to support the Quality Based Reimbursement (QBR) project and broader rate setting issues. MHCC provides the hospital process of care measures data and HCAHPS (patient experience) data to support the agency's QBR project.

Specialized Services Policy and Planning

The Commission has appointed a technical advisory group to advise and assist the Commission in making recommendations on possible legislative changes related to oversight of percutaneous coronary intervention (PCI) services. The first meeting of the advisory group will take place on July 26, 2011. Meetings are open to the public. The background of this group's formation is House Bill 1182, *Certificates of Need – Percutaneous Coronary Interventions Services*, passed by the Maryland General Assembly during the 2011 regular session and approved by the Governor on May 19, 2011. Chapter 616 of the Acts of 2011 becomes effective on July 1, 2011, and remains effective until June 30, 2012. During this one-year period, the law prohibits a hospital from establishing a non-primary PCI program or provide non-primary PCI services unless the hospital was operating a PCI program on January 1, 2011, through a Certificate of Need for an open heart surgery program; or a non-primary waiver from Certificate of Need and State Health Plan requirements, in good standing, issued by the Maryland Health Care Commission. The law also requires that MHCC develop recommendations for statutory changes needed to provide appropriate oversight of PCI services and report its recommendations to the Governor and the General Assembly by December 31, 2011.

Carroll Hospital Center (CHC) requested and was granted an extension to file an application seeking renewal of the hospital's two-year waiver to provide primary PCI services without on-site cardiac surgery services. Commission staff has reviewed the application for completeness and requested that CHC provide additional information needed to determine whether the hospital meets the requirements in the State Health Plan for Cardiac Surgery and Percutaneous Coronary Intervention Services (COMAR 10.24.17, Table A-1). The hospital's current waiver will end on October 13, 2011.

Hospital Services Planning and Policy/Certificate of Need

Certificate of Need ("CON")

CON Letters of Intent

Cecil Surgery Center - (Cecil County)
Establish a multi-specialty ambulatory surgery center by adding three operating rooms (ORs) to the existing single OR facility located at 300 E. Pulaski Highway, in Elkton.

National Lutheran Home & Village of Rockville - (Montgomery County)
New construction and renovation of the existing facility with a reduction from 300 comprehensive care facility (CCF) beds to 160 CCF beds, located in Rockville.

Johns Hopkins Hospital – (Baltimore City)
Addition of one OR to the Maurice Bendann Surgical Pavilion.

Johns Hopkins Bayview Medical Center – (Baltimore City)
Construction of a new annex building attached to the existing emergency department at the hospital

Johns Hopkins Bayview Medical Center – (Baltimore City)
New construction and renovation to relocate medical oncology and establish radiation oncology facilities.

Pre-Application Conferences

Johns Hopkins Bayview Medical Center – (Baltimore City)
Two capital projects (see above).
June 21, 2011

Determinations of Coverage

- **Ambulatory Surgery Centers**

Maryland Surgery Center for Women – (Montgomery County)
Addition of two procedure rooms to the existing surgery center located in Rockville.

SurgCenter of Western Maryland, LLC – (Allegany County)
Establish an ambulatory surgery center with one sterile operating room and two non-sterile procedure rooms located at 12252 Williams Road, S.E., in Cumberland

- **Acquisitions/Change of Ownership**

Andochick Surgical Center, LLC d/b/a Physicians Surgery Center of Frederick – (Frederick County)
Acquisition of Andochick Surgical Center, LLC, d/b/a Physician's Surgery Center of Frederick, located in Frederick, by Blue Chip of Frederick, LLC

Towson Surgical Center, LLC – (Baltimore County)
Stock transfer ownership change of facility by AmSurg Corporation, which will merge with National Surgical Care , an indirect owner of the center, located in Towson

North Oaks Retirement Community – (Baltimore County)
Acquisition of North Oaks Retirement Community, located in Pikesville, by North Oaks at Woodholme, LLC

- **Capital Projects**

MHCC was notified of the following hospital projects because all seek funding for a portion of their cost through the Maryland Hospital Association Bond Program. All were found to be outside the scope of CON review requirements with the exception of the St. Agnes Hospital project. The work outlined by SAH has already been authorized by MHCC through the issuance of a CON.

Good Samaritan Hospital – (Baltimore City)

Expansion and renovation of the Cancer Center.
$1,250,000

Brook Lane Health Services, Inc. – (Washington County)
Construction of a single story building addition.
$2,400,000

Franklin Square Hospital Center – (Baltimore County)
Expansion of the main operating room suite to create larger OR's.
$6,000,000

Kennedy Krieger Institute – (Baltimore City)
Renovation of existing space at the hospital.
$2,500,000

Atlantic General Hospital – (Worcester County)
Expansion of the hospital morgue.
$315,000

Maryland General Hospital – (Baltimore City)
Renovation and expansion of the Community Health Education Center.
$1,014,000

Howard County General Hospital – (Howard County)
New construction and renovation for the expansion of the inpatient acute psychiatric unit.
$1,105,354

St. Agnes Hospital – (Baltimore City)
Renovation of nursing unit space on the seventh floor of the "old" Tower.
$3,000,000
Approved in Certificate of Need 07-24-2188

Union Memorial Hospital – (Baltimore City)
Renovation of existing building shell space to expand the outpatient renal dialysis facility from 18 to 27 stations.
$722,850

- **Other**
    - **Delicensure of Bed Capacity or a Health Care Facility**

Signature HealthCARE at Mallard Bay – (Dorchester County)
Temporary delicensure of 26 CCF beds

Layhill Center – (Montgomery County)
Temporary delicensure of eight CCF beds

Hammonds Lane Center – (Anne Arundel County)
Temporary delicensure of 10 CCF beds

- **Relicensure of Bed Capacity or a Health Care Facility**

Oakland Nursing & Rehabilitation Center – (Garrett County)
Relicensure of 10 temporarily delicensed CCF beds

Manokin Manor Nursing & Rehabilitation Center – (Somerset County)
Relicensure of nine temporarily delicensed CCF beds

- **Addition of "Waiver" Beds**

St. Thomas More Medical Complex – (Prince George's County)
Addition of 10 CCF beds

Charlotte Hall Veterans Home – (St. Mary's County)
Addition of 16 CCF beds. The facility was notified that it was limited, under law, to the addition of 10 CCF beds, under the "waiver" bed rules.

Planning and Policy

On June 13, 2011, a Surgical Services Planning Work Group had its second meeting. This group, with ambulatory surgical facility, hospital, and payor representatives was formed to provide Center for Hospital Services staff with input on proposed amendments to COMAR 10.24.11, the State Health Plan chapter for surgical facilities and services. The Group's work is led by Eileen Fleck, Program Manager.

CENTER FOR HEALTH INFORMATION TECHNOLOGY

Health Information Technology
Staff participated in a White House roundtable discussion with approximately two dozen leaders across the public safety, health care, and technology sectors to address how health information technology can help limit prescription drug abuse. The main focus was how data from prescription drug monitoring programs can better facilitate prescribing, be incorporated into pharmacies, and leveraged in emergency rooms. As part of the discussion, attendees considered how the use of pharmacy data could facilitate appropriate prescribing, be used in applications at the point of dispensing, and leveraged through health information exchanges (HIEs). Representatives from the Office of National Drug Control Policy, Office of the National Coordinator for Health Information Technology (ONC), Office of Science and Technology Policy, and the Vice President's Domestic Policy Advisor were among those in attendance at the meeting.

Development activities on the third annual *Hospital HIT Survey* (survey) report continued in June. Findings from the survey indicate that hospital health information technology (HIT) adoption is at about 60 percent, which is an increase of about three percent from the prior year. Last month, staff solicited feedback on the draft report from the Maryland Hospital Association and the hospital Chief Information Officers (CIOs). The report assesses HIT adoption among Maryland's 46 acute care hospitals and compares HIT adoption to hospitals nationally. The findings are presented in aggregate, based on size, geographic location, and affiliation with other hospitals. The survey focuses on HIT adoption that has a direct impact on patient care, such as computerized provider order entry, electronic health records (EHRs), electronic medication administration records, barcode medication administration, infection surveillance software, electronic prescribing, and electronic data sharing with community providers. This survey is similar to others administered nationally; however, it is unique in that it includes planning

questions in an effort to better understand the hospital's future HIT adoption activities. Staff anticipates releasing the report by the end of July. Preliminary efforts are underway to work with hospital CIOs to enhance the survey for next year's data collection.

Staff worked with the Maryland Ambulatory Surgery Association to include key information related to the annual *2010 HIT Assessment of Freestanding Ambulatory Surgical Centers in Maryland* report (report) on their website. Staff released the report in May that highlighted the current HIT adoption among the 333 Freestanding Ambulatory Surgical Centers (Centers) in Maryland. Similar to the *Hospital Health Information Technology Survey*, this survey assessed the adoption of HIT in seven core areas: computerized physician order entry; EHR adoption; electronic medication administration records; barcode medication administration; infection surveillance software; electronic prescribing; and electronic health information exchange. Over the next several months, staff plans to work with the Maryland Ambulatory Surgery Association to identify enhancements for the 2012 survey.

House Bill 706, *Electronic Health Records – Regulation and Reimbursement*, from the 2009 legislative session requires the Commission to designate management service organizations (MSOs) that offer hosted EHRs. Last month, staff awarded MSO *State Designation* to three MSOs: Wavelength Information Services, Inc., Anne Arundel Health System, and Zane Networks, LLC. Roughly five MSOs are now *State Designated* and about 17 MSOs are in *Candidacy Status*. MSOs have 12 months to complete a technology and policy self-assessment of their data center, which includes demonstrating compliance with nearly 90 national criteria related to privacy, technical performance, business practices, resources, and security required for *State Designation*. Staff continues to work with the MSOs to develop an *MSO Product Portfolio* that will help physicians evaluate their products and services. During the month, staff convened the MSO Advisory Panel to solicit feedback about the MSO *State Designation* process and national criteria. Enhancements to the existing criteria are expected to be released in January.

Staff began developing questions for the *2011 Nursing Home EHR Adoption Environmental Scan* (scan) that will be distributed to approximately 77 independent nursing homes in Maryland. This will be the third year that staff assessed nursing home EHR adoption. The purpose of the scan is to identify the current rate of adoption, challenges to adoption, and future plans related to EHR implementation. Several nursing home administrators are providing assistance to staff in developing the questions. Staff anticipates sharing preliminary findings with nursing home administrators during the annual Health Facilities Association of Maryland conference scheduled in October. Over the next six months, staff expects to convene several work group meetings with nursing home administrators to discuss EHR adoption, benefits and challenges.

Staff submitted modifications to COMAR 10.25.16, *Electronic Health Record Incentives* at the June Commission meeting. The modifications were made to comply with House Bill 736, *Electronic Health Records – Incentives for Health Care Providers – Regulations* that was passed by the General Assembly during the 2011 legislative session and signed into law by Governor Martin O'Malley on May 19th. The modifications to the regulations include the requirement that incentives for adopting an EHR be paid in cash unless a primary care practice and a payor, as identified in the regulations, agree on an incentive of equivalent monetary value. The modifications also expand eligibility of an incentive for adopting an electronic health record to a hospital-owned primary care practice. In addition, clarifying changes have been made to the regulations based upon stakeholder comments received by staff. Staff solicited comments from payers on the *EHR Incentive Application* (application to participate in the incentive program) and the *EHR Incentive Payment Request* form (payment application).

Last month staff provided support to the Statewide HIE Coalition (Coalition) in developing comments on the Centers for Medicare and Medicaid Services (CMS) *Availability of Medicare Data for Performance Measuring* proposed rule. The proposed rule implements new statutory requirements regarding the release and use of standardized extracts of Medicare claims data to measure the performance of providers and suppliers in ways that protect patient privacy. The Coalition encouraged CMS to allow qualified

entities to combine the Medicare Parts A, B and D claims data CMS proposes to release under the proposed rule with clinical data (e.g., laboratory results, blood pressure and other non-administrative data). Including clinical data in performance measurement enhances the validity and reliability of the performance measures. It also enables more robust methods to adjust for differences in underlying patient severity and risk, thus addressing a key provider concern with performance measurement. The Coalition also proposed that CMS subsidize the data access fee of qualified entities that receive funding to develop health information exchange (HIE) infrastructure under the *State HIE Cooperative Agreement Program* (State HIE Program), which was authorized by Section 3013 of the Health Information Technology for Economic and Clinical Health Act. HIEs funded under the State HIE Program are working to develop sustainable business models, but many are not yet in a position to afford an estimated fee of $275,000 to access three years of Medicare claims data.

Health Information Exchange

Staff continues to provide guidance to the Chesapeake Regional Information System for Our Patients (CRISP) in implementing the statewide HIE. Last month, staff participated in several meetings with CRISP to address various challenges related to the exchange of electronic health information. Staff also provided an update on policy development for electronic data sharing at the CRISP Board of Directors meeting. Staff met with Clifton Gunderson, LLP (CG) to discuss the CRISP fiscal year 2011 financial and information technology audit. The financial audit is scheduled to begin in July and the information technology audit is scheduled to begin in January. CG plans to focus on key areas from the previous year's audit pertaining to adoption of expanded controls to safeguard the HIE and around tracking expenditures related to the federal grant. Nearly 35 of the 46 acute care hospitals have signed the participating provider agreement to connect with the statewide HIE. About 34 hospitals have established a connection with CRISP, roughly nine hospitals are sending demographic data, and six are sending clinical data.

Staff completed revisions to the Challenge Theme Grant budget and submitted it to the ONC. In January the MHCC was awarded approximately $1.6M from the ONC as part of the *State Health Information Exchange Cooperative Agreement Program* to address challenges and share innovative solutions nationwide specific to HIE. Last month, ONC has requested additional information on the budget. The project will pilot the electronic exchange of clinical documents between pairs of nursing homes and proximate hospital emergency departments. Six nursing homes and four hospitals have committed to the project. Working in partnership with CRISP, the MHCC expects this project will reduce hospital readmission rates for the pilot population. The project will also ensure that advance directives are a component of the electronic summary of care by developing the required framework for storing and exchanging advance directives electronically in Maryland.

Staff participated in a project to identify Minimum Data Set (MDS) and Outcome and Assessment Information Set (OASIS) assessment data elements with a high clinical value for health care providers. The project is sponsored by the Assistant Secretary of Planning and Evaluation (ASPE) under the U.S. Department of Health and Human Services. A clinical extract of the MDS and OASIS patient assessment instruments were reviewed for their clinical utility at times of referrals and transitions in care. The ASPE project will develop tools that will allow almost all nursing homes and home health agencies to participate in the HIE. These tools are being built to transform the MDS/OASIS assessments into interoperable clinical extracts/summary documents.

Staff continues to provide support to the Policy Board in the development of policies that, once adopted by the MHCC, will become regulations that govern the statewide HIE in Maryland. Last month, the work group met three times to continue deliberating on policies related to *Data Use and Disclosure* and *Audit.* Twenty-seven policies have been identified by the Policy Board for development; nine have been recommended and adopted by the MHCC. In July, the work group expects to draft the *Consumer Access to Audit* and *Secondary Uses of Data* policy. The Policy Board consists of about 25 individuals that represent the interest of consumers. The primary focus of the Policy Board is to develop policy

recommendations around the privacy and security of protected information exchanged through an HIE operating in Maryland. The HIE Policy Board is scheduled to meet again in August.

Staff continued to provide guidance to Koss on Care, the contractor selected to assist staff in identifying consumer interest in electronic health information, concerning challenges related to implementing consumer access to and control over an individual's electronic health information, and to propose practical solutions for implementation in a state where multiple HIEs exist. Over the next several months, the contractor will conduct about eight focus groups throughout the state and complete an in-depth literature review to propose practical solutions for consumer outreach and education. A report on the findings is targeted for release in January 2012 and will include recommendations to help guide policy development.

Staff continues to collaborate with the Centers for Medicare and Medicaid Services (CMS) on the CMS EHR Demonstration Project (project). Approximately 114 practices are eligible to earn up to $290,000 over a five-year period for adopting EHRs and reporting to CMS on select quality measures. Roughly 70 percent of the practices in the treatment group have adopted an EHR. Approximately 127 practices are in a control group and can receive a small payment for completing an *Office System Survey* in years two and five. Maryland is one of four states participating in the project along with Louisiana, Pennsylvania, and South Dakota. During the month, staff provided practices with resource information on EHR adoption, implementation, and meeting the meaningful use criteria.

The Telemedicine Technology Solutions and Standards Advisory Group (group) met for the first time in June. The group is tasked with making recommendations regarding the technology that is required to support interoperable telemedicine in Maryland. The group consists of hospital Chief Information Officers, technology vendors representatives from the statewide HIE, MedChi, and the HIE Policy Board. The group is part of an Advisory Committee that consists of a Clinical Advisory Group, Financial and Business Model Advisory Group, and Regulatory/Licensure/Credentialing Advisory Group. The Advisory Committee expects to submit a report to the Quality and Cost Council with recommendations related to expanding telemedicine for the treatment of stroke and other key clinical conditions in January 2012. Last November, former Secretary John Colmers requested an Advisory Committee be established to expand on the recommendations of the Telemedicine Task Force.

Electronic Health Networks & Electronic Data Interchange

Specialty payers (dental and vision) and payers with annual premiums of $1 million or more are required by regulation, COMAR 10.25.09 – *Requirements for Payers to Designate Electronic Health Networks,* to submit census level information on electronic administrative transactions. This year, about 95 percent of the nearly 65 payers required to report met the June 30th reporting timeframe. Staff continues to provide consultative support to the remaining payers in completing their online *2011 EDI Progress Report* (report). Finding from the report are used by payers and various medical associations to increase the use of technology.

National Networking

Staff participated in several webinars during the month. The National Health System (NHS) hosted, *Privacy Lessons Learned from an Operational Electronic Health Record & Health Information Exchange* that presented the EHR and HIE at NHS Lothian, as well as their approach to patient privacy, patient privacy auditing, and the benefits of automated privacy monitoring. The CRISP webinar entitled, *EHRs: Navigating the Challenges to Transform Your Practice* presented a physician's insights/lessons learned from EHR implementation in the practice. EHNAC hosted, *Protected Health Information in Financial Services Privacy and Security* that examined the current legislative regulations of HIPAA, ARRA and HITECH as it relates to financial institutions.