MARYLAND HEALTH CARE COMMISSION

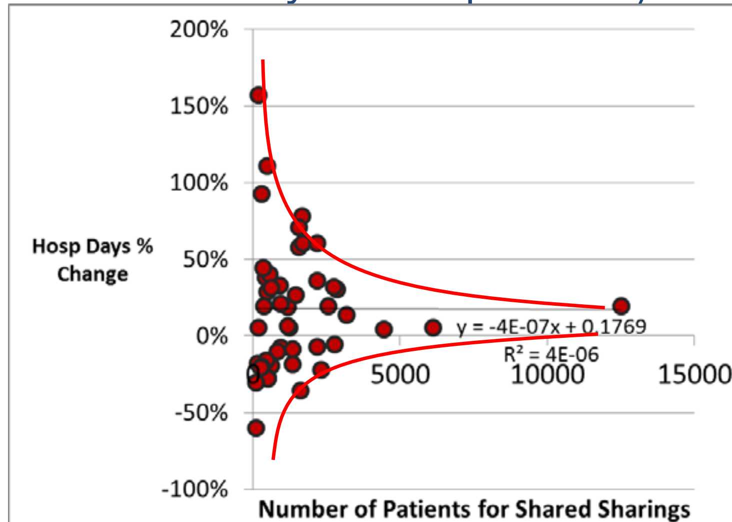
UPDATE OF ACTIVITIES

October 2012

CENTER FOR INFORMATION SYSTEMS AND ANALYSIS

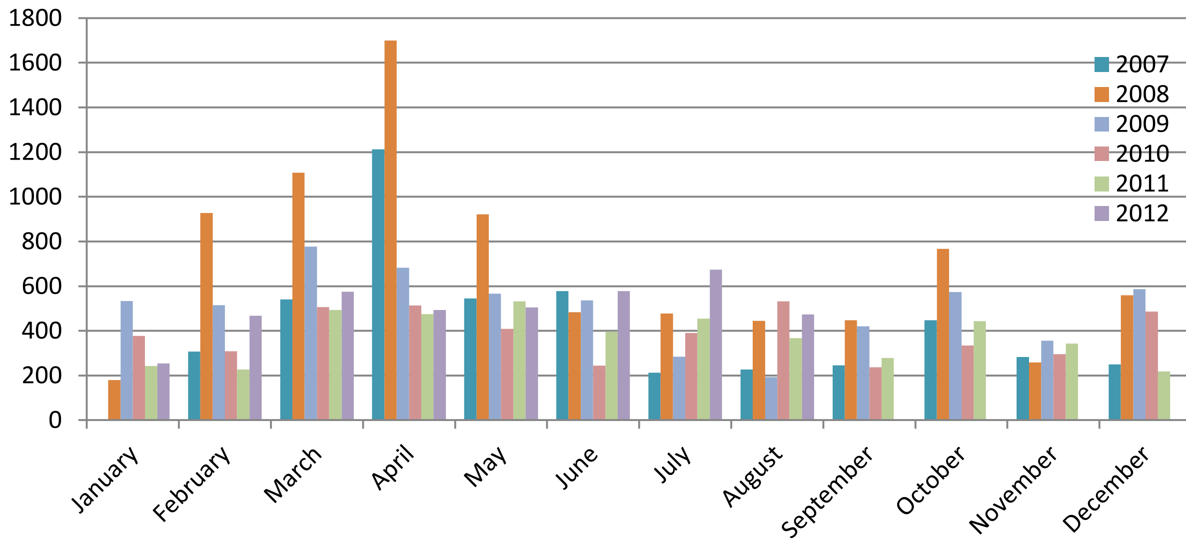
Patient Centered Medical Home Program

Shared Savings
The MMPP program calculated shared savings amounts for the MMPP program for the commercially covered lives. 50 of the 52 practices submitted sufficient quality measures to qualify for shared savings. 23 of the 50 practices earned an incentive payment. The grand total of incentive payments this year was $815,669.62. The inflation rate experienced by non-participating practices was 7.45%. The Participation Agreement includes a provision that allows the Commission to adjust payments for outliers. The Commission observed a degree of variation in data for smaller practices which resulted in outlier values. The method used by CMS to adjust data for ACOs was adopted by the Commission to account for the outlier values. Medicare's ACO shared savings program applies a Performance Payment Limit (PPL) of 10%. In 2012, ACOs do not receive any shared savings payments for savings beyond 10% of actual 2011 costs. The impact of a 10% PPL for 2010-2011 produced shared savings reductions for 11 practices. The 10% PPL reduced the shared savings payments from $1,241,662 to $815,770. The incentive payments from the commercial carriers are to be disbursed by October 30, 2012. The Medicaid shared savings methodology is slightly different from the commercial methodology. The Medicaid shared savings will be calculated in November. Medicare is not yet participating in the program.



Maryland Trauma Physician Services Fund

Figure 2
Uncompensated Care Payments to Trauma Physicians, 2007-2012



Uncompensated Care Processing
CoreSource, Inc., the third party administrator (TPA) for the Trauma Fund, adjudicated claims with a total paid value of approximately $474,415for August of 2012. The monthly payments for uncompensated care from March 2007 through July 2012 are shown above in Figure 2.

On Call and Standby Stipends
The Commission made on call and standby payments of $3,579,930 to the trauma centers for the January through July 2012 biannual period.

Annual Report
The Maryland Trauma Physician Services Fund, Operations from July 1, 2011 through June 30, 2012 Report is due to the General Assembly on November 1, 2012. Commission staff will present a summary of the report to the members of the Commission at the October 18, 2012 meeting.

Cost and Quality Analysis

Maryland Medical Care Data Base (MCDB) – Database Contract Modification
Staff has submitted a modification for the existing database contract to the Board of Public Works. The modification seeks to extend the contract by six months until the end of 2014 and add $631,000 to the contract to pay for four additional reports and analytical activities that are required for both the operation and the evaluation of the Maryland Multi-Payer Patient Centered Medical Home (MMPP) pilot. The contract extension will ensure there is no disruption to the MMPP program prior to completion of the pilot in December 2014 and permit completion of the final Assignment of Benefits and Reimbursement of Nonpreferred Providers (AOB) legislative report by the December 2014 deadline.

The four addition reports include:

1) An annual state health care spending report (requested by the Secretary); the original contract included this report, but only bi-annually.
2) An annual report on per capita spending among the privately insured by insurance market (requested by the Maryland Insurance Administration and the Health Benefits Exchange); the original contract included this report, but only bi-annually.
3) Interim (baseline) and final reports on the benefits and costs associated with the AOB Act.

MCDB –MOU Update

The MHCC now has an MOU with the School of Pharmacy, University of Maryland, to develop sets of patient illness and utilization measures that are required for the evaluation of the Multi-Payer Patient Centered Home (PCMH) project. The measures will be created by staff under the direction of Ilene Zuckerman, Professor and Chair of the Pharmaceutical Health Services Research Department. Because Dr. Zuckerman's team is the subcontractor on the PCMH evaluation contract responsible for conducting data analysis for the evaluation, using her team to also develop the patient measures was determined to be the most cost-effective way to create the needed measures. The School of Pharmacy will develop slightly different measure sets for the privately insured and Medicaid Managed Care Organization (MCO) patients involved in the analysis. The privately insured patient measures will be created from the MCDB data files, and the measures for the MCO patients will be developed using MCO data obtained from the Hilltop Institute, a contractor for the Maryland Medicaid Administration. The MOU with the School of Pharmacy furthers the MHCC's goal of increasing the number of organizations that are knowledgeable about the MCDB data and able to conduct credible analyses using the data. It will also provide MHCC with information on the strengths and weaknesses of the MCO data and how the MCO data and MCDB data might be integrated for combined analysis, which will contribute to the MHCC goal of adding Medicaid data to our APCD (All Payer Claims Database).

Impact of the Assignment of Benefits and Reimbursement of Non-preferred Providers (AOB) Act–Baseline Analysis

The baseline analysis for the Commission's legislatively required study of the benefits and costs associated with passage of the bill in 2010 (Chapter 537, Acts of 2010) has been completed. Staff will present information on the analysis to Commissioners at the October Commission meeting. The report will be submitted to legislators and Commissioners at the end of the month.

Minimum HMO Payment Rates for Evaluation & Management (E&M) Services

As required under Maryland law, staff has provided the Maryland Insurance Administration (MIA) with the 2013 minimum rates that must be paid for E&M services, as defined by the Centers for Medicare and Medicaid Services (CMS) in the Berenson-Eggers Type of Services terminology, by carriers with Health Maintenance Organizations (HMOs) in the state. The MIA will post these rates on their website and staff will inform the carriers that the 2013 rates have been posted. The rates are determined by adjusting the CMS Medicare payment rates that applied in August of 2008 by the cumulative Medicare Economic Index (MEI). Carriers are required to pay the minimum of 140 percent of these rates to non-contracting (non-trauma) providers that provide a covered service to an HMO patient.

Data and Software Development

Internet Activities

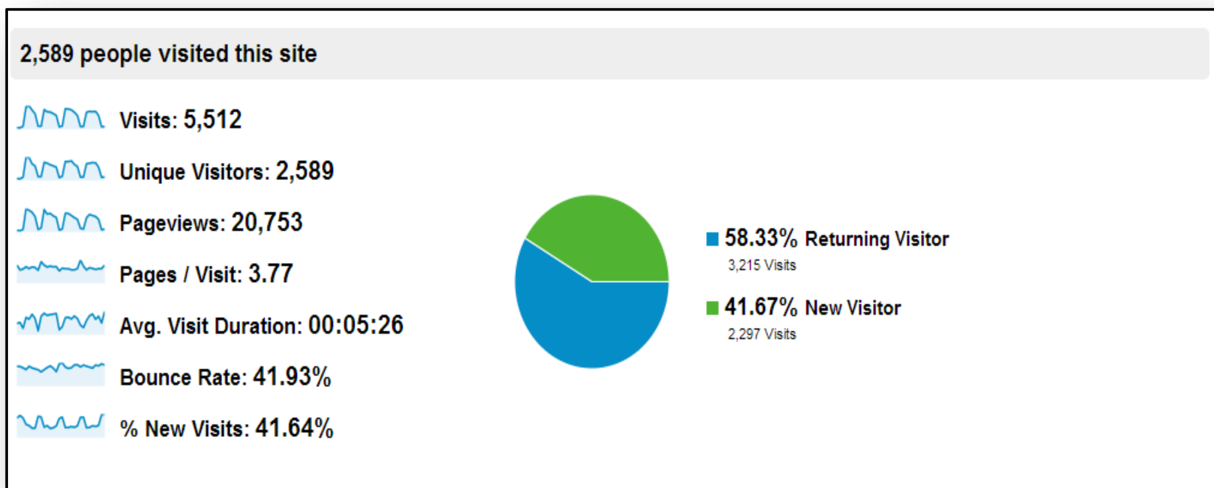
As shown in the chart below, the number of visits to the MHCC website for the month of September 2012 was 5,512 and of these, there were 2,589 unique visits. The average time on the site was 5:26 minutes. Bounce rate is the percentage of visitors that see only one page during a visit to the website and is included in the percentage rate of both unique and returning visitor categories.

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 highest referral source was from the dhmh.maryland.gov website. Other government agencies include Maryland.gov, crisphealth.org, apcdcouncil.org, search.maryland.gov. Among the most common search keywords in September were:

- "Maryland health care commission"
- "MHCC"

Figure 3 - Data from Google Analytics for the month of September 2012



- Bounce rate is the percentage of visitors that see only one page during a visit to the site.

Web Development for Internal Applications

Table 1, below, presents the status of development for internal applications and for the health occupation boards. Both internal and contractual resources are used for these efforts.

Table 1– Web Applications Under Development

Board	Anticipated Start Development/Renewal	Start of Next Renewal Cycle
PCMH Quality Measure website	Completed	Updates ongoing
PCMH Public Site	On-going Maintenance	Project went live end of January, 2012
PCMH Portal (Learning Center & MMPP)	On-going Maintenance	
PCMH Practices Site (New)	Completed	Updates ongoing
Boards & Commissions Licensing Sites (13 sites)	On-going Maintenance	
Boards & Commissions Licensing Sites (13 sites)	Modifying for Ethnicity (7 sites updated to date)	
Physician and Allied Health	Modifying for Ethnicity,	Providing ongoing support by

providers online renewal, nine categories	Adding new questions for HIT, Telemedicine, and Active Licensed States COMPLETED	category of caregiver
Health Insurance Partnership Public Site	On-going Maintenance	
Health Insurance Partnership Registry Site	Monthly Subsidy Processing	
Health Insurance Partnership Registry Site	Monthly Registration	
Health Insurance Partnership Registry Site	On-going Maintenance	
Hospice Survey Update	Underway	Went Live February, 2012
Long Term Care 2011 Survey	Annual Maintenance	Start of Project: January 2012 Survey Finished. Database results uploaded.
Hospital Quality Redesign	Planning	Start of Project: Fall 2010
MHCC Assessment Database	Development	Finished. Reviewing data before export.
IPad/IPhone App for MHCC	Development	Ongoing
npPCI Waiver	Development	For MHCC's Center for Hospital Services

Network Operations & Administrative Systems (NOAS)

Information Technology Newsletter
The October IT Newsletter has been released containing helpful information about MHCC IT systems and servers.

Going Google: Gmail for Government
Continued the migration process for MHCC staff. Approximately 80% of the Commission staff have been migrated to the Gmail for Government.

MHCC Virtualization Project
Phase 1, installation and configuration of hardware and software, has been completed. MHCC now has a fully operational virtualized network environment. Phase 2, testing and data cleaning, has begun.

Network Device Upgrades
Added 2 new network-capable copiers (color and B/W). MHCC staff can print large jobs to either copier using desktop computer software.

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

Health Plan Quality and Performance

Staff is working with the Maryland Health Benefit Exchange (MHBE) to finalize a Memorandum of Understanding whereby the MHBE will be using the MHCC reports on quality and performance of commercial health benefit plans as proxy for qualified health benefit plans in the MHBE until 2015, at which time the MHBE will have sufficient member information to produce their own reports.

Staff is awaiting final approval from the Department of Budget and Management to initiate the report writing contract for the health benefit plans, which should be achieved within the next several days.

Staff is meeting with the winning bidder to lay out quality and performance report requirements so that reports can be produced as quickly as possible.

Small Group Market

Comprehensive Standard Health Benefit Plan (CSHBP)
VIRTUAL COMPARE, the information-only web portal developed for use by small businesses has been operational since May 2011. Over the past 30 days, the analytics have remained relatively constant, at an average of approximately 7 Maryland visits per day, with users viewing about 4 pages per visit, and spending an average of about 5 minutes per visit on the site. These Maryland statistics remain above the national average.

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 October 10, 2012 enrollment in the Partnership was as follows: 419 businesses; 1,155 enrolled employees; 1,914 covered lives. The average annual subsidy per enrolled employee is almost $2,400; the average age of all enrolled employees is 40; the group average wage is about $27,700; the average number of employees per policy is 4.0. The 4th annual report on the implementation of the Partnership was submitted to the General Assembly on January 1st and is posted on the Commission's website.

Mandated Health Insurance Services
Throughout the legislative session, Commission staff tracked the progress of several bills proposing new mandates or modifications to existing mandates. Staff received one request for an actuarial analysis: requiring carriers to cover orthotics for the management of a diabetic's feet. Senator Middleton's letter requesting this fiscal, medical, and social impact report indicated a December 31, 2012 due date.

Long Term Care Policy and Planning

Minimum Data Set Project
Commission staff are working with Myers and Stauffer (contractor) via bi-weekly phone conference calls to make the transition from the federal minimum data set (MDS 2.0) to MDS 3.0 as well as to convert the program from FoxPro to SAS programming language so that it is supported by and consistent with other programs at the Commission. The initial focus has been on reviewing and updating variables and programs from MDS 2.0 to 3.0. Variables have now been updated into the MDS Manager Program. These programs are now being tested.

Hospice Survey (FY 2011)
The Commission collects data annually from all licensed hospice programs in Maryland. Letters regarding the release of the FY 2011 Maryland Hospice Survey were sent out on February 13, 2012. The official launch date for the online survey was February 14th. The survey is completed in two parts. Part I is due 60 days after receipt of the survey notice. This year that is April 16, 2012. Part II (which is based on Medicare cost report data) is due no later than June 7, 2012. All hospice programs have completed both Parts I and II, and the data has been cleaned and checked. The public use data set will be finalized and posted during the next few weeks.

Draft Hospice Section
The State Health Plan for Facilities and Services addresses health services that are regulated under the Certificate of Need (CON) program. One chapter, COMAR 10.24.08 currently covers nursing homes, home health agencies, and hospice programs. This chapter is currently undergoing review and update. In lieu of a single chapter covering the three types of health services noted above, there will now be a separate COMAR chapter for each. The first chapter for update will be hospice services (COMAR 10.24.13).

Work has been underway on this draft chapter for the past year. COMAR 10.24.13 was released for a 30-day Informal Public Comment period from April 13-May 14, 2012. Staff presented an overview at the April Commission meeting. Staff also held an Informal Public Meeting on April 27th.

Staff received updated population projections based on the 2010 census and posted revised need projections, as well as a step-by-step description of the need methodology on its website on May 23, 2012. Staff developed an analysis and staff recommendations regarding the comments received during the Informal Public Comment period. The results of this analysis were presented at the June Commission meeting. Following the meeting, the staff analysis and recommendations, the complete set of comments, and the proposed changes in the draft regulations were posted on the Commission's website.

Staff met with the Hospice Network about an alternative approach to projecting need for hospice services. The Hospice Advisory Group was reconvened on August 23, 2012. In addition, a meeting was held with interested participants on September 10, 2012. In addition, a briefing was held on September 12, 2012 at the Senate Finance Committee.

Work on this Chapter has been collaborative from the outset. Starting in October, 2011, Commission staff assembled a ten-member Hospice Advisory Group that included seven representatives of the Hospice Network, including the Executive Director and representatives of hospice programs recommended by the Network. During the past year, as the draft Hospice Chapter was developed, the Hospice Network and others took part in six meetings with Commission staff, not counting discussions at Commission meetings and postings on our website.

Internal staff work is ongoing in response to issues raised at the Senate Finance Committee meeting.

FY 2011 Home Health Agency Survey
The data collection for the 2012 Home Health Agency Survey has been changed to include only one survey data collection period. In past years, the survey collection was divided into two phases: Phase 1, for which collection commenced in September/October and included agencies with fiscal year end dates on or before June 30 of the survey year; and Phase 2, for which collection commenced in February/March and included agencies with fiscal year end dates from July 31 to December 31 of the survey year. The 2012 Home Health Agency Survey will begin in the first quarter of 2013 and collect data for all agencies, regardless of fiscal year dates. Former Phase 1 agencies were notified by email of the change in the collection period.

Long Term Care Survey
Staff is currently conducting follow ups with Comprehensive Care Facilities by email and phone for verification of the 2011 Long Term Care Survey data. On September 25, 2012 a Request for Verification email was sent to 56 facilities with a due date of October 4, 2012. The post data collection phase of the survey began with the processing and cleaning of the 2011 survey data. This process included creating and reviewing the survey analysis files and various reports. Staff compiled cross year comparisons to find any anomalies or inconsistencies from year to year. As a result of these audits, 56 of 234 facilities needed to verify their data. This process is ongoing until all corrections have been updated and final data sets have been created.

Long Term Care Quality Initiative

Seasonal Influenza Vaccination Surveys for Staff Working in LTC
LTC staff are scheduled to present to the Maryland Association of Adult Day Services providers in November on the topic of staff influenza vaccination. This presentation is an opportunity to increase the number of senior care providers who choose to become vaccinated with the ultimate goal of reducing the incidence of influenza and its complications among the vulnerable elderly population.

Consumer Guide to Long Term Care
Maryland Home Health agency experience of care (satisfaction) scores were added to the Guide. Users can now view comparative scores for all agencies serving the county.

Google Analytics for fiscal year 2012 shows more than 180,000 pages with long term care content were viewed and over 66,000 unique LTC pages viewed. Information about assisted living residences was the most commonly viewed topic area with 43% of the pages viewed. 22% of pages viewed contained content related to nursing homes.

Other
LTC staff participated in the presentation to legislative staff on the topic of LTC quality.

CENTER FOR HOSPITAL SERVICES

Hospital Quality Initiatives (HQI)

Hospital Performance Evaluation Guide (HPEG) Update
The HQI staff, with the guidance of the HPEG Advisory Committee, has expanded the inpatient hospital quality measures data requirements effective January 1, 2013. The new measures will support the Hospital Performance Evaluation Guide and the HSCRC Quality Based Reimbursement Program. The new measures include six measures related to Venous Thromboembolism (VTE) and eight stroke measures developed by the American Heart Association and the American Stroke Association, *'Get with*

the Guidelines' (GWTG) stroke measures for inpatient services The HQI staff is working with DHMH and MIEMSS to establish a data sharing arrangement to gain access to the GWTG Stroke data set. The data sharing arrangement is designed to reduce the reporting burden on hospitals as stroke measures are currently available to those two agencies.

The staff has also been preparing for the October update to the Hospital Guide. The October update will include data for the twelve-month time period ending March 2012 for process of care measures (AMI, Heart Failure, Pneumonia, Surgical Care Improvement Project [SCIP], Childhood Asthma Care) and patient experience (HCAHPS) measures.

The October update to the Hospital Guide will also include updates to the central line associated bloodstream infections (CLABSI) data for FY2012. The staff is pleased to report positive hospital performance on this metric. For FY2012, hospitals reported 206 CLABSIs in all ICUs as compared to 296 CLABSIs reported for FY2011. This represents a 30% decrease in CLABSIs, year to year, in hospital ICUs.

The October update also represents the first release of surgical site infections data for Hip, Knee, and CABG procedure categories. In accordance with the recommendations of the HAI Advisory Committee, SSI data will be displayed on the Hospital Guide in a format that is comparable to our CLABSI data display. CDC standards and guidelines were also used for this data collection and reporting initiative. The staff will review this information during the October Commission meeting.

Healthcare Associated Infections (HAI) Data

Maryland hospitals are required to use the CDC National Healthcare Safety Network (NHSN) surveillance system to report data to the Commission on central line associated bloodstream infections (CLABSIs) in any ICU and surgical site infections data related to Hip, Knee and CABG procedures. To ensure the integrity of the data, we have established a five year contract with Advanta Government Services, Inc (AGS) to provide clinical data quality review and on-site medical chart audit services. The FY2012 CLABSI audit and CY2011 SSI data quality reviews are underway.

On September 19, 2012, the HQI staff held a Webinar for hospital Infection Preventionists and other personnel who support infection prevention and control activities. The Webinar was designed to keep hospitals abreast of our HAI data collection and reporting activities and to reinforce the importance and utility of the information that is submitted for public release. The Webinar had 68 participants and the feedback from those who attended was positive.

Specialized Services Policy & Planning

Cardiac Services

The first meeting of the Clinical Advisory Group on Cardiac Surgery and PCI Services was held on September 27 at the Hilton BWI. This meeting included presentations on the use of cardiac data in state oversight by Sharon-Lise Normand of Harvard Medical School, and Edward Hannan of the University at Albany, State University of New York. The advisory group discussed the quality of cardiac data available, and posed some challenges to Maryland regarding the appropriate selection of clinical data for use in the new regulatory framework established by HB 1141. The second meeting of the advisory group is scheduled for October 11, and the third meeting will take place on November 8, both at the BWI Westin. Dr. Thomas Aversano of Johns Hopkins, the Principal Investigator of the CPORT studies, and Dr. Charles Chambers of Pennsylvania State University, are presenting recent research findings related to the safety of PCI at non-surgical hospitals.

Regarding renewals of primary PCI waivers, the Commission has received a timely renewal application from the Meritus Medical Center. The Commission is scheduled to consider primary PCI renewal applications from Meritus and Frederick Memorial Hospital in February.

Hospital Services Policy & Planning/Certificate of Need

Certificate of Need ("CON")

CON's Approved

Hospice of the Chesapeake - (Anne Arundel County) – Docket No. 12-02-2333
Establishment of a 14-bed inpatient hospice unit at 90-92 Ritchie Highway in Pasadena and office building renovations to house a Hospice Service Center, Life Center, Conference Center and administrative offices.
Approved Cost: $5,232,072

CON Applications Withdrawn

Washington Adventist Hospital – (Montgomery County) – 09-15-2295
Replace and relocate the existing general hospital in Takoma Park with a 288-bed general hospital to be located at 12100 Plum Orchard Drive in Silver Spring
Estimated Cost: $468,135,000

CON Letters of Intent

Father Martin's Ashley – (Harford County)
Addition of 15 intermediate care facility/substance abuse beds through construction and renovation, including expansion of administrative, clinical and medical services

CON Applications Filed
Memorial Hospital at Easton – (Talbot County) – Matter No. 12-20-2339
Replace and relocate the current general hospital in Easton with a 126 –bed general hospital to be located at Longwoods Road and Route 50 in Easton.
Estimated Cost: $283,240,375

Determinations of Coverage

- **Ambulatory Surgery Centers**

Baltimore Podiatry Group Ambulatory Surgery Center – (Baltimore County)
New determination of coverage for ambulatory surgery center due to a change in ownership. Facility has one non-sterile procedure room and is located at 5205 East Drive, Suite 1 in Arbutus

Waldorf Endoscopy Center, ASC, LLC – (Charles County)
Replacement and relocation of an existing ambulatory surgery center with four non-sterile procedure rooms, currently located at 11340 Pembrooke Square, Suite 202, in Waldorf to 3510 Old Washington Road, Suite 209, in Waldorf.

Ambulatory Surgery Center Development Company, LLC – (Montgomery County)
Establish an ambulatory surgery center with two non-sterile procedure rooms to be located at 5550 Friendship Boulevard, Suite 100, in Chevy Chase

- **Acquisitions/Change of Ownership**

Elkton Care and Rehabilitation Center – (Cecil County)
Jam Acquisition, LLC, a subsidiary of GHC Holdings II, LLC, which is a subsidiary of Genesis Healthcare, LLC, will be merged into Sun Healthcare Group, Inc. Sun Healthcare Group, Inc. will remain in existence following this merger as will SunBridge Healthcare, LLC. Genesis Healthcare, LLC, post-merger, will own GHC Holdings II, LLC, which will own Sun Healthcare Group, Inc., which will own SunBridge Healthcare, LLC and, thus, Elkton Care and Rehabilitation Center, a comprehensive care facility (CCF).
Purchase Allocation: $2,132,657

Larkin Chase Care & Rehabilitation Center – (Prince George's County)
Jam Acquisition, LLC, a subsidiary of GHC Holdings II, LLC, which is a subsidiary of Genesis Healthcare, LLC, will be merged into Sun Healthcare Group, Inc. Sun Healthcare Group, Inc. will remain in existence following this merger as will the intermediate entities of SunBridge Healthcare, LLC and SunBridge Healthcare, LLC subsidiaries. Genesis Healthcare, LLC, post-merger, will own GHC Holdings II, LLC, which will own Sun Healthcare Group, Inc., which will own 75% of Larkin Chase Care & Rehabilitation Center, a CCF, through SunBridge Healthcare, LLC and SunBridge Healthcare, LLC subsidiaries.
Purchase Allocation: $2,004,050

St. Joseph Medical Center, Inc. – (Baltimore County)
Acquisition of the assets of St. Joseph Medical Center by University of Maryland St. Joseph Medical Center, LLC, a subsidiary of the University of Maryland Medical System Corporation

- **Other**

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

Ravenwood Healthcare, Inc. d/b/a Harborside Nursing & Rehabilitation Center – (Baltimore City)
Temporary delicensure of this 165-bed CCF.

  - **Miscellaneous**

NMS Healthcare of Hagerstown, LLC – Washington County)
Restructuring of the ownership of the facility by the proposed transfer of the "bed rights" for 186 comprehensive care facility beds at NMS Healthcare of Hagerstown from Marsh Pike, LLC ("Marsh Pike") to NMS Healthcare of Hagerstown, LLC ("NMS"), the entity which operates NMS Healthcare of Hagerstown under a lease agreement with Marsh Pike. NMS is authorized to expand and renovate NMS Healthcare of Hagerstown under the terms of a Certificate of Need ("CON") issued in July, 2010.

Policy & Planning

On September 13, 2012, HPP staff attended a forum on Green Building Design for health care facilities sponsored by the U.S. Green Building Council in Baltimore, featuring hospital projects currently underway in Germantown and planned for Easton.

CENTER FOR HEALTH INFORMATION TECHNOLOGY

Health Information Technology

Staff participated in the Office of the National Coordinator for Health Information Technology's (ONC) Health Information Technology (health IT) Policy Committee (committee) meeting. The committee is tasked with developing recommendations on a policy framework for a national health information network infrastructure, which includes adopting transmission standards, services, and policies for the exchange of electronic health information. During the meeting, the committee provided a briefing of the recently released final rule for Stage 2 meaningful use. The final rule for Stage 2 places an emphasis on the meaningful use of electronic health records (EHRs) for advanced clinical processes, patient engagement, and electronic information exchange. Stage 1 meaningful use focused on the use of EHRs for capturing and sharing data. The committee also explored the possibility of requiring multi-factor authentication for remote access to protected health information by meaningful use Stage 3.

Planning activities to revise the fifth annual *Health Information Technology Assessment of Maryland Hospitals* (assessment) continued. Conducted annually since 2008, the assessment evaluates the adoption of health information technology (health IT) among all 46 acute care hospitals in Maryland. Staff is modifying the assessment to streamline the reporting process and include key measures regarding health IT adoption and patient outcomes. This year, the assessment will explore the impact of health IT in patient care by measuring hospital performance on select meaningful use measures. As hospitals have increasingly adopted EHRs, evaluating the impact of health IT adoption will be essential to determine whether these new technologies are being used in a meaningful way. Staff plans to distribute a draft of the assessment to hospital Chief Information Officers (CIOs) in October to solicit input on the reporting tool. Feedback from the CIOs will be used by staff in finalizing the assessment; a November release date is planned.

Staff awarded management service organization (MSO) State Designation to MedTech Enginuity Corp; currently 15 MSOs are State Designated and approximately four MSOs are in Candidacy Status. MSOs provide consultative services to practices as they adopt and use EHRs and offer EHRs hosted offsite in secure network operating centers. MSOs are capable of supporting multiple EHR products at reduced costs through economies of scale and bulk purchasing. To obtain State Designation, MSOs must meet over 95 criteria related to privacy and security, technical performance, business practices, and services. During the month, staff presented at a national webinar hosted by the Electronic Healthcare Network Accreditation Commission (EHNAC), the nationally recognized accrediting body for MSOs, to explain the MSO State Designation model in Maryland. EHNAC is working to solicit MSO accreditation in other states.

Staff developed an electronic reporting application for State-regulated payers (payers) and pharmacy benefit managers (PBMs) to use in reporting their progress in meeting the requirements established by Senate Bill 540, *Maryland Health Care Commission – Preauthorization of Health Care Services – Benchmarks* (SB 540). SB 540 was signed into law on May 22, 2012 and requires the MHCC to work with certain payers and PBMs to attain benchmarks for automating the preauthorization of health care services. Preauthorization is often required by payers and PBMs to ensure that a drug is properly prescribed or a medical service is warranted. All combined, approximately 15 payers and PBMs were required to report on their progress in complying with SB 540 in September. Staff plans to begin evaluating the data provided by payers and PBMs in October. A report on the findings is due to the Governor and General Assembly by March 2013. Audacious Inquiry, LLC (AI) was competitively selected to provide assistance in completing the work.

Staff continued working with the Telemedicine Technology Solutions and Standards Advisory Group (advisory group) to develop a telemedicine technology-based implementation resource guide (guide).

The advisory group is currently collaborating to identify a range of best practices for telemedicine as it relates to infrastructure, clinical devices, video conferencing units, communication hardware, and data exchange standards, which are critical to ensuring that telemedicine networks across the state can easily communicate with each other and eventually connect to the statewide health information exchange (HIE). Telemedicine networks in Maryland are fairly disparate and not readily capable of interoperating with other networks. Connecting telemedicine networks will increase provider availability to consult on care delivery and better enable the availability of medical services in remote areas of the state. The guide is expected to be released in February 2013. AI was competitively selected to assist in completing the work. Staff also met with telemedicine program directors from Johns Hopkins, the University of Maryland Medical System, MedStar Health, and other stakeholders to explore opportunities for synergies between telemedicine and the statewide HIE.

Collaboration with stakeholders on evaluating the existing EHR incentive program continued last month. House Bill 736, *Electronic Health Records – Incentives for Health Care Providers – Regulations* (HB 736) was signed into law in May of 2011 and requires the MHCC to collaborate with stakeholders to study whether the scope of health care providers that may receive EHR adoption incentives from payers should be expanded beyond primary care practices. COMAR 10.25.16, *Electronic Health Record Incentives,* requires payers to provide EHR adoption incentives to primary care practices that meet certain requirements. Stakeholders are considering options that include: 1) clarifying the regulation through non-substantive changes; 2) relying on the Regional Extension Center to administer the incentive program; and 3) expanding the regulation to include select specialty care practices. Staff plans to convene a workgroup in January to explore the options in more detail. A preliminary draft of the report is targeted for completion in November.

Staff continues to work with EHR vendors to update the online EHR Product Portfolio (portfolio). The portfolio provides evaluative information on nationally certified EHR products and serves as a resource for health care providers in their assessment of EHR systems and includes pricing and functionality information. Maryland providers receive a discount on services and products offered through the portfolio. New to the portfolio this year, the MHCC will feature vendors that are connecting to the State Designated HIE, the Chesapeake Regional Information System for Our Patients (CRISP). Staff consulted with CRISP and various stakeholders to develop new templates for gathering information from vendors regarding their connectivity status to CRISP. The annual revision of the portfolio also includes a provider satisfaction rating of the EHR products. Staff anticipates that approximately 30 vendors will participate in the release of the portfolio in October.

Health Information Exchange

Staff continues to provide guidance to CRISP in implementing HIE. Last month, staff worked on strategies for enhancing the services of the Regional Extension Center, expanding funding for EHR adoption under the Challenge Grant, and secure texting through the HIE. During the month, Clifton Larsen Allen, LLP (CLA) continued the financial audit of CRISP. Staff anticipates CLA completing a preliminary draft of the audit findings in October. Staff also worked with CRISP to enhance the monthly HIE performance reports. The monthly reports currently provide qualitative updates of the leading HIE activities. Modifications to the reports enable improved monitoring of HIE adoption through a quantitative approach. Development activities around implementing a prescription drug monitoring program using the HIE infrastructure were discussed in September. The Secretary of the Department of Health and Mental Hygiene (DHMH) has requested a final proposal on the supporting technology and budget in October. DHMH anticipates funding this initiative through a grant issued by the Governor's Office.

Staff identified a contractor to assist in evaluating the draft HIE regulations that, when adopted as final regulations, will govern the privacy and security of electronic health information obtained or released through an HIE. The MHCC is required to develop regulations under House Bill 784, *Medical Records – Health Information Exchange* (HB 784), which was signed into law in May 2011. Staff released HIE

draft regulations for informal public comments in February 2012 and received comments from 33 individuals and organizations. The contractor will provide technology-related guidance to the assistant attorney generals to ensure the informal draft HIE regulations: 1) are in alignment with current law, 2) do not present significant privacy and security concerns for consumers, and 3) are not overly burdensome for providers and HIEs to implement. The next release of the informal draft HIE regulations is scheduled for January.

Staff finalized a funding request for expansion of HIE adoption services to be part of the annual update to the Maryland Medical Assistance *Health IT Implementation Advance Planning Document* (HIT-IAPD). During the month, staff reviewed the draft funding request with the Centers for Medicare and Medicaid Services (CMS) and incorporated suggested changes from CMS in the document. The HIT-IAPD is required to be updated annually by Maryland Medical Assistance (Medicaid) and is used by CMS to award funding to States for the EHR adoption incentive program under the *American Recovery and Reinvestment Act of 2009*. The Medicaid EHR Incentive Program provides financial incentives to eligible providers and hospitals that adopt and meaningfully use an EHR. Upon approval by CMS, states are allowed to use program funds to support HIE adoption activities that are directly correlated to the Medicaid EHR Incentive Program. Next month, staff plans to submit the final HIE adoption services proposal and funding request to CMS for consideration.

Staff continues to work with stakeholders in developing recommendations to include in the *Recommendations to Increase Ambulatory Practices Use of Health Information Technology* report. Over the last several months, staff has been collaborating with stakeholders to develop innovative ideas around accelerating ambulatory practice EHR adoption and connectivity to the State Designated HIE. In general, stakeholders have put forth a wide range of suggestions aimed at advancing EHR adoption and HIE use. Staff evaluation of the suggestions continues; the leading recommendations include adding performance goals to the criteria of State Designated MSOs; developing provider continuing education programs around health IT; educating group purchasers of insurance on the value of EHRs and HIEs; and working with payers to identify in provider directories providers that have adopted an EHR. AI was competitively selected to assist in completing the work. The report is targeted for release in January.

Electronic Health Networks & Electronic Data Interchange

This year, roughly 49 payers submitted an Electronic Data Interchange (EDI) Progress Report to comply with the reporting requirements under COMAR 10.25.09 – *Requirements for Payers to Designate Electronic Health Network.* Payers with annual premium volumes of $1 million or more and certain specialty payers are required to submit an annual EDI Progress Report. Information from the EDI progress report is summarized in an information brief and is used by payers to develop strategies aimed at increasing the use of technology. Staff is in the preliminary stages of drafting an information brief of the findings that is targeted for release in December. Staff also made revisions to the Electronic Health Network (EHN) Procedure Manual (manual). The manual details the process for MHCC certification of EHNs. COMAR 10.25.07, *Certification of Electronic Networks and Medical Claims Clearinghouses,* requires the MHCC to certify EHNs doing business in the State. During the month, staff provided consultative support to roughly five EHNs that are working towards MHCC EHN recertification.

National Networking

Staff attended several webinars during the month. The NeHC hosted: *Standards and Interoperability Framework* that presented the progress of this topic from the perspective of a provider and a vendor; *Quality in HIT* that discussed how the ONC, the Agency for Healthcare Research and Quality, and the Centers for Medicare and Medicaid Services are collaborating on quality and health IT; and *Increasing Medical Record Security* that presented the challenges of authentication and user identification, as well as possible methods to address these issues. The eHI hosted, *Stage 2 of Meaningful Use – How the New Rules Will Affect Key Stakeholders* that provided an overview and perspectives by four policy experts on how the new rule will affect key stakeholders.