MARYLAND HEALTH CARE COMMISSION

UPDATE OF ACTIVITIES

July 2013

CENTER FOR INFORMATION SYSTEMS AND ANALYSIS

Patient Centered Medical Home Program

TRICARE
The Commission and TRICARE have executed a Memorandum of Understanding for TRICARE to participate in the Maryland Multi-payer Patient Centered Medical Home program. TRICARE will be making fixed transformation payments to the practices at the completion of its current attribution process.

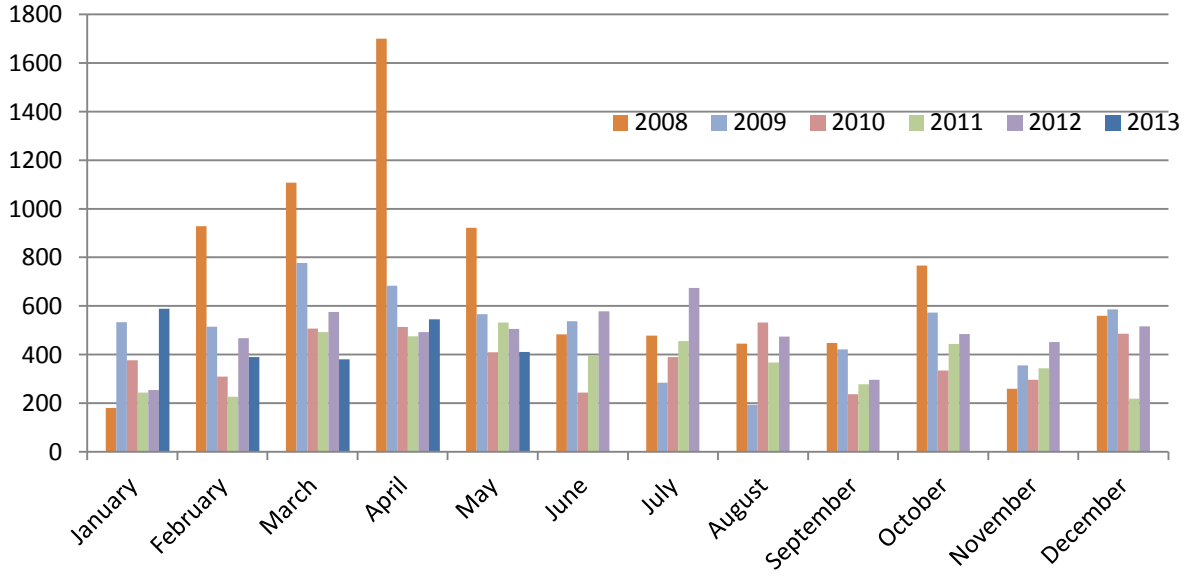
Provider Survey
Impaq International, LLC, the Commission's MMPP evaluator, continues to conduct surveys of patients' and the participating providers' perspectives on patient centered medical homes.

Care Management Reporting
Participating practices are reporting care plan and care management activities for the January through June 2013 timeframe.

Maryland Learning Collaborative
The next meeting of the Collaborative will be held in Annapolis, Maryland on August 6, 2013.

Maryland Trauma Physician Services Fund

Figure 1
Uncompensated Care Payments to Trauma Physicians, 2008-2013



Uncompensated Care Processing
CoreSource, Inc., the third party administrator (TPA) for the Trauma Fund, adjudicated claims with a total paid value of approximately $41,027 for May of 2013. The monthly payments for uncompensated care from January 2008 through May 2013 are shown above in Figure 1.

On-Call Stipends
Maryland trauma centers' applications for on-call stipends are due to the Commission no later than July 31, 2013.

Cost and Quality Analysis

Workgroup Meetings
The second meeting of the Practitioner Performance Measurement Workgroup was held on July 11th. The meeting began with a presentation by Ben Steffen on the scope of the measurement construction, including selection of the performance unit (individual practitioners, practice sites, practice organizations) and selection of specialties to measure. Discern Consulting LLC made a presentation on practitioner-based quality measures that could be constructed using the information currently contained in the Medical Care Data Base (MCDB), measures that could be constructed once the MCDB is expanded to include pharmacy data on all the privately insured, and measures that could be constructed with information on outcomes that may become available in the future. Discern also presented a list of cost/resource use measures used by other programs. The workgroup received information on whether the categories of care covered in Discern's list of possible measures are categories of care measured in the MHCC's Health Benefit Plan Quality and Performance Evaluation and among the categories of care proposed for measurement in the Community Integrated Medical Home model being developed by DHMH.

The workgroup tasked with defining the content of new health care utilization summary file, which will be constructed from the private insurer claims and eligibility data, will hold its second meeting on July 25th. At this meeting, the workgroup will review results of tests conducted by MHCC staff to determine if the various data elements requested by the workgroup can be easily constructed from the data.

Practitioner Services Utilization Report
Findings from the analysis for our annual report on payments for professional services, produced in collaboration with Social and Scientific Systems (SSS), will be presented at the July Commission meeting. The analysis compares 2010 and 2011 private payer payment rates for in-network and out-of-network services, overall and by the largest versus other payers. In addition to the usual comparison of privately insured payment rates to the rates paid by Medicare, this report will include a comparison of privately insured payment rates to the rates paid by Medicaid. The presentation will be made by Claudia Schur, PhD, and Lan Zhao, PhD of SSS.

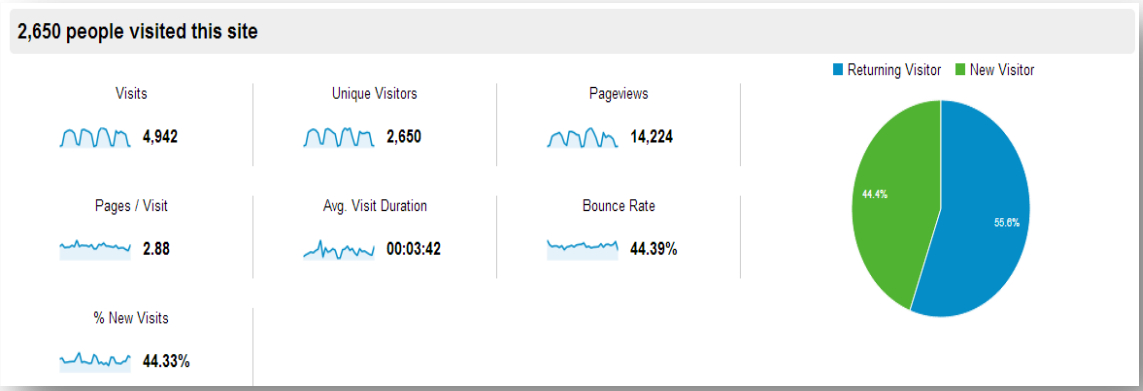
CCIIO Grant Application
The MHCC and the Maryland Insurance Administration (MIA) will jointly submit an application for Level III funding from CCIIO to assist the MIA in rate review activities. The objective is to obtain funding—up to $2 million over two years—to speed up processing of MCDB data submissions so that the MIA has timely access to the data and to create software that will automatically generate measures the MIA deems important for rate review. The accelerated processing of MCDB data submissions would be achieved through the use of Extract, Transform and Load (ETL) software that would screen data submissions for quality and completeness at the point of data submission and reject submissions that do not comply with the screening criteria. The ETL software would be obtained from an ETL vendor and would include the flexibility to employ payer-specific screening criteria. The payer-specific criteria will reflect waivers granted to payers by the MHCC for deviations from established data completeness thresholds. The MHCC has contracted with Navigant for assistance in writing the grant.

Data and Software Development

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.

Figure 2 - Data from Google Analytics for the month of June 2013



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

Internet Activities

As shown in the chart above, the number of visits to the MHCC website for the month of June 2013 was 4,942 and of these, there were 2,650 unique visits. The average time on the site was 3:42 minutes. Bounce rate of 44.39 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 mhcc.maryland.gov. Other government agencies include dhmh.maryland.gov, Maryland.gov and crisphealth.org. Among the most common search keywords in January were:

- "Maryland health care commission"
- "MHCC"

Table 1 Web Applications Under Development

Board	Anticipated Start Development/Renewal	Start of Next Renewal Cycle
PCMH Case Management Monthly Tracking web site	Development	Jan 1 – June 30 Reporting Started 7/1/2013
PCMH Public Site	On-going Maintenance	
PCMH Portal (Learning Center & MMPP)	On-going Maintenance	

PCMH Practices Site (New)	New User Guide On-going Maintenance	
Boards & Commissions Licensing Sites (13 sites)	On-going Maintenance	
Boards & Commissions Psych Licensing Site	Ongoing support	Live
Physician Licensing	Live – On-going Support	Final Testing Completed Database loaded. Going Live 7/15/2013
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	Completed
Long Term Care 2012 Survey	Annual Maintenance	Uploaded Completed Survey to MS Access Tables
Hospital Quality Redesign	Planning	
MHCC Assessment Database	On-going Maintenance	Completed
IPad/IPhone App for MHCC	Development	Ongoing
npPCI Waiver	Ongoing each quarter	Live for 2Q 2013.
Project X – MHCC Content Management	Development	Top Secret

Network Operations & Administrative Systems (NOAS)

Information Technology Newsletter

The July IT Newsletter has been released, containing helpful information about MHCC IT systems and services. Features:

- Focus of the July IT Newsletter was on electronic communication scams and deception tactics. Specifically:
  - Phishing Emails
    - Defining phishing and the focus of trying to deceive emailers by sending emails that look legitimate and request personal information such as network login or bank account numbers.
    - A video was provided to help educate users about the tactics and dangers of phishing.
  - Links in Emails
    - Provided examples of how web links in phishing emails help capture user network information
    - Advised how to look at the web address associated with a web link to see its destination
- Reminder to never share network account information with anyone
- Reminder to report any unusual or suspicious emails to MHCC IT staff

Virtualization Infrastructure Update
The MHCC virtualization infrastructure was updated with new software patches to increase network efficiency. The new disaster recovery backup solution, for the virtual environment, based on optical plates, was fully implemented and tested. Recovery of data has now decreased to approximately 15 minutes (reduced from several hours using tape processes).

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

Health Plan Quality and Performance

The annual audits of commercial health benefit plans are completed. Various data integrity issues related to the accuracy and completeness of carrier reporting has been successfully resolved. Final analysis of performance results from the carrier-reported data is being conducted and overall performance on detailed measures are on track for inclusion in the public reporting documents scheduled for release in the fall of 2013.

Staff coordinated carrier-specific disparity webinars with each of the six carriers operating in Maryland. Each of the webinars featured a speaker from the Mid-Atlantic Business Group on Health, a co-developer of the Maryland Race/Ethnicity, Language, Interpreters, and Cultural Competency (RELICC) Assessment, which was implemented for use in 2013 reporting. The purpose of the webinars was to share RELICC performance information, discuss the accuracy of reporting and opportunities for improvement that are specific to RELICC. With the measures from this quality tool being first-year measures, according to established protocol, first-year results from the use of the RELICC tool will not be publicly released.

Staff continues its collaboration with the MHBE. As requested by the MHBE, staff has also directed its report development contractor, Healthcare Data Company, to join staff in participating in a June 14th follow up teleconference during which workflow details with the MHBE and its web contractor, Connecture, were finalized. Data from quality and performance reporting of commercial health benefit plans are on track for use as a proxy for qualified health plan performance inside the MHBE. The Maryland Health Connection Quality Report 2013 remains on-track for public release by open enrollment on October 1, 2013.

Staff serves to co-lead members of the Charge 1 Subcommittee from the Cultural Competency Workgroup which was established by the Office of Minority Health and Health Disparities' Maryland Health Quality and Cost Council (MHQCC). Charge 1 Subcommittee members have wrapped up their work together and have timely submitted an Activities Report to the leaders of the Cultural Competency Workgroup, as requested. Although projects related to the Charge 1 Subcommittee have concluded, the Cultural Competency Workgroup will likely continue to meet at the discretion of Workgroup leaders, while it combines reports received from each of three subcommittees into one summary document to be presented to the Maryland legislature during the fall of 2013.

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 stabilized to approximately 8 Maryland visits per day, with users viewing about 4 pages per visit and spending an average of about 4 minutes per visit on the site. These Maryland statistics remain slightly 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 July 8, 2013 enrollment in the Partnership was as follows: 431 businesses; 1,206 enrolled employees; 1,989 covered lives. The average annual subsidy per enrolled employee is about $2,425; the average age of all enrolled employees is 41; the group average wage is about $28,000; the average number of employees per policy is 4.0. Commission staff is currently in discussion with DHMH leadership to finalize a transition plan for the phase out of the Partnership, once the state health insurance exchange (Maryland Health Connection) becomes available to individuals and small employers in 2014.

Long Term Care Policy and Planning

Minimum Data Set Project
Commission staff continues 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 update versions of MDS 3.0. The focus of the initial year was to convert the program from FoxPro to SAS programming language, so that it is supported by and consistent with other programs at the Commission. Variables have now been updated into the MDS Manager Program. These programs are now being tested internally. Work has now begun on programming the Consumer Guide for Long Term Care.

In addition, in response to issues raised by providers, staff contacted the Centers for Medicare and Medicaid Services (CMS) to update certain variables collected in Section S (state-specific section) of the MDS. Staff worked with representatives of CMS and the changes have been accepted. A joint letter from the Commission and the Office of Health Care Quality was sent to all providers and vendors letting them know about the updates that go into effect October, 2013.

Hospice Section of the State Health Plan
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, covers nursing homes, home health agencies, and hospice programs. When updated, these will be separate Plan Chapters; the Chapter focused on hospice services will be COMAR 10.24.13.

Commission staff briefed the Commission on this update to the State Health Plan at its April 18th meeting. The hospice Plan Chapter was posted on the Commission's website for a 30-day Informal Public Comment period on April 10, 2013, with written comments due no later than 4:30 p.m. on May 10, 2013. Comments were received from 12 organizations. The Commission voted to approve COMAR 10.24.13 as proposed permanent regulations and to repeal of the portions of COMAR 10.24.08 that cover hospice services, contingent on COMAR 10.24.13 becoming effective. This initiates the formal regulatory process. Both the Analysis of Comments as well as the staff's presentation have been posted on the Commission's website.

Hospice Educational Initiative
The first meeting of the Hospice Education Initiative Workgroup was held on April 29, 2013. Membership includes: Hospice and Palliative Care Network of Maryland; Coastal Hospice; Gilchrist Hospice; Hospice of the Chesapeake; Joseph Richey Hospice; Baltimore City Office of Aging; Central Maryland Ecumenical Council; Prince George's County Dept of Family Services; Prince George's County Health Dept; Maryland Hospital Association; Med Chi; Office of Health Care Quality; University of Maryland Dept of Social Work; the DHMH Office of Minority Health and Disparities; and the State Advisory Council on Quality Care at the End of Life.

At the first meeting, the goals and charge were discussed. There was also an enthusiastic general discussion of members' experience related to educational initiatives for end of life care and hospice, as well as outreach to minority populations. Since the April meeting there has been a flurry of new initiatives at the county and hospice specific level. Membership continues to expand with growing public interest in this initiative from community organizations and clergy. The second meeting will be held on July 29th.

Hospice Survey
The FY 2012 Maryland Hospice Survey was available for online data entry effective February 19, 2013. Notices were sent out to providers on Monday, February 11th. Part I of the survey was due 60 days after the survey commenced. Part II was due no later than June 10, 2013.

Part I of the survey has been completed by all 30 hospice providers in Maryland; data follow-up has also been completed. Part II has been submitted by all providers. Staff is now working with the hospices for data follow up on Part II.

Home Health Tables
All 24 Home Health Agency (HHA) Utilization Tables for FY 2011 have been have been posted on the Commission's website under public use data files. The data provided in these tables were obtained from the information collected by the Commission's Annual Home Health Agency Survey. The tables summarize agency and jurisdiction-specific data on the utilization and financing of home health agency services. An overview of HHAs in Maryland include: volume of admissions; referral sources; primary diagnosis on admission; length of care; average visits per Medicare client; dispositions; average cost per visit; revenues by payer type; and home health agency personnel. Data provided on Maryland resident use of home health agency care by jurisdiction include: age group; unduplicated clients by payer type; and visits by payer type. HHA Utilization Tables for FY 2012 are in the process of being developed.

FY 2012 Home Health Agency Survey
Sixty agencies participated in the FY2012 Home Health Agency Survey. The Home Health Agency Survey collection period began on April 8, 2013 and ended on June 6, 2013. One agency received an exemption due to change in licensure category during the Survey year from a license Home Health agency to a Residential Service Agency. All fifty-nine agency surveys have been submitted and accepted. One agency was delinquent and was fined after submitting the survey three weeks past the due date of June 6, 2013. The DHMH Office of General Accounting issues the invoices and will follow up with the providers and notify the Commission when the invoices are paid. Staff has started the data auditing process to ensure valid and accurate data.

FY 2012 Long Term Care Survey
Seven hundred and thirty-seven (737) facilities participated in the 2012 Long Term Care Survey. Seven hundred and thirty-five (735) facility surveys have been submitted and accepted, including 233 comprehensive care facilities, 376 assisted living facilities, 119 Adult Day Care centers and 7 Chronic Care facilities. Two Assisted Living facilities were exempt due to closure as determined by the Office of Health Care Quality.

This year the Commission issued a Notice of Assessment of Fine on thirty-one Assisted Living and Adult Day Care facility providers for non-compliance by the Survey due date of May 9, 2013, but waived the fine for eighteen (18) who filed an appeal that were deemed appropriate. One of the facilities has paid the fine. The DHMH Office of General Accounting issues the invoices and will follow up with the providers and notify the Commission when the invoices are paid. All Comprehensive care and Chronic care facility surveys were in compliance.

Staff is in the process of cleaning the data. This will include the processing of the Medicaid Cost report data which will be formatted to merge with the Long Term Care Survey data for analysis, running frequencies, and cross year comparisons to verify the data prior to creating reports.

Long Term Care Quality Initiative

Consumer Guide to Long Term Care
Staff is reviewing output from MDS 3.0 of resident characteristics and QI data. These items changed with the conversion from MDS 2.0 requiring extensive reprogramming and review to produce comparable measures for inclusion in the Consumer Guide. Output seems comparable except for one characteristic, dementia, which is undergoing further review. 2012 data was released last week so the Guide will be update using the most recent information.

Nursing home quality measure trends – data being analyzed is from 2006- 2010. This analysis is expected to provide a greater understanding of factors that drive improvements in nursing home quality in Maryland nursing homes and comparison of Maryland scores to national or regional scores.

Nursing Home Surveys
Reviewed and approved final Family Experience of Care long stay and short stay survey reports – a public report that will be posted on the web site and incorporated into the Consumer Guide, and a more detailed facility specific report. Reports are currently being distributed to nursing home administrators for review before updating in the consumer guide later in July.

CENTER FOR HOSPITAL SERVICES

Hospital Quality Initiatives

Hospital Performance Evaluation Guide (HPEG) Update
In preparation for the upcoming update of the Hospital Performance Evaluation Guide, clinical and HCAHPS data for the fourth quarter of 2012 was collected through the Quality Measures Data Center. All hospitals successfully submitted their data for this time period and the Hospital Performance Evaluation Guide has been updated. This update includes a refresh of clinical and HCAHPS data as well as an update to Health Care Worker (HCW) seasonal influenza vaccination data.

Data validation for clinical and HCAHPS data for the third quarter of 2012 has been completed. The on-site data review process has been completed and hospitals have received the results of the data quality review process. This quarterly data quality review process continues to confirm the high quality (accuracy) of the core measures data reported by Maryland hospitals.

Staff continues to prepare for the collection, processing and reporting of new inpatient, outpatient, and HCAHPS survey measures data as we transition to our goal of aligning with CMS quality data reporting requirements.

Healthcare Associated Infections (HAI) Data

The Hospital Quality Initiatives staff continues to work with our contractor, Advanta Government Services, on the FY2012 CLABSI and SSI data audit and quality review. The Commission held a webinar on May 22, 2013 to review the findings of the FY2012 CLABSI audit and to update hospital infection prevention staff on CDC definitions and protocol. An audio version of the webinar presentation has been prepared and posted on the Commission's website.

The results of the 2012-2013 Hospital Health Care Worker Influenza Vaccination Survey have been analyzed, previewed with the hospitals and posted on our website. The results show continued improvement in hospital vaccination rates. The 2012-2013 statewide flu vaccination rate for hospital employees is 96%. This represents an 8% increase over last year and an 18% increase in comparison to our first reporting period (2009-2010 flu season).

Effective July 2013, Maryland hospitals are required to utilize CDCs National Healthcare Safety Net (NHSN) surveillance system for collection of *Clostridium difficile* infections data (CDI LabID events). CDILabID events that occur in all inpatient locations must be reported (Neonatal ICUs, Well Baby Nurseries, and Well Baby Clinics are excluded) through the CDC surveillance system. The staff is working with hospitals to address questions and outstanding concerns as we implement this new reporting initiative.

Specialized Cardiac Services Data Collection Initiative

The staff is in the final stages of the implementation of a new web portal submission process for the NCDR Registry data. The new web portal application (Onehub) will provide greater functionality and enhanced security. Hospitals will now have an online mechanism to communicate with the Commission and with each other.

Specialized Services Policy and Planning

Clinical Advisory Group

The final report of the Clinical Advisory Group (CAG) on Cardiac Surgery and PCI Services was completed and posted on the Commission's web site. At its the June meeting, staff briefed the Commission on the report.

Primary PCI Waiver Renewal

On June 20, 2013, the Commission approved a two-year renewal of the primary PCI waiver for Shady Grove Adventist Hospital.

Certificate of Need ("CON")

Pre-Application Conferences

On June 13, 2013 staff met with representatives of Asbury Methodist Village to discuss a three-part capital improvement plan. As originally configured, this plan was found, in May, 2013, to constitute a capital project subject to CON requirements. Reconfiguration could allow the facility to avoid CON review. .

CON Applications Filed

Shady Grove Fertility Center – Matter No. 13-15-2342 – (Montgomery County)

Relocation of an ambulatory surgical facility from 15001 Shady Grove Road, Rockville to an adjacent site at 14995 Shady Grove Road, in Rockville. Staff subsequently determined, pursuant to COMAR 10.24.01.05A(8), that the relocation of an ambulatory surgical facility to an adjacent site with no increase

in operating rooms at a project cost below the threshold (currently $5,750,000 for all non-hospital health care facilities) does not require CON review and approval. This proposed relocation will be reviewed through the determination of coverage process.
Proposed Cost: $5,519,441

Capital Caring – Matter No. 13-16-2343 – (Prince George's County)
Creation of a 7-bed inpatient hospice unit on the 3rd floor of the Residence on Greenbelt, an assisted living facility in Lanham, Maryland
Proposed Cost: $458,343

Application Review Conferences

On June 17, 2013 staff met with representatives of Shore Health System, University of Maryland Medical System, and HSCRC to discuss the process for HSCRC addressing the request for an increase in revenues for Memorial Hospital at Easton to support its proposed relocation (Docket No. 12-20-2339).

On July 3, 2013 staff met with representatives of Capital Hospice d/b/a Capital Caring to discuss completeness questions on their CON application to create a 7-bed inpatient hospice unit in an assisted living facility (Residence on Greenbelt) in Lanham, Prince George's County(Matter No. 13-16-2343)

Determinations of Coverage

- **Ambulatory Surgery Centers**

Arundel Mills Surgery Center, Inc. – (Anne Arundel County)
Establish an ambulatory surgery center with one sterile operating room and one non-sterile procedure room to be located at 7550 Teague Road, Suite 105, in Hanover

- **Acquisitions/Change of Ownership**

Surgical Center of Greater Annapolis – (Anne Arundel County)
Change in ownership of the facility with the addition of August C. Pasquale, III, M.D. to the ownership group

Hamilton Center – (Baltimore City
Change in the ownership of the real property of Hamilton Center from Diamond Senior Living, LLC to 6040 Harford Road Operations, LLC, the current operator of the facility

- **Capital Projects**

Doctor's Hospital – (Prince George's County)
Expansion and renovation of the pharmacy department – MHA 2013 Bond Review Request
Proposed Cost: $175,890

MedStar St. Mary's Hospital – (St. Mary's County)
Development of a new community health center to provide primary and behavioral health services – MHA 2013 Bond Review Request
Proposed Cost: $1,400,000

Meritus Medical Center – (Washington County)
Develop a wellness center on the campus of the hospital – MHA 2013 Bond Review Request
Proposed Cost: $11,475,498

Hospital Services Policy and Planning

Perinatal Care Services

In late 2012, the American Academy of Pediatrics issued revised Guidelines on Perinatal Care. These Guidelines have been used for over 30 years as the template for Maryland's Perinatal System Standards, which are used in CON regulation of neonatal intensive care and, to some extent, hospital obstetric care services, and are also the basis for MIEMMS certification of specialized perinatal service hospitals, which establish the framework for emergency transport protocols for high-risk mothers and newborns. The Maryland Perinatal Advisory Committee has been reconvened this Summer to update the State's standards based on this new national guidance and that work has begun. The Director of the Center for Hospital Services is a member of this Committee, which met twice in June.

Hospital Palliative Care

2013 legislation charged MHCC with development of a pilot program evaluating the cost and effectiveness of hospital palliative care programs. On June 19, 2013, MHCC convened a "leadership" meeting for project planning, with Maryland Hospital Association staff members and the Director of the DHMH Office of Health Care Quality in attendance. An Advisory Group for the project will be developed this Summer to assist MHCC in finalizing the project components and selecting hospital participants.

CENTER FOR HEALTH INFORMATION TECHNOLOGY & INNOVATIVE CARE DELIVERY

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. The committee discussed the development of a national, patient-centered clinical research network, which would engage health care systems, clinicians, and patients in establishing a research infrastructure to facilitate interoperability and data sharing of clinical research. The network would be capable of capturing clinical data from electronic health records (EHRs) and other data stored in interoperable formats, as well as patient-reported outcomes and longitudinal data. Patients and providers would be involved in the governance of data use. The initiative is being led by the Patient-Centered Outcomes Research Institute.

Staff reconvened the Management Service Organization (MSO) Advisory Panel (panel), in coordination with the Electronic Healthcare Network Accreditation Commission (EHNAC), to discuss the financial, technical, and criteria relevancy challenges of EHNAC's accreditation process. The panel meets on an annual basis to recommend policy and program improvements regarding MSO State-Designation. MSOs provide assistance to health care practices in adopting health IT and achieving meaningful use. To receive State-Designation, MSOs must meet roughly 94 criteria related to privacy, technical performance, business practices, security, and operations. MSOs are required by COMAR 10.25.15, *Management Service Organization State-Designation*, to achieve State-Designation within a one-year Candidacy Status and to renew their State-Designation every two years. Over the summer, staff will work with the panel and EHNAC to evaluate recommendations for enhancements to the program, with the goal of addressing existing technical and financial challenges while ensuring standards for privacy and security. Staff plans to reconvene the panel to review the draft recommendations in September and anticipates adopting program enhancements in the fall.

Staff completed an audit of State-regulated payers (payers) and pharmacy benefit managers (PBMs) regarding their attainment of the Phase 2 requirements of a three-phased electronic preauthorization implementation process. During the month, staff finalized a payer and PBM reporting tool to collect information from payers and PBMs on their attainment of all three phases of the electronic preauthorization process. Staff is required by Health-General Article §§19-101 and 19-108.2 (2012) to work with payers and PBMs in standardizing and automating the preauthorization of medical and pharmaceutical services (health care services). Phase 1 requires payers and PBMs to make available on their website, by October 1, 2012, a list of health care services requiring preauthorization and the key criteria for making a determination. Phase 2 requires payers and PBMs, by March 1, 2013, to implement an online process for accepting preauthorization requests electronically, and assigning a unique electronic identification number to each request. Phase 3 requires payers and PBMs to meet certain timeframes for processing electronic preauthorization requests by July 1, 2013. A report on payer and PBM implementation of the electronic preauthorization process is due to the Governor and General Assembly by December 31, 2013. Audacious Inquiry (Ai) was competitively selected to assist in completing the work.

During the month, staff completed an assessment of the online EHR Product Portfolio (portfolio); planning activities are underway to update the portfolio. The portfolio undergoes revision every year in the fall, with additional updates for new vendors added in the spring. The portfolio serves as a resource for physicians, and contains evaluative information on nationally certified EHR products. Vendors participating in the portfolio are required to offer discounts to Maryland providers. During the month, ad hoc discussions occurred with a small number of physicians to assess leading attributes of EHR products that physicians consider in the evaluation process. In general, physicians indicated that it would be useful to include more information related to EHR usability, such as efficiency, error rates, ease in learning, and meaningful use dashboards. The portfolio currently includes information on product functionality and pricing. New to the portfolio this year will be physician usability reports regarding product functionalities.

Staff reconvened the State-Regulated Payer EHR Adoption Incentive Workgroup (workgroup) to discuss enhancements to the EHR adoption incentive program (program). At the request of Delegate Peter Hammen, Chair of the House Health and Government Operations Committee, staff is exploring options to enhance the program and standardize EHR formats across health care settings in the State. COMAR 10.25.16, *Electronic Health Records Reimbursement,* requires State-regulated payers to provide an incentive payment to primary care practices that meet certain requirements around the adoption and use of an EHR system. Changes being considered by the workgroup include extending the program sunset date in the regulation by two years through 2016, aligning requirements regarding the use of an EHR system with meaningful use requirements, and combining the base and additional incentive payment amounts. Workgroup participants included CareFirst BlueCross BlueShield, Cigna, Coventry, Chesapeake Regional Information System for our Patients (CRISP), the Maryland Department of Health and Mental Hygiene (DHMH), MedChi, The Maryland State Medical Society, United Healthcare, and the Maryland Hospital Association. Over the next month, staff plans to work with select members of the workgroup to develop recommendations around simplifying the administration of the program. Staff anticipates finalizing program recommendations by the end of this summer. Ai was competitively selected to assist in the work effort. Under the program, approximately 106 primary care practices have received payments totaling about $2.6M. Since the program was launched in October 2011, nearly 29 practices have raised concerns regarding payer compliance with the program. Over the last month, no additional concerns were reported.

Letters Received by Concern and Payer

Primary Concern	Aetna, Inc.	CareFirst BlueCross BlueShield	CIGNA Health Care Mid-Atlantic Region	Coventry Health Care	Kaiser Permanente	United-Healthcare, MidAtlantic Region	Total Letters Received
Base Incentive Calculation	0	0	10	0	2	7	**19**
Additional Incentive Calculation	0	0	2	0	0	2	**4**
Timing of Payment Received	5	0	0	1	0	0	**6**
Total	**5**	**0**	**12**	**1**	**2**	**9**	**29**

Staff provided the Office of Environmental, Occupational, and Injury Epidemiology within DHMH and Shore Health Systems data from the D.C. Inpatient Discharge - Limited Access Database (LAD). The MHCC maintains data on Maryland resident inpatient hospital stays in D.C. hospitals from the D.C. Hospital Association. The LAD does not include individually identifiable health information; requestors must submit an application for review by staff. Over the last year, staff has received two requests for the LAD.

Health Information Exchange

Staff continues to provide guidance to CRISP, the State-Designated health information exchange (HIE) and to its Advisory Board that consists of four committees: Finance and Sustainability, Technology, Clinical and Small Practice Advisory Committees. Last month, staff participated in an HIE user group meeting convened by CRISP, that allowed users of the HIE to learn about current and future CRISP initiatives, hear testimonials from other users of HIE services, and discuss service improvements. Staff collected performance recommendations from roughly 14 practices on the encounter notification service. During the month, staff met with representatives from ONC to review corrections to the first quarter Performance Assessment and Quarterly Risk Analysis (assessment). Staff provided ONC with additional information to address their concerns regarding the assessment. The security audit of the State-Designated HIE continued last month. CliftonLarsonAllen LLP submitted a preliminary draft report for CRISP's annual HIE security audit. The audit assesses administrative, physical, and technical system controls, including approximately 150 information security controls. The preliminary report is expected to be issued in August.

Staff convened the second of four regional meetings with hospital Chief Information Officers (CIOs) and Chief Medical Informatics Officers (CMIOs). The purpose of the regional meetings is to discuss the technical challenges of expanding hospital data submission to the State-Designated HIE through patient admission, discharge, and transfer (ADT) data. During the meeting, staff discussed the potential for expanding hospital encounter data submitted to CRISP and the timeline and technical challenges of implementation. All 46 acute care hospitals currently send ADT data to CRISP, but most do not include clinical information, such as chief complaint, discharge diagnosis, or death indicator. Hospital CIOs and CMIOs discussed challenges and explored possibilities to expand the data they send to CRISP. The last two regional meetings are scheduled for Western Maryland and Eastern Shore and will be held virtually in July.

Staff provided guidance to three independent long-term care (LTC) facilities in implementing health IT grant awards for improving care transitions between hospitals and their facilities. Approximately $517K in funding was made available through the 2011 Challenge Grant, which provides support to facilitate the electronic exchange of health information between LTC facilities and hospitals. Grant recipients include Berlin Nursing Home and Rehabilitation Center, Ingleside at King Farm, and the Lions Center for Rehabilitation and Extended Care. Over the next 10 months, these LTC facilities will implement health IT to support the exchange of electronic health information between hospitals and the facility. A portion

of the Challenge Grant is also being used to explore how institutional pharmacy data can be made available to the State-Designated HIE. In June, staff met with Omnicare to assess the technical challenges of making their data available to CRISP. Staff will continue to work with institutional pharmacies in the State to explore the feasibility of including these data in CRISP.

Staff developed a telemedicine briefing document (brief) based on the findings of its recent environmental scan. The brief will be presented to the telemedicine task force (task force) next month. Senate Bill 776, *Telemedicine Task Force – Maryland Health Care Commission* (SB 776), signed into law by Governor Martin O'Malley on May 2, 2013, requires MHCC in coordination with the Maryland Health Quality and Cost Council to reconvene the 2010 telemedicine task force. The task force includes three advisory groups: clinical, finance and business model, and technology solutions and standards. The advisory groups will explore opportunities for expanding telemedicine in Maryland, with an emphasis on expansion in rural areas. The task force will develop legislative recommendations on the use of telemedicine in innovative care delivery models and using telemedicine for improved access to specialized health care. Staff is required to submit a report on the work of the task force to the Governor, Senate Finance Committee, and the House Health and Government Operations Committee by January 1, 2014 and a final report by December 1, 2014. The task force is expected to reconvene in July. Ai was competitively selected to assist in the work.

Electronic Data Interchange

During the month, staff worked with about 43 payers that are required to annually submit an Electronic Data Interchange (EDI) Progress Report (report) by June 30th. COMAR 10.25.09 – *Requirements for Payers to Designate Electronic Health Networks* requires certain specialty payers and payers with a premium volume of $1 million or more to complete an annual report. Approximately 10 specialty payers received waivers from the reporting requirements. The report includes information regarding administrative health care transaction volumes and electronic health networks (EHNs) operating in the State. The report is used by MHCC, payers, and health care associations to develop strategies that expand the use of technology in Maryland. An information brief on EDI is scheduled for release this winter. During the month, staff completed EHN recertification of Optum/Caremedic Systems, Inc. EHNs are required to obtain MHCC certification as defined in COMAR 10.25.07, *Certification of Electronic Health Networks and Medical Care Electronic Claims Clearinghouse.*

National Networking

Staff attended the following webinars during the month. EHNAC hosted, "*What Does the Direct Protocol Mean & How Does It Impact Meaningful Use Stage 2 Implementation?"* that discussed the differences between EHR software certification and security/trust accreditation of health information system programs, certificate authorities, and registration authorities that partner with EHRs. The webinar offered best practice examples of how to facilitate security, interoperability, and trust in the exchange of electronic health information. The eHealth Initiative presented, *"The Doctor Is In"* that demonstrated how physicians are using and adopting health IT, showing a variety of trends in the U.S. compared with several other countries. The Southwest Telehealth Resource Center webinar, "*Telemedicine Facility Design: from Closets to Classrooms"* explained how to conduct an assessment of a clinical telemedicine room and defined key elements to consider when designing and installing equipment in a telemedicine space.