

**Maryland Health Care Commission
Surgical Service Work Group Meeting
June 1, 2017**

Discussion Questions

1. Are capacity metrics for a dedicated outpatient OR needed in regulations governing CON exemptions? If yes:
 - Should the optimal utilization standard (1,632 hours per year) for a dedicated general purpose operating room be changed, and, if so, how?
 - What alternatives to the optimal utilization standard should be considered?
2. What is your view of the appropriateness of the flexibility recommended by Commission staff in the draft replacement Surgical Services Chapter? (Refer to page 23 of the draft Chapter presented at the April 20, 2017 Commission meeting)
 - What changes, if any, do you believe that the Commission should consider?
 - What consideration should be given to the efficient use of a surgeon's time in evaluating an exemption request to establish an ambulatory surgical facility?
3. Several informal comments expressed support for allowing a hospital to "relocate" two ORs in order to establish an ASF with two ORs, through an exemption from CON review process. MHCC staff notes that HSCRC staff has indicated that savings to the health care system would likely vary from no savings to the health care system to some savings. HSCRC staff stated that the HSCRS expects to continue to make decisions about hospital revenue budget adjustments on a case-by-case basis, determining: (1) how much revenue will be reduced if a hospital establishes an ASF to shift surgery out of the hospital; and (2) how much revenue needs to be retained to cover fixed cost and overhead.

Should the Commission permit the exemption process to be used to relocate two ORs from a hospital for it to establish an ASF elsewhere?

- What factors should be considered in such a review?
- Should there be any limitation on the distance of the ASF from the hospital relocating the ORs?
- Should there be a minimum level of cost savings to the health care system that must be achieved?

- Should MHCC be concerned about the impact on the cost of services that remain in hospitals?
4. Should the MHCC consider additional changes to encourage shifting outpatient surgery from hospitals to ambulatory surgery centers?
- How will access to care for those with Medicaid insurance and those who require financial assistance be affected by shifting operating room capacity from hospitals to ASFs? Note that MHCC staff has been told that reimbursement levels for treating Medicaid patients at ambulatory surgery centers are regarded as too low, and data indicate that Medicaid patients account for a much higher percentage of hospitals charges for patients who had outpatient surgery compared to the percentage for patients who had surgery in an ambulatory surgery center.
 - Should the MHCC require that an ASF established through an exemption process accept Medicaid as a payor? What would be appropriate?
5. A concern was expressed about the limitations proposed on the relocation of an ASC seeking to add an OR through an exemption process. Should staff recommend changes to the approach in the draft Surgical Services Chapter? (Refer to draft COMAR 10.24.11.06C(3), at pages 21 and 22).
- In considering limitations on the location of an ASF established through an exemption process, should MHCC be concerned with having a “balanced” regulatory process, given the categorical requirement for CON approval to “relocate” health care facilities?