



MARYLAND HEALTH CARE COMMISSION
4160 PATTERSON AVENUE – BALTIMORE, MARYLAND 21215
TELEPHONE: 410-764-3460 FAX: 410-358-1236

MARYLAND HEALTH CARE COMMISSION

Thursday, October 21, 2010

Minutes

Chair Moon called the public meeting to order at 1:05 p.m.

Commissioners present: Conway, Falcone, Fleig, Jefferson, Krumm, Lyles, McLean, Olsen, Ontaneda-Bernales, Petty, Weinstein, and Worthington.

Chair Moon introduced and welcomed Dr. Adam Weinstein as a new member of the Commission. She said that Dr. Weinstein is a native of Baltimore County who completed all of his medical education and training to be a kidney specialist at the University of Maryland School of Medicine. He moved to the upper counties of the Eastern Shore in 2006, where he co-founded a private practice, the Kidney Health Center of Maryland. Dr. Weinstein is the medical director for Nephrology and Transplant Services at Shore Health System (a University of Maryland Hospital affiliate system) as well as some of the dialysis units on the upper Eastern Shore. He is the President of the Talbot County Medical Society and is active in MedChi - the Maryland Medical Society - and is also on the board of directors of the Renal Physicians Association. Dr. Weinstein is board certified in Internal Medicine and Nephrology.

ITEM 1.

Approval of the Minutes

Commissioner Krumm made a motion to approve the minutes of the September 16, 2010 public meeting of the Commission. Commissioner Jefferson asked that the minutes be corrected to show that she attended the meeting via teleconference. With that correction, Commissioner Petty seconded the motion, which was unanimously approved.

ITEM 2.

Update of Activities

Rex Cowdry, Executive Director, noted that Holy Cross Hospital had, upon notice from Commission staff, relinquished its research waiver to perform non-primary percutaneous coronary intervention (PCI) within the context of the C-Port E research study. He noted that the hospital did not meet the required first year volume of 100 total primary and non-primary PCI procedures.

Pam Barclay, Director of the Center for Hospital Services, said that the Commission's web-based Hospital Guide now includes information about how often a specific type of serious but preventable infection occurs in Intensive Care Units (ICUs) and Neonatal Intensive Care Units (NICUs) in Maryland hospitals. Central line-associated blood stream infections, or CLABSIs, occur in patients who have an intravenous central line catheter in place. She said that these potentially devastating infections can largely be prevented by proper insertion and care of the catheter. She noted that, prior to inclusion in the Hospital Guide, the Commission provided feedback and preview reports to hospitals for the 12-month date period of July 1, 2009 through June 10, 2010. Ms. Barclay said the reports enable hospitals to compare their individual CLABSI rates to statewide performance by ICU types and that Commission staff was already seeing improvement in CLABSI rates since the earlier release of data to the hospitals.

ITEM 3.

ACTION: Certificate of Need – St. Agnes Hospital – Modification (Docket No. 07-24-2188)

St. Agnes Hospital applied for a modification of its Certificate of Need to change its physical plant design. Paul Parker, Chief, Certificate of Need, presented the staff recommendation. Mr. Parker said St. Agnes Hospital sought to modify the physical plant design due to economic conditions that required it to consider ways to reduce the cost of the project. He said the proposed modifications do not change the fundamental nature of the approved services that will be in place upon completion of the project and that the changes would result in a reduction of the total project cost of approximately \$39 million. Mr. Parker said the cost reduction is primarily achieved by eliminating the modernization of existing building system improvements, undertaking more modest renovations of existing space, and scaling back on some of the "finishes" planned for the new patient tower. He said that St. Agnes Hospital will be able to forego debt financing for the project and reduce the need for fundraising, while only increasing cash as a source of total project funding by approximately 12%. He also said that the cash equity contribution anticipating for this project in 2007 was 68% of the total project funding and is now expected to provide for 93% of funding for the modified project. Staff recommended that the proposed modification be approved. Commissioner Fleig made a motion to adopt the staff recommendation, which was seconded by Commissioner Conway and unanimously approved. Commissioner Falcone recused himself from this matter.

ACTION: Certificate of Need – St. Agnes Hospital – Modification (Docket No. 07-24-2188) is hereby APPROVED.

ITEM 4.

ACTION: COMAR 10.25.15 – Management Service Organization State Designation – Action on Final Regulations

David Sharp, Director of the Center for Health Information Technology, presented final regulations regarding the designation by the Commission of one or more Management Service Organizations (MSOs) that offer hosted electronic health records solutions throughout the State. These regulations are required by House Bill 706, *Electronic Health Records – Regulation and Regulations*, which were adopted during the 2009 legislative session and were published in the *Maryland Register* on August 27th. MSOs that seek State designation must meet industry standards related to privacy and security, technical performance, and other related criteria. Staff received comments from MedChi, the Maryland State Medical Society, which recommended that the MHCC require MSOs to provide evidence that its workforce includes Maryland residents and that the MSOs are financially solvent. MedChi also recommended that the MHCC establish an MSO of last report. Commissioner Krumm made a motion to adopt the regulations as final, which was seconded by Commissioner Olsen and unanimously approved.

ACTION: COMAR 10.25.15 – Management Service Organization State Designation – Action on Final Regulations – ADOPTED as final regulations.

ITEM 5.

PRESENTATION: 2010 Health Information Technology Update

David Sharp provided the Commission with a briefing on the information included in the draft Health IT Legislative Report, which is required under HB 706, *Electronic Health Records – Regulation and Reimbursement* that passed during the 2009 legislative session. He discussed the efforts to implement a health information exchange and expand electronic health record adoption consistent with the State Health Information Technology Plan, and noted that Maryland is the first state to enact a law that requires state-regulated payers to provide incentives of monetary value for electronic health record adoption. The presentation highlighted the work of stakeholders in framing the proposed regulations (COMAR 10.25.16) and summarized the public comments. The requirements to designate one or more Management Service Organizations included in the law were also reviewed. The law requires the MHCC to identify in the report any actions necessary to align funding opportunities with the Patient Centered Medical Home; Center for Medicare & Medicaid Services HER Demonstration Project; Statewide HIE; and Medicaid Information Technology Architecture Initiative; staff reported that no additional action is required at this time. The 2010 Health IT Legislative Report will be posted on the MHCC website for public comment, and then submitted to the Governor, Senate Finance Committee, and the House Health and Government Operations Committee prior to January 2, 2011.

ITEM 6.

PRESENTATION: 2010 HMO/PPO Health Plan Performance Report

Aisha Pittman, Chief, Health Plan Quality and Performance, presented the 2010 Health Plan Performance Report (consumer guide) which compares the performance of commercial health plans operating in Maryland. Ms. Pittman said that the report contains a wealth of information to assist employers, employees, and individuals in choosing a health plan. She said the report included performance ratings for seven HMO carriers and three PPO carriers who participate voluntarily. Ms. Pittman said the plans report on a range of clinical health care quality and member satisfaction measures. She discussed the trends from 2008-2010 and said there were relatively small changes in performance over the past three years. She said, on average, Maryland plans' scores were comparable to other plans in the region and nation. Ms. Pittman noted that the PPO measurement is still voluntary and, therefore, is not trended. Ms. Pittman said the 2010 report places a spotlight on coordination of care, and highlights health plans' efforts to coordinate members' care and State initiatives that support care coordination.

ITEM 7.

PRESENTATION: Health Care Reform and the Small Group Market

Dr. Cowdry and Bruce Kozlowski, Director of the Center for Health Care Financing and Health Policy, presented the Effects of Health Care Reform on Maryland's Small Group Market. Mr. Kozlowski discussed the basic provisions of the Comprehensive Standard Health Benefit Plan as well as the enrollment trends in the small group market. Dr. Cowdry discussed how risk selection harms the pool when rating principles differ. He also revisited the guiding principles of the "Maryland Plan" that the Commission presented to the legislature during a prior legislative session. Mr. Kozlowski compared the essential benefits package, which will be required under federal reform, with the Comprehensive Standard Health Benefit Plan. Dr. Cowdry discussed the possible market dynamics and how they would affect risk selection in the small group market and concluded by discussing the possible changes in the small group market resulting from federal reform. Commissioners posed questions about the effects of reform on insurance markets, identified some areas of concern, and questioned what the role of the Commission would be with regard to the small group market once the Exchange governance is established, and essential benefits defined.

ITEM 8.

ADJOURNMENT

There being no further business, the meeting was adjourned at 3:30 p.m., upon motion of Commissioner Lyles, which was seconded by Commissioner Jefferson and unanimously approved.