



**Thursday, March 19, 2026**

**MINUTES**

Commissioner Boyle called the meeting to order at 1:02 p.m.

**Commissioners present via telephone and in person:** Agbabiaka-Ojikutu, Bhandari, Cheatham, Douglas, Dzirasa, Foreman, Gilmore, Jensen, O’Kane, Stroughton-Duncan, and Wang

**Commissioners Absent:** Blake, Gelrud, and Spinner.

**AGENDA ITEM 1**

**ACTION: CONSENT AGENDA**

**A.** Approval of Minutes: February 19, 2026, meeting minutes

Item 1A were approved without objection.

**AGENDA ITEM 2**

**UPDATE OF ACTIVITIES**

Dr. Jacobs, Executive Director, provided an overview of the upcoming Maryland Health Care Commission (MHCC or Commission) meeting.

Dr. Jacobs provided an update on the health transformation program, MHCC has been given about \$6 million to establish primary care practices and expand existing primary care practices in rural areas across Maryland. He thanked David Sharp and his team and Alex Bryden as part of some of the operations work for working together in the distribution of these grants. MHCC released a request for information since our last meeting. This request for information is related closely to world tools which is a new term often used when care providers have a patient with an unmet social need for food insecurity or housing problems, they can refer them to a local community-based or organizations to address their needs.

Next, Dr. Jacobs talked about MHCC’s 2025 Annual Report which was sent electronically to all Commissioners. Thank you to our Center for Quality Measurement and Reporting.

Dr. Jacobs agenda item three related to the acquisitions of eighteen (18) skilled nursing facilities, and this is the first time that the commission is essentially implementing statute. This

agenda item has been broken into different sections. Dr. Jacobs talked about the next item on the agenda, which is a certificate of ongoing performance which is related to the University of Maryland, Shore Regional Health for cardiac services.

Finally, we will also have proposed amendments to COMAR 10.25.17. This is related to the electronic use of prior authorization. And so, you might remember that we had a report that came out with prior authorization last year, and this follows up on that, with some regulatory improvements just implemented. Tracey will give an update on the legislative overview and Shakar will give it a presentation on valued codes.

### AGENDA ITEM 3

#### 1. **ACTION:** Acquisitions of 18 CommuniCare Nursing Homes

**A. Baltimore Metro Facilities:** Blue Point Healthcare Center, Ellicott City Healthcare Center, Fayette Health & Rehabilitation Center, Holly Hill Healthcare Center, Laurelwood Healthcare Center, Northwest Healthcare Center

1. **ACTION:** Request to approve the acquisition of the operations and bed rights

2. **ACTION:** Request to approve the acquisition of real estate rights

**B. Potomac Region facilities:** Anchorage Healthcare Center: Clinton Healthcare Center, Forestville Healthcare Center, Fort Washington Healthcare Center, Kensington Healthcare Center, Marley Neck Healthcare Center, Silver Spring Healthcare Center, South River Healthcare Center

1. **ACTION:** Request to approve the acquisition of the operations and bed rights

2. **ACTION:** Request to approve the acquisition of real estate rights

**C. Western Maryland facilities:** Cumberland Healthcare Center, Hagerstown Healthcare Center, Pleasant View Healthcare center, Westminster Healthcare Center

Jeanne Marie Gawel, Chief of Facility Planning, presented staff's recommendation. Ms. Gawel discussed the background on nursing home acquisitions, the proposed buyers, and the consultants who will work with the facilities. She also discussed what information gets reviewed during an acquisition. Next, there was a review of the three regions: Baltimore Metro, Potomac, and Western. A discussion of each region included review of any multi bedded rooms (defined as rooms with more than two beds), the importance of eliminating multi-bedded rooms, which facilities in the region have multi-bedded rooms and what waivers will be granted or not granted for these rooms based on staff's review. After this section, the presentation went on to discuss financial capacity and standards on Medicaid participation, quality, and public interest. Towards

the end of the presentation, Ms. Gawel went over what occurs after the acquisitions are approved, including reporting requirements and the deadlines for such reports. She also reviewed any conditions that were recommended as part of this review. The session ended with a discussion with the applicants and Commission staff, followed by five separate votes.

Commissioner O’Kane moved to APPROVE the Acquisition of the Operations and Bed Rights for Baltimore Metro Facilities, which was seconded by Commissioner Bhandari and, after discussion, unanimously approved.

**ACTION: The Acquisition of the Operations and Bed Rights for Baltimore Metro Facilities is hereby APPROVED with conditions.**

Commissioner Stroughton-Duncan moved to APPROVE the Acquisition of the Real Estate and Improvements of the Baltimore Metro Facilities, which was seconded by Commissioner Douglas and, after discussion, unanimously approved with Conditions.

The conditions are: Waiver Bed Conditions, the facility must maintain 80% Medicaid participation rate, and the facility must continue to provide services to the underserved population identified.

**ACTION: The Acquisition of the Real Estate and Improvements of the Baltimore Metro Facilities with Conditions is hereby APPROVED with conditions.**

Commissioner Cheatham moved to APPROVE the Acquisition of the Operations and Bed Rights for Potomac Region Facilities, which was seconded by Commissioner Stroughton-Duncan and, after discussion, unanimously approved.

**ACTION: The Acquisitions of the Operations and Bed Rights for Potomac Region Facilities is hereby APPROVED with conditions.**

Commissioner Stroughton-Duncan moved to APPROVE the Acquisition of the Real Estate and Improvements of the Potomac Region Facilities, which was seconded by Commissioner Douglas and, after discussion, unanimously approved with Conditions.

**ACTION: The Acquisition of the Real Estate and Improvements of the Potomac Region Metro Facilities with Conditions is hereby APPROVED with conditions.**

Commissioner Cheatham moved to APPROVE the Acquisition of the Operations and Bed Rights for Western Maryland Facilities, which was seconded by Commissioner Bhandari and, after discussion, unanimously approved.

**ACTION: The Acquisitions of the Operations and Bed Rights for Western Maryland Facilities is hereby APPROVED with conditions.**

#### **AGENDA ITEM 4**

##### **ACTION: Certificate of Ongoing Performance: University of Maryland, Shore Regional Health at Easton, Docket No. 25-20-CP066**

Eliot Burkom, Program Manager, presented the staff report and recommendation for the Certificate of Ongoing Performance application submitted by the University of Maryland Shore Regional Health at Easton for primary and elective percutaneous coronary intervention (PCI) services. He provided an overview of the MHCC staff's analysis of the application. Staff recommended approval of the University of Maryland Shore Regional Health at Easton's application to allow the hospital to continue providing primary and elective PCI services for four years. Following questions and discussion amongst the Commissioners, surrounding the Door-to-Balloon times for PCI transfer patients at the hospital, a condition was added to the Certificate. The condition requires that, beginning August 1, 2026, the hospital provide a report every 6 months for the next 4 years. This report must outline the transfer cases' door-to-balloon times, including the door-to-balloon time, the timing of each transfer subcomponent, specific details behind each transfer, and the plan to improve transfer times.

Commissioner O'Kane moved to APPROVE Certificate of Ongoing Performance: University of Maryland, Shore Regional Health at Easton, which was seconded by Commissioner Jensen and, after discussion, unanimously approved.

##### **ACTION: Certificate of Ongoing Performance: University of Maryland, Shore Regional Health at Easton is hereby APPROVED with conditions.**

#### **AGENDA ITEM 5**

##### **ACTION: Proposed Amendments to COMAR 10.25.17 - Preauthorization of Health Care Services**

Justine Springer, Program Manager, presented proposed amendments to COMAR 10.25.17 that respond to SB 791 – Health Insurance – Utilization Review – Revisions (2024). The law requires payors to implement an online process related to prior authorization for prescription drugs and directs MHCC to establish a waiver process for providers unable to access the online process. Ms. Springer stated the proposed regulations will be published in the Maryland Register for a 30-day comment period in May, and final action by the Commission is anticipated in June.

Commissioner Stroughton-Duncan made a motion to APPROVE Proposed Amendments to COMAR 10.25.17 - Preauthorization of Health Care Services, which was seconded by Commissioner Gilmore and, after discussion, unanimously approved.

##### **ACTION: Proposed Amendments to COMAR 10.25.17 - Preauthorization of Health Care Services is hereby APPROVED.**

## **AGENDA ITEM 6**

### **PRESENTATION: 2026 Legislative Overview**

Tracey DeShields, Director of Policy Development and External Affairs, gave an update on the legislative session. Ms. DeShields started by saying that the session is heading toward crossover day on March 23rd. Crossover is when bills must move to the opposite houses of the General Assembly. This period is characterized by a flurry of bill activity; the final introduction of bills without suspending the rules is set for March 9th. Bills introduced after this date will face additional hurdles, as they must go through the rules committee, which is often seen as a challenging process. Ms. DeShields stated that there are currently over 1,400 bills that have been introduced in the Senate and more than 2,200 in the House, with approximately 250 bills being actively tracked. She did a high-level overview of the bills that MHCC weighed in on and/or is tracking.

Next, Ms. DeShields stated that the most recent bill hearings included discussions on various topics, such as the certificate of need for intermediate healthcare facilities, which received favorable testimony without opposition. Additionally, there has been testimony regarding primary care investment targets and a bill to add a hospital administrator to the commission, both of which also garnered support. MHCC has upcoming hearings for Senate Bill 494 and House Bill 944, which focus on material change transactions, with testimony provided by Dr. Jacobs. Ms. DeShields also stated that the budget hearings for the regulatory commissions were completed without issues in both the Senate and House. Overall, the MHCC legislative committee meetings have been efficient, and the team is optimistic about the progress on various bills and initiatives.

**ACTION REQUESTED: NONE**

## **AGENDA ITEM 7**

### **PRESENTATION: Mis-Valued Codes**

Shankar Mesta, Chief of the Cost and Quality Center for Analysis and Information Systems, presented findings from an analysis of potentially misvalued codes in the Medicare Physician Fee Schedule (PFS) using 2023 Maryland All Payors Claims Data (APCD) data. The study supports MHCC's goal of promoting more accurate service valuation, as emphasized in the recent primary care investment report. Mr. Mesta reviewed how the PFS determines relative values—physician work, practice expenses, and malpractice costs—and underscored the impact of misvaluation. He emphasized that overvalued services may lead to unnecessary utilization, while undervalued services can limit access. Because the PFS is budget-neutral, correcting valuation inaccuracies is essential for equitable resource distribution. He noted that CMS will now consider empirical data submitted by stakeholders by February 10 each year. Alternative data sources, such as electronic health records, NSQIP, and claims data, will be used to support valuation updates. The APCD dataset provides an additional evidence-based

resource for identifying misvalued codes. Mr. Mesta highlighted limitations of past CMS reliance on RUC surveys, which have been criticized for bias and small sample sizes. He cited a 2016 Urban Institute study and a 2025 RAND study that both identified significant discrepancies in intraservice time estimates across a wide range of HCPCS codes.

Shakar mentioned that the MHCC analysis focused on codes identified by these studies. Using a “provider day” methodology, the team examined claims data to assess whether billed volumes implied unrealistic work times. For each provider and HCPCS code, daily service volume was multiplied by the PFS median intraservice time. Codes generating more than eight hours of intraservice time were flagged, with additional review for days exceeding 24 total hours across all procedures. He noted that the analysis is conservative because it excludes pre and post service time. He described that the results confirmed that work-time values for 13 CPT codes do not reflect real-world practice. A notable example was CPT 88305 (Level IV Tissue Exam), which showed 1,763 provider days exceeding eight hours and 587 instances exceeding 24 hours. Although designated for pathologists, the code was also billed by gastroenterologists and dermatologists at volumes inconsistent with realistic work capacity. Mr. Mesta emphasized that such overvaluation could create incentives for unnecessary procedures. Mr. Mesta confirmed that an official letter was submitted to CMS on February 10 requesting adoption of NSQIP median intraservice times for surgical codes in five identified families. The Commission will await CMS’s response and conduct further analyses incorporating provider specialty to validate trends.

Commissioner Bhandari remarked that relative value unit (RVU) time estimates have been subject to misuse and asked how the findings of this study could be applied effectively at the national level. In response, Executive Director Dr. Jacobs stated that he would draw upon his prior experience at CMS to explore potential adjustments to physician payment rates.

**ACTION REQUESTED: NONE**

## **AGENDA ITEM 8**

### **OVERVIEW OF UPCOMING ACTIVITIES**

Dr. Jacobs provided a preview of April’s Commission meeting, noting several key action items: Proposed Amendments to COMAR 10.24.01.13 Procedural Regulations for Health Care Facilities and Services, Certificate of Ongoing Performance for Adventist Shady Grove, Certificate of Need for Ruxton Surgi Center, presentation on the 2026 Legislative Overview, and MHCC Website Demo.

**ACTION REQUESTED: NONE**

## **AGENDA ITEM 9**

### **ADJOURNMENT**

Acting Chair Boyle asked for a motion to adjourn the commission meeting. There being no further business, the meeting was adjourned at 4:08 p.m. upon the motion of Commissioner Stroughton-Duncan, which was seconded by Commissioner Jensen.