



Update on State Health Plan Development: General Surgical Services

**Maryland Health Care Commission
February 18, 2021**

Draft Changes to Regulation Proposed in Response to Statutory Changes

- Definition of Ambulatory Surgical Facilities (ASFs) subject to CON regulation from 2+ operating rooms to 3+ operating rooms.
- Provide hospitals with the same opportunity to establish non-rate regulated ASFs as other persons.
- Above changes allow for elimination of 2018 regulations creating opportunities for exemption review of two OR ASFs.
- Update definition of “procedure room” to conform with 2020 statutory changes – limited use of general anesthesia.

Other Proposed Changes

- ❑ Eliminate requirement for FASFs to have a “written” transfer and referral agreement with a hospital. Only require a transfer and referral “arrangement” consistent with MDH regulations.
- ❑ Simplify charity care requirements. Incorporate HSCRC requirements by reference for hospitals. Require FASFs to demonstrate appropriateness of charity care commitment based on analysis of the socio-economic characteristics of the service area.
- ❑ Eliminate “Preference in Comparative Review” standard.

Other Proposed Changes (continued)

- ❑ Update construction cost standard to reflect the change in the hospital payment model from a “cost per case” model to a “global budget revenue” model.
- ❑ Add a policy statement: ***“Outpatient surgical services should be performed, whenever they can be safely performed, in lower charge outpatient surgical center settings.”***
- ❑ Make changes reflecting current scope of CON regulation for health maintenance organizations.
- ❑ Streamline determinations of coverage for acquisition of smaller surgical centers.

Next Steps

- ❑ Draft regulations posted on February 12, 2021 on MHCC website for informal review and comment with notice to hospitals, FASFs, and MASA.
- ❑ Review comments received and develop draft for review by Commission as proposed regulations.
- ❑ Take final action on proposed regulations in March, followed by formal review and comment. Adoption as final regulations in May.