



Priority Order and Timeline of State Health Plan Chapter Review and Revision

**Maryland Health Care Commission
April 15, 2021**

Maryland Statute (Health-General § 19-118) on the SHP

- Consistency with All Payor Model Contract
- Include methodologies, standards, and criteria for CON review
- Prioritize conversion of “acute capacity” to alternative uses
- Annually (or upon petition):
 - Assess each Chapter
 - Determine chapters needing review and revision
 - Establish priorities and timelines for review and revision of chapters
 - Publish changes considered necessary
- Ensure broad public input – public hearings and local health plans
- Address availability, accessibility, cost, and quality of care
- Review and revise periodically to reflect new developments in planning, delivery, and technology
- Recognize, but do not apply, develop, or duplicate standards or requirements related to quality which have been adopted and enforced by national or State licensing or accrediting authorities

Modernizing CON Regulation – December 2018 Report

- ❑ Limitation on the number of standards – Require focus on key factors that should guide an up or down decision on a capital project
- ❑ Simplification of standards – Require clarity and measurability
- ❑ Criteria – for use in standards development and, more generally, in project review
 - Need for the project
 - Viability of the project
 - Impact of the project on costs/charges and on access to care
 - Applicant qualifications

Current State of the State Health Plan

Old and Largely Outdated

COMAR 10.24.07: Psychiatric Hospital Services (1997) (***Currently under revision***)

COMAR 10.24.12: Inpatient Obstetrical Services (2002)

COMAR 10.24.14: Alcoholism and Drug Abuse Intermediate Care Facility Treatment Services (2002/2013)

Old and Moderately Outdated

COMAR 10.24.18: Neonatal Intensive Care Services (1998/2006)

COMAR 10.24.10: General Hospital Services (2009)

Updated in Last Ten Years

COMAR 10.24.09: Rehabilitation Hospital Services (2013)

COMAR 10.24.13: General Hospice Services (2013)

Updated in Last Five Years

COMAR 10.24.16: Home Health Agency Services (2016)

COMAR 10.24.15: Organ Transplant Services (2017)

COMAR 10.24.11: General Surgical Services (2018) (***Currently under revision***)

COMAR 10.24.17: Cardiac Surgery and Percutaneous Coronary Intervention Services (2019)

COMAR 10.24.20: Comprehensive Care Facility (Nursing Home) Services (2019)

Newly Established in Last Five Years

COMAR 10.24.19: Freestanding Medical Facility Services (2017)

Underdeveloped

COMAR 10.24.07: Residential Treatment Center Services (1997)

COMAR 10.24.08: Chronic Care Hospital Services (2007)

Final Action on CON Applications - Frequency

The primary SHP Chapters guiding the review of CON applications for which final decisions (or application withdrawals) occurred between Jan. 2011 and Mar. 2021 (n=90)

	<u>Projects</u>
52%	
COMAR 10.24.11: General Surgical Services (2018)	18
COMAR 10.24.20: Comprehensive Care Facility (Nursing Home) Services (2019)	15
COMAR 10.24.13: General Hospice Services (2013)	14
32%	
COMAR 10.24.16: Home Health Agency Services (2016)	10
COMAR 10.24.10: General Hospital Services (2009)	10
COMAR 10.24.14: Alcoholism and Drug Abuse ICF Treatment Services (2002/13)	9
16%	
COMAR 10.24.07: Psychiatric Hospital Services (1997)	5
COMAR 10.24.09: Rehabilitation Hospital Services (2013)	5
COMAR 10.24.07: Residential Treatment Center Services (1997)	2
COMAR 10.24.17: Cardiac Surgery and PCI Services (2019)	2

CON Applications and LOIs In the Pipeline – April 2021

Active Applications (Docketed and Undocketed) Projects

COMAR 10.24.15: Organ Transplantation Surgery (2017)	2
COMAR 10.24.10: General Hospital Services (2009)	2
COMAR 10.24.07: Psychiatric Hospital Services (1997)	1
COMAR 10.24.20: Comprehensive Care Facility Services (2019)	1

Valid Letters of Intent Letters

COMAR 10.24.14: Alcoholism and Drug Abuse ICF Treatment Services (2002/13)	2
COMAR 10.24.07: Psychiatric Hospital Services (1997)	1
COMAR 10.24.12: Inpatient Obstetrical Services (2002)	1

Recommended Priorities for SHP Redevelopment – Top Priority

1. COMAR 10.24.10: General Hospital Services (2009)

- Old and moderately outdated
- Medium frequency use
- Important to improve alignment with TCOC payment model
- Focus of upgrade
 - Align with TCOC payment model and related HSCRC processes
 - Scale back number of standards
 - Simplify charity care standard, shell space standard, cost and space-related standards

Recommended Priorities for SHP Redevelopment - High Priority

2. COMAR 10.24.14: Alcoholism and Drug Abuse ICF Services (2002/2013)

- Most of plan is old and outdated
- Medium frequency use
- A facility identified in the CON Modernization Report as a poor fit for the CON regulatory model – additions of bed capacity by existing facilities deregulated in 2019
- Legislation to remove from the scope of CON likely in 2022 Session of General Assembly

3. COMAR 10.24.13: General Hospice Services (2013)

- Eight years old but only implemented in 2017/19 - needs significant streamlining based on recent experience
- Relatively high frequency use
- Key reform – creating an opportunity for reducing jurisdictions with a single general hospice provider
- A facility identified in the CON Modernization Report as a poor fit for the CON regulatory model – bed additions deregulated in 2019

4. COMAR 10.24.16: Home Health Agency Services (2016)

- Only five years old but in need of significant streamlining based on use of the 2016 update
- Medium frequency use
- Scale back charity care requirements and eliminate other standards – look for ways to align with TCOC payment model
- A facility identified in the CON Modernization Report as a poor fit for the CON regulatory model

Recommended Priorities for SHP Redevelopment – Medium Priority

1. COMAR 10.24.11: General Surgical Services (2018)

- Only one year old but bypassed by law changes.
- High frequency use
- Adoption of proposed regulations anticipated in May 2021

2. COMAR 10.24.19: Freestanding Medical Facility Services (2017)

- Chapter will have been used at least five times for review of hospital conversions by the end of 2021
- Medium frequency use
- Review and revision will be informed by that experience

3. COMAR 10.24.07: Residential Treatment Center Services (1997)

- These regulations will become a “rump” section of the current regulations when the acute psychiatric services is finalized this year
- Low frequency use but major recent contraction in facilities and bed capacity and obsolescence of current regulations elevate priority

4. COMAR 10.24.09: Rehabilitation Hospital Services (2013)

- Eight years old
- Low frequency use

Recommended Priorities for SHP Redevelopment – Low Priority

COMAR 10.24.18: Neonatal Intensive Care Services (1998/2006)

- Old but not largely outdated – MDH perinatal system standards incorporated by reference need to be replaced
- Very low frequency use (no projects in last 10 years)

COMAR 10.24.12: Obstetric Services (2002)

- Very old and moderately outdated
- Very low frequency use – use once since promulgated – LOI on file since early 2020

COMAR 10.24.15: Organ Transplant Services (2017) Low frequency – recent update

COMAR 10.24.17: Cardiac Surgery and PCI Services (2019) Low frequency – recent update

COMAR 10.24.08: Chronic Hospital Services (CCF regulations became COMAR 10.24.20 in 2019)

- These regulations are a “rump” section of the former nursing home chapter, COMAR 10.24.08
- Very low frequency use – no basis for projecting policy direction likely to be largely negative with respect to any new development

Projected Timeline for SHP Redevelopment

FY 2021

COMAR 10.24.20 Acute Psychiatric Services (currently proposed regulations) *High Priority in 2020*

FY 2022

COMAR 10.24.11 General Surgical Services (proposed regulations in May 2021) *Medium Priority*

COMAR 10.24.10 Acute Care Hospital Services *High Priority*

COMAR 10.24.13 General Hospice Services *High Priority*

COMAR 10.24.16 Home Health Agency Services **High Priority** *High Priority*

FY 2023

COMAR 10.24.14 Alcoholism and Drug Abuse ICF Services *High Priority*

COMAR 10.24.19 Freestanding Medical Facility Services *Medium Priority*

COMAR 10.24.07 Residential Treatment Center Services *Medium Priority*

COMAR 10.24.09 Rehabilitation Hospital Services *Medium Priority*