Andrew N. Pollak, MD
CHAIR

STATE OF MARYLAND

Ben Steffen
EXECUTIVE DIRECTOR

MARYLAND HEALTH CARE COMMISSION

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July 31, 2020

The Honorable Larry Hogan
Governor
State of Maryland
Annapolis, MD 21401-1991

The Honorable Adrienne A. Jones
Speaker of the House
State House, H-101
Annapolis, MD 21401-1991

The Honorable Bill Ferguson
President of the Senate
State House, H-107
Annapolis, MD 21401-1991

Secretary Robert R. Neall
Maryland Department of Health
201 W. Preston Street
Baltimore, MD 21201-2399

RE: Health General § 19-109(b)(4) – Maryland Health Care Commission Annual Report, Fiscal Year 2019 (MSAR # 8508)

Dear Governor Hogan, President Ferguson, Speaker Jones, and Secretary Neall:

The Maryland Health Care Commission is pleased to submit the Maryland Health Care Commission Annual Report for Fiscal Year 2019, as required by Health General § 19-109(b)(4).

We welcome any comments that you have. Please do not hesitate to contact me at 410-764-3566 or Ben.Steffen@maryland.gov if you have questions.

Sincerely,

Ben Steffen
Executive Director

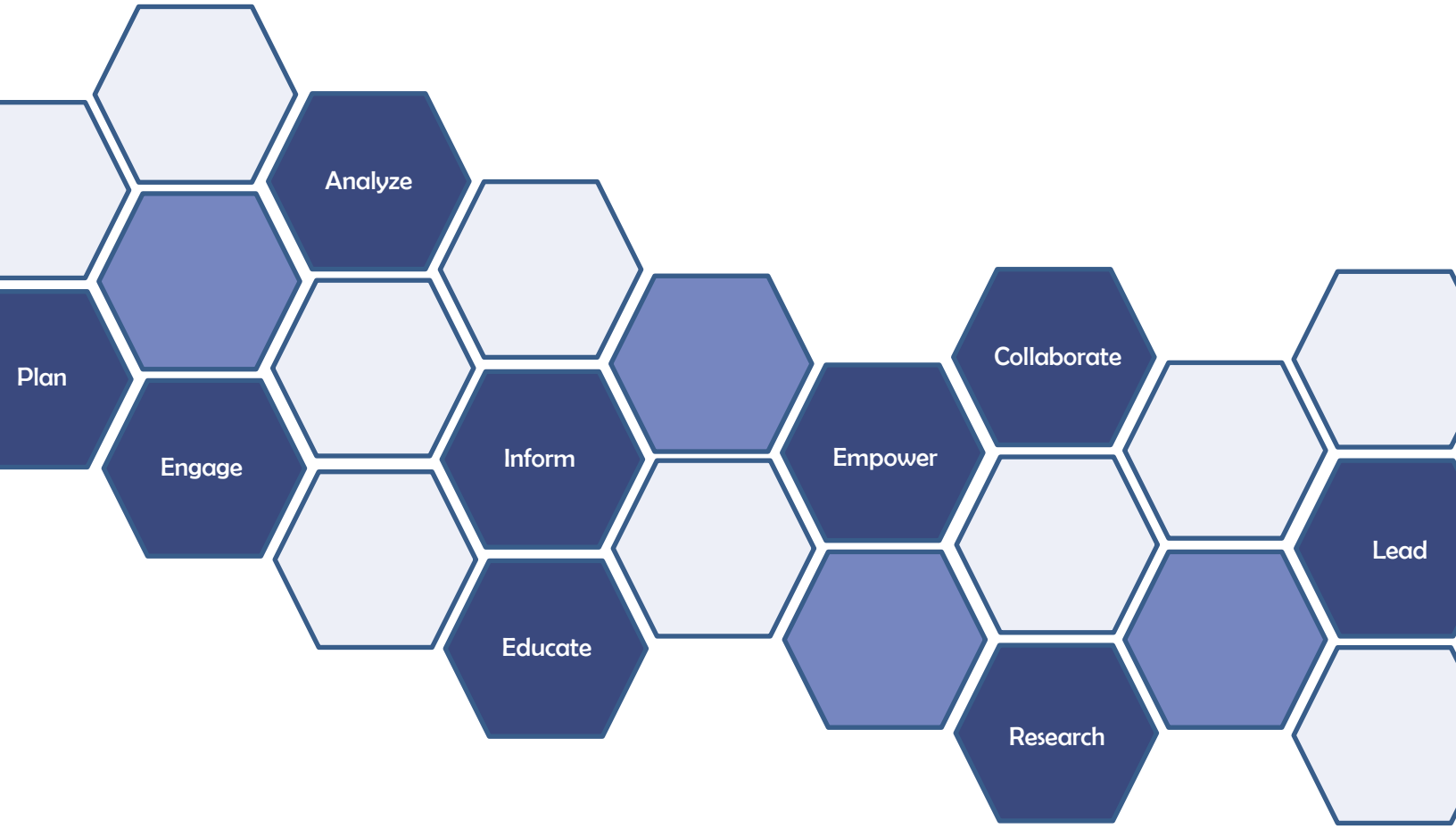
Enclosure

cc:
The Honorable Delores G. Kelley
The Honorable Shane E. Pendergrass
Andrew N. Pollak, MD, Chair, Maryland Health Care Commission
Cara Sullivan, Deputy Legislative Officer, Governor's Legislative Office
Webster Ye, Director, Office of Governmental Affairs, Maryland Department of Health
Sarah Albert, Department of Legislative Services, (MSAR #8508) (5 copies)

MARYLAND HEALTH CARE COMMISSION

Maryland Health Care Commission

2019 Annual Report



July 1, 2018 through June 30, 2019

Andrew N. Pollak, MD, Chairman
Ben Steffen, Executive Director

Executive Summary

This annual report to the Governor describes the activities and accomplishments of the Maryland Health Care Commission (MHCC or the Commission) during fiscal year 2019.

In 2019, MHCC reached key milestones in the following strategic areas:

1. Development of The Maryland Health Care Commission 2019-2022 Strategic Report
2. Report on Health System Quality and Cost
    - Completed 2018 Healthcare-Associated Infection public reporting initiative.
    - Collaborated with The Leapfrog Group to enable publication of patient safety ratings for Maryland hospitals.
    - Implemented a statewide marketing campaign on the *Quality Reports* website.
    - Completed the 2018 Nursing Home Family Experience of Care Survey.
    - Completed the 2018-2019 Nursing Home and Assisted Living Employee Influenza Vaccination Surveys.
    - Enhanced collaboration with the hospice industry by distributing performance reports from the annual Maryland Hospice Survey to the hospice providers.
    - Reduced All-Payer Claims Database data submission errors and reduced review time.
3. Health Facilities Planning and Certificate of Need
    - Initiated a new phase of Certificate of Need (CON) modernization to align CON regulation with Maryland's Total Cost of Care Model.
    - Supported the passage of legislation key to implementing previously recommended CON reforms.
    - Completed final action on 17 CON applications and five exemptions from CON review, including conversion of two general hospitals to freestanding medical facilities.
4. Expanding Adoption of Information Technology in Health Care
    - Assessed statewide progress of electronic health records, use of health information exchanges, and adoption of telehealth.
    - Registered health information exchanges that meet the revised definition in Maryland law.
    - Provided privacy and security policy oversight to CRISP, the State-Designated Health Information Exchange.
    - Organized a health care facility cybersecurity readiness and risk management symposium.
    - Convened the Maryland Primary Care Council.
    - Established a Care Management Focus Group to address policy challenges and identify best practices for advancing care management in ambulatory practices.
    - Provided practice transformation support to 800 providers participating in the Centers for Medicare & Medicaid Services Practice Transformation Network.
5. Support Statewide Initiatives
    - Provided analytical support and information from the Medical Care Data Base for assessing the impact of the Maryland All-Payer and Total Cost of Care Models.
    - Released annual report to the Maryland General Assembly on the status of the Trauma Fund.

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Introduction

Mission

Vision

This report contains a summary of the fiscal year 2019 activities of the Maryland Health Care Commission (MHCC or the Commission). MHCC is an independent regulatory agency whose mission is to plan for health system needs, promote informed decision-making, increase accountability, and improve access in a rapidly changing health care environment. MHCC is governed by 15 Commissioners appointed by the Governor with the advice and consent of the Senate. Dr. Andrew Pollak was appointed Chairman of the MHCC by Governor Larry Hogan in February 2019. Randolph Sergent serves as Vice Chairman.

To achieve this mission, MHCC provides timely and accurate information on availability, cost, and quality of services to policymakers, purchasers, providers, and the public. The Commission's vision for Maryland is to ensure that informed consumers hold the health care system accountable and have access to affordable and appropriate health care services through innovative programs.

The MHCC is legislatively mandated to carry out the following activities for the State of Maryland:

- Report on health system quality and cost
- Plan for and maintain the availability and financial viability of health care facilities and services
- Reduce the costs of health care through wider adoption of information technology
- Promote health care delivery system reform
- Develop an all-payer database to monitor cost, quality, and population health
- Monitor health care expenditures
- Protect safety-net providers
- Monitor health disparities

When directed by the General Assembly, MHCC conducts health policy studies of importance to the General Assembly, monitors Maryland's health care workforce, and serves as a technical resource to the Health Services Cost Review Commission (HSCRC) for the All-Payer Model and Total Cost of Care (TCOC) Demonstration.

The Commission's Strategic Plan for calendar years 2019 through 2022 focuses on five priorities: communications, health care cost and quality information, Certificate of Need modernization, supporting the adoption of value-based payment models, and encouraging the use of telehealth. MHCC also recognizes the importance of addressing social determinants of health and health disparities on health outcomes and wellbeing in Maryland.

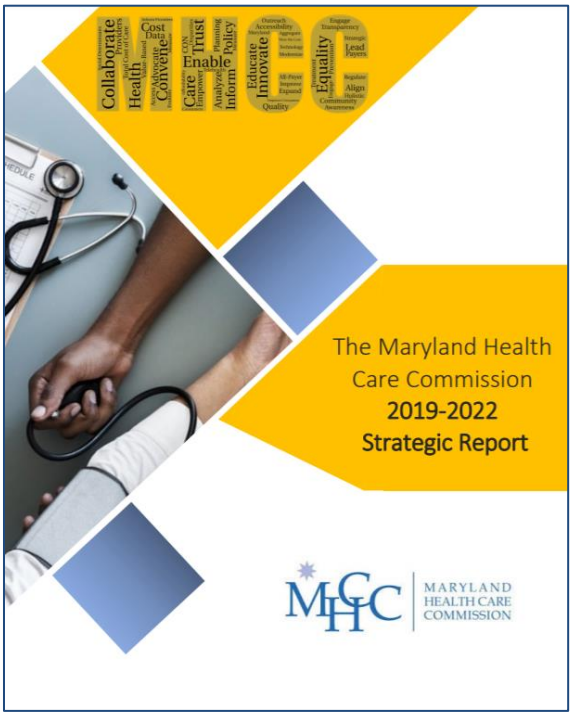
The first section of this report covers MHCC activities and accomplishments in fiscal year 2019. The second section addresses MHCC operations, including organization, staffing, and budget.

Section 1: 2019 MHCC Activities and Accomplishments

This section focuses on MHCC's activities and accomplishments in fiscal year 2019. A key MHCC activity was releasing a strategic report for calendar years 2019–2022. Activities of the Commission are arranged to correspond with the priorities specified in the strategic report. In addition, this report contains information on MHCC's efforts to support statewide initiatives and respond to legislative directives.

The Maryland Health Care Commission 2019-2022 Strategic Report

The Maryland Health Care Commission released its "2019-2022 Strategic Report" in early 2019. This report was a major milestone of 2019. The report was developed following the November 2018 MHCC Strategic Retreat. During the retreat, Commissioners and MHCC staff reviewed past activities, brainstormed potential opportunities, and set priorities for upcoming years. The plan also includes input from an online survey and phone interviews completed before the strategic retreat.



In the report, the Commission identifies five strategic priorities to advance Maryland's health care goals. The Maryland Health Care Commission's strategic plan for 2019–2020 contains the following five priorities:

- Educate, inform, and engage the health care community on MHCC activities to elevate the success of the Commission's work in all priority areas.
- Make MHCC the trusted source of quality and cost information by increasing the use of MHCC quality and cost data by all members of the State health care system, including Maryland residents, to increase price transparency and reduce use of low-value care.
- Modernize the Certificate of Need Program to minimize administrative burden and support the State's goals under the All-Payer Model (now the Total Cost of Care Model).
- Enable providers to participate in value-based payment models by collaborating with stakeholders to engage specialty groups and facilitating wider adoption of alternative payment models.
- Expand the use of telehealth services in a variety of health care settings by educating providers and patients and evaluating grant programs.

This report contains an overview of Maryland's health care environment, a discussion on MHCC's plans to address social determinants of health and health disparities, and a description of the Commission's strategic priorities.

View the full report here.

Health System Quality and Cost Transparency

The Maryland Health Care Commission has a number of ongoing programs related to health care system quality and cost transparency data. The Commission's statute mandates evaluation of the quality and performance of Maryland's health care providers. These mandates serve to increase health system transparency, promote informed decision-making among consumers, facilitate improvements in the delivery of care, and support the State's unique hospital rate-setting system.

In December 2014, the Commission introduced the *Maryland Health Care Quality Reports* website (https://healthcarequality.mhcc.maryland.gov), a comprehensive, consumer-friendly resource tool that brings together mandated public reporting initiatives on hospitals, long-term care, ambulatory surgery centers, and Maryland health insurance plans.

The Commission also manages Maryland's All-Payer Claims Database (APCD), which includes claim and eligibility information from Medicare, Medicaid, and 37 private payers. The APCD is used to report on total health care costs and utilization.

2019 Milestones

- Completed the calendar year (CY) 2018 Healthcare-Associated Infection public reporting initiative. Hospitals continued to make solid improvements on most reported infection types. Results are posted on the *Maryland Health Care Quality Reports* website and updated annually.
- Collaborated with The Leapfrog Group to enable Maryland hospitals to receive national patient safety ratings.
- Implemented a statewide marketing campaign to increase public awareness of the *Quality Reports* website. Engaged a marketing firm to produce a how-to-use video, which is now posted on the website. Ran advertisements, using the video, in local movie theaters.
- Completed the 2018 Nursing Home Family Experience of Care Survey. Survey results indicate that Marylanders are satisfied with nursing homes overall.
- Completed the 2018–2019 Nursing Home and Assisted Living Employee Influenza Vaccination Surveys. Nursing homes reported 88% of their employees were vaccinated, and assisted living facilities reported 57% of their employees were vaccinated.
- Enhanced collaboration with the hospice industry by distributing performance reports to hospice providers. The reports were generated from data collected through the annual Maryland Hospice Survey.
- Reduced APCD data submission errors and reduced review time.
- Completed several reports and studies utilizing the APCD, including "Spending and Use among Maryland's Privately Fully-Insured 2017," "Payment for Professional Services in Maryland (2015 – 2017)," and "Privately insured Mental Health and Substance Abuse Spending in Maryland (2013 – 2017)."

Public Reporting/Transparency Initiatives

The Commission has a variety of initiatives that are focused on publicly reporting information related to health care quality and health care cost.

Healthcare-Associated Infection Public Reporting Initiative

All acute-care hospitals in Maryland are required by the MHCC to report six types of health care–associated infections to the federal Centers for Disease Control and Prevention's National Healthcare Safety Network system. These infection types are 1) central line–associated bloodstream infections (CLABSI); 2) methicillin-resistant Staphylococcus aureus (MRSA); 3) Clostridium difficile (C. diff.); 4) catheter-associated urinary tract infections (CAUTI); 5) health care worker influenza vaccination rates; and 6) surgical site infections for hip, knee, Coronary artery bypass grafting (CABG), hysterectomy, and colon surgery. Since implementation of this public reporting initiative, Maryland hospitals have continued to make solid improvements to reduce health care–associated infections. In fiscal year (FY) 2019, the Commission collected and analyzed CY 2018 infection data that showed Maryland hospital performance was better than the national baseline for reducing C. diff., CAUTI, and CLABSI in intensive care units. These performance measures are updated on the *Quality Reports* website annually. In an effort to promote greater collaboration among hospitals, MHCC hosted a series of interactive learning sessions geared toward infection preventionists.

Collaboration with The Leapfrog Group

The Leapfrog Group is an independent national nonprofit organization that annually rates hospitals on patient safety performance. Historically, Maryland hospital participation in The Leapfrog Group's hospital rating system was limited to a few hospitals that voluntarily participated with Leapfrog. To facilitate greater transparency, the Commission worked with The Leapfrog Group to generate the measure results needed to include Maryland hospitals in their Hospital Safety Grade system. MHCC continues to support this national grading system.

Increasing Public Awareness of the *Quality Reports* Consumer Website

Increasing public awareness of the *Quality Reports* consumer website was a major focus in FY 2019. Commission activities included social media posts, consumer focus groups, conference exhibits, website demonstrations, and distribution of brochures and information to get the word out to the public. The Commission engaged a marketing firm to create promotional materials and advertisement media, including a short video describing how to use the website. The video was placed on the *Quality Reports* website homepage and has been very positively received. A shorter video was played during movie theater previews, and posters were displayed in movie theater lobbies across the State. The video was also advertised to selected target audiences on YouTube. The marketing efforts resulted in roughly a 20% increase in website use during the advertising campaign. Updated data was added to the site throughout the year to ensure visitors saw accurate and timely information.

Price Transparency: Hospital Diagnosis-Related Groups and *Wear the Cost*

The Commission publishes hospital cost information for consumers through the *Quality Reports* consumer website in the form of cost data on Diagnosis-Related Groups (DRGs), and publishes the cost of shoppable hospital-based services on the *Wear the Cost* site.

The Commission has expanded the price information on the *Quality Reports* consumer website from the 15 most frequently occurring DRGs to reporting all DRG categories and enhanced the presentation of the data from a PDF document to a searchable database that allows consumers to sort by payer, volume,

average length of hospital stay, and hospital average charge per case. Going forward, the hospital price transparency display will include hospital outpatient procedure volume and average charge per case. Price information for all DRGs is available at here. As an example of price information by payer, the following webpage displays average DRGs for Medicare here.

Table 1: Average Charge per Case for Selected High Case Volume Hospitals for Selected APR-DRGs[1] Calendar Year 2018[2]

Newborn and Delivery						
Medical Conditions (APR-DRG)	State Average	Adventist Shady Grove	Anne Arundel Center	Holy Cross Hospital Silver Spring	Greater Baltimore Medical Center	Howard County Memorial
Normal newborn	$2,191	$3,477	$1,845	$1,624	$2,490	$2,037
Vaginal delivery	$8,297	$6,408	$6,553	$7,283	$6,040	$8,546
Cesarean delivery	$10,359	$7,077	$7,532	$8,012	$8,740	$10,374
Common Joint Procedures						
Medical Conditions (APR-DRG)	State Average	MedStar Union Memorial Hospital	Mercy Medical Center	Sinai Hospital	Suburban Hospital	University of Maryland St. Joseph Medical Center
Knee joint replacement	$23,457	$24,635	$17,959	$31,590	$18,533	$18,721
Hip joint replacement	$23,191	$21,296	$18,382	$31,835	$18,769	$19,260

Another price transparency initiative of the Commission is the Wear the Cost initiative. The goal of the Wear the Cost initiative (WeartheCost.org) is to increase transparency of cost and quality differences among Maryland hospitals for shoppable health care services. The website shows a patient's average cost for standard hospital procedures (e.g., hip and knee replacements, vaginal delivery, and hysterectomy) at different Maryland hospitals. The site shows two kinds of costs: typical and expected costs for the procedure and costs associated with potentially avoidable complications (PACs) such as surgical mistakes. Hospitals that have low total costs and low PAC rates may offer the best value for patients. In early FY

[1] APR-DRG means "All Patients Refined Diagnosis Related Groups", which is a system that classifies patients based on reason for admission and risk factors.

[2] *Maryland Healthcare Quality Reports* website (https://healthcarequality.mhcc.maryland.gov/public/TopDrgPricingForHospitals).

2019, MHCC added data and functionality to this website, including a function that allows consumers to run custom reports. MHCC also promoted the site using digital advertising and social media campaigns. In fiscal year 2019, over 16,000 users visited the *Wear the Cost* website, including more than 5,000 users from Maryland.

Consumer Guide to Long Term Care

The *Consumer Guide to Long Term Care* website offers information to Maryland consumers regarding long-term care services and facilities (i.e., nursing homes, assisted living, hospice, adult day care, home health) in Maryland. The guides include information Marylanders can use to evaluate the quality and suitability of different long-term care facilities, including facility statistics, federal quality measures, results of the annual Nursing Home Family Experience of Care Survey, and results of the Nursing Home and Assisted Living Employee Influenza Vaccination Survey. The Commission updates data on the *Long Term Care Consumer Guide* throughout the year. The *Long Term Care Guide* is the most frequently visited consumer site managed by the Commission, with approximately 20,000 viewers annually.

The Value of Publicly Reporting Employee Influenza Vaccination Rates

In FY 2010, the Commission implemented requirements for the collection and reporting of employee influenza vaccination rates for hospitals. In the following years, the reporting requirement was extended to nursing homes, assisted living facilities, and ambulatory surgery centers. This information is included on the Maryland *Quality Reports* and *Consumer Guide to Long Term Care* websites. With increased public awareness of the value of employee vaccination in preventing infections, the vaccination rates increased for all provider types. The statewide hospital employee vaccination rate increased from 78% when the requirement was first initiated in FY 2010 to 97% in FY 2019. This rate was higher than the national average for hospitals, making Maryland one of the top-performing states according to the Centers for Disease Control and Prevention (CDC). In FY 2019, almost all hospitals reported that a mandatory employee flu vaccination policy was in place. Similarly, nursing homes improved from reporting a 58% vaccination rate for the 2018–2019 flu season to 87% for the most recent flu season. Improvement has not been as strong in Maryland's assisted living facilities, reporting a 50% vaccination rate following the 2012–2013 flu season to 56% in the 2018–2019 flu season. In comparison, the CDC reports the national vaccination rate of 68% for long-term care staff**.** The number of MD nursing homes that have implemented mandatory vaccination policies has increased by 10 percent over the past five years. Fiscal year 2019 was the first year that vaccination policy information was collected from assisted living facilities.

Table 2: Nursing Home and Assisted Living Employee Influenza Vaccinations, 2018–2019	
CDC National Vaccination Rate for Health Care Workers (HCWs) in Long-Term Care	68%
Maryland Nursing Home HCW Vaccination Rate	88%
Maryland Nursing Homes with Staff Vaccination Rate of ≥95%	44%
Maryland Nursing Homes with Mandatory Vaccination Policy in Place	56%
Maryland Assisted Living HCW Vaccination Rate	57%
Maryland Assisted Living Facilities with Staff Vaccination Rate of ≥95%	20%
Maryland Assisted Living Facilities with Mandatory Vaccination Policy in Place	36%

Nursing Home Family Experience of Care Survey

Each year, the Commission conducts a survey of family members of nursing home residents on their experience. In the 2018–2019 data collection year, the Commission enhanced the Nursing Home Family Experience of Care Survey by adding questions to create a more comprehensive survey of satisfaction with Maryland nursing homes. In addition, the survey included an assessment of families' overall rating of the nursing home and whether they would recommend the nursing home to others. As part of the enhancements to the survey in FY 2019, a Spanish-language option was included. The results of the survey completed in FY 2019 indicated a "good" to "very good" level of satisfaction with Maryland nursing homes.

Table 3: Summary of Nursing Home Family Experience of Care Domain Scores—2018 Statewide Results

Survey Domain	Statewide Score[3]
Staff and Administration of the Nursing Home	3.42
Care Provided to Residents	3.35
Food and Meals	3.09
Autonomy and Resident Rights	3.31
Physical Aspects of the Nursing Home	3.18
Activities	3.01
Security and Residents' Personal Rights	3.30
Overall Rating of Care Received at the Nursing Home[4]	7.73
Percentage of "Definitely Yes" or "Probably Yes" Responses to "Would You Recommend the Nursing Home?"	81%

Expanding the Usability of Maryland's APCD

Maryland's All-Payer Claims Database (APCD) includes claim and eligibility information from Medicare, Medicaid, and 37 private payers. The APCD is used to report on total health care costs and utilization.

Payers That Contribute Data

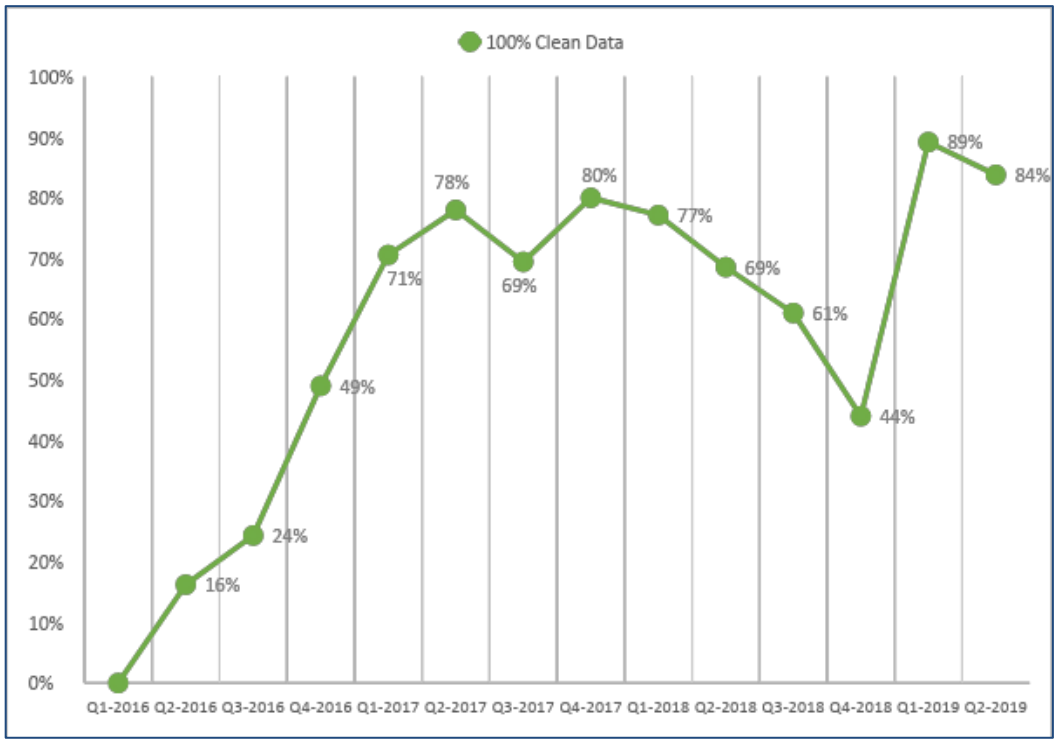
In FY 2019, all private payers whose total covered lives exceed 1,000, as reported to the Maryland Insurance Administration (MIA), are required to report the APCD. The makeup of private payers reporting

[3] Scores are calculated based on the questions in each item. Questions are scored by assigning the most positive possible answer category a score of 4, and the least positive possible answer a score of 1.
[4] Unlike the other domains, which are calculated on a score from one to four, the "overall rating of care received at the nursing home" is calculated on a scale from one to ten.

data to the APCD includes life and health insurers, health maintenance organizations (HMOs), third-party administrators, pharmacy benefits managers, and qualified health and dental plans**.** The APCD excludes self-insured ERISA (Employee Retirement Income Security Act) plans data due to the *Gobeille v. Liberty Mutual* Supreme Court ruling on March 1, 2016. This loss was about 1.1 million members or 31% of the privately insured population in the APCD. At the end of FY 2019, the U.S. Office of Personnel Management restricted all payers who had contracts with the department from reporting federal employees health benefits (FEHB) plans data to all APCDs, including Maryland's. This FEHB loss was about 580,000 members or 21% of the remaining privately insured population after the ERISA loss. Both of these policy decisions by the federal government resulted in combined losses of about 1.68 million members or 44% of the privately insured population in the APCD. However, the APCD continues to fully capture the insurance markets that are regulated under Maryland law: the individual market, the small-group market, and the regulated large-group market. The population of the APCD includes Maryland residents and non-residents whose group contracts are written or sold in Maryland. The number of privately insured residents in the Maryland APCD as of June 30, 2019, was about 1.7 million (including subscribers and their dependents, excluding ERISA and FEHB plans).

MHCC is committed to improving the rate of APCD data submissions and reducing the data review timeframe. MHCC has worked diligently with payers to improve the data submission process by reminding payers to review all data internally before reporting to the APCD portal. MHCC has also collaborated with its current data vendor to improve on a data review rate through the data validation process. As a result of these efforts, the percent of payers that submitted 100% clean data hit an all-time high of 89% for the first quarter of 2019. These results continued for the remainder of 2019.

Figure 1: Timeliness of Data Submissions Improved in 2019 (Percent of Payers Medical Care Data Base Submission Status 1 month after Submission Deadline)



Key Reports and Studies

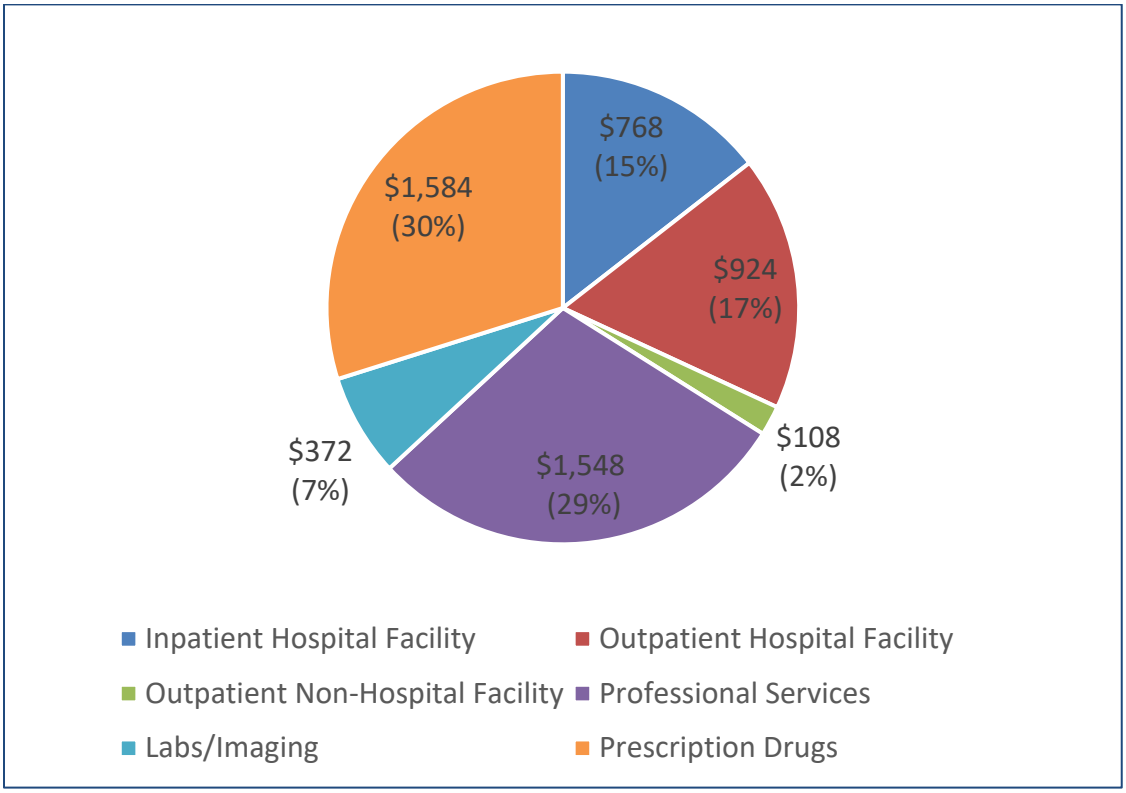
APCD Data Submission Manual to Payers: The Commission is required to provide an updated data submission manual to payers annually. The 2019 manual emphasized the protection of confidential information of all covered members in all APCD data submissions. Specifically, MHCC required payers to attest that all APCD data submissions exclude unencrypted patient identifiers.

Report on 2017 Privately Insured Health Care Spending: This report examines health care spending and benefit usage among Maryland's privately insured population for 2017 (i.e., individuals enrolled in fully insured and self-insured health plans).[5] For all markets combined, the annual per-member spending and the population's illness burden increased from 2015 to 2017.

Figure 2: Annual Spending and Risk among the Privately Insured for 2015–2017

[5] This report, as well as more recent reports in the series, is available from https://mhcc.maryland.gov/mhcc/pages/plr/plr_healthmd/plr_healthmd.aspx.

Figure 3: Privately Insured Annual Per-Member Spending by Service Category, 2017

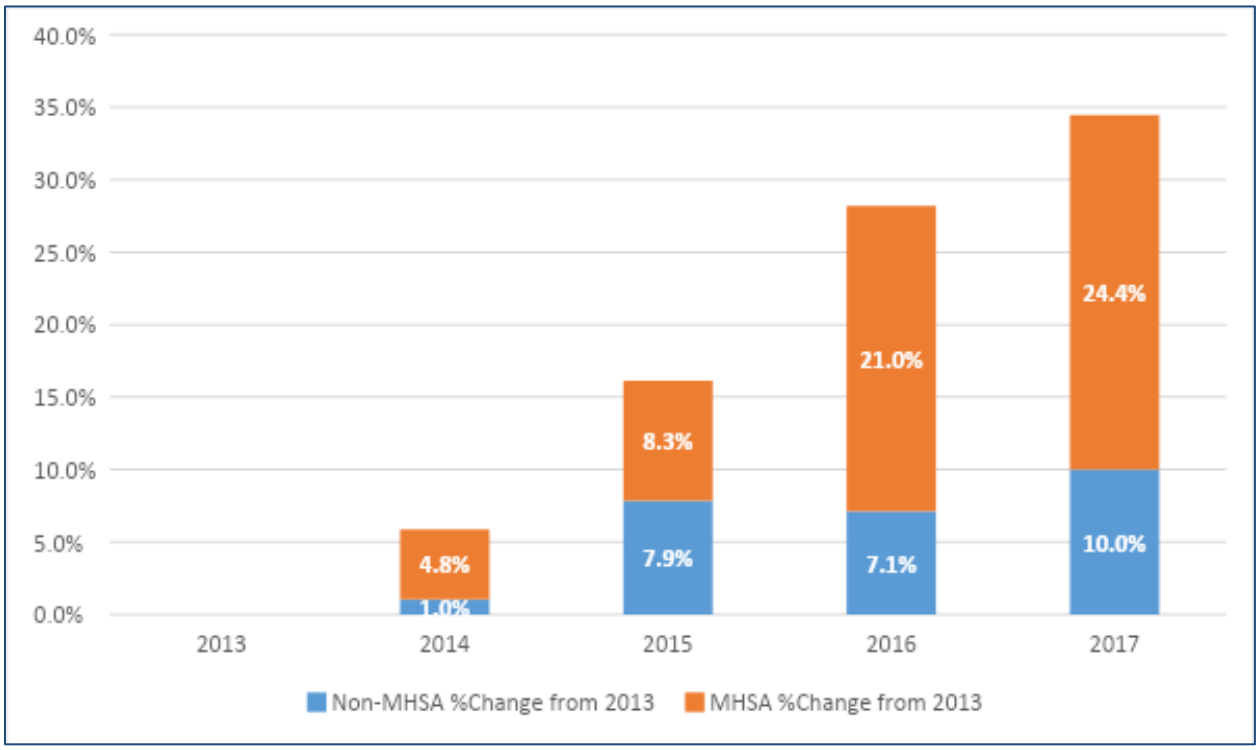


Report on 2017 Payment Rates for Professional Services: This report examines variations in payment rates for professional services among private health insurers, benchmarking payments to public rates for the same services.[6] Private payment rates for all payers combined were 97% of the Medicare rate for 2015 and 103% for 2017.

MIA Study on Mental and Behavioral Health in Maryland: As part of a broader study, MHCC provided the MIA with APCD data on mental health and substance abuse. Results showed that mental health and substance abuse spending for Maryland residents enrolled in private health plans increased at a faster rate than non-mental health and substance abuse spending over the same period (2013–2017).

[6] This report, as well as more recent reports in the series, is available from https://mhcc.maryland.gov/mhcc/pages/plr/plr_healthmd/plr_healthmd.aspx.

Figure 4: Privately Insured Mental Health and Substance Abuse Annual Spending Per Member, Cumulative Trends from 2013 to 2017, Medical Only



MIA Rate Review: MHCC also collaborates with the MIA by providing enrollment and claims data along with per member per month trend analyses to support MIA's health insurance rate review activities. In fiscal year 2019, the Commission provided the MIA with three years of privately insured health care data and analysis.

HMO Payments to Non-Participating Providers: Maryland Health-General, §19-710.1, specifies a methodology to calculate minimum payment rates that HMOs must pay to non-contracting (non-trauma) providers that offer a covered evaluation and management service to an HMO patient. The Commission is required to annually update these minimum payment rates, which are published by the MIA. MHCC analysts also noted that 95% of the 2019 HMO payments were below $400.

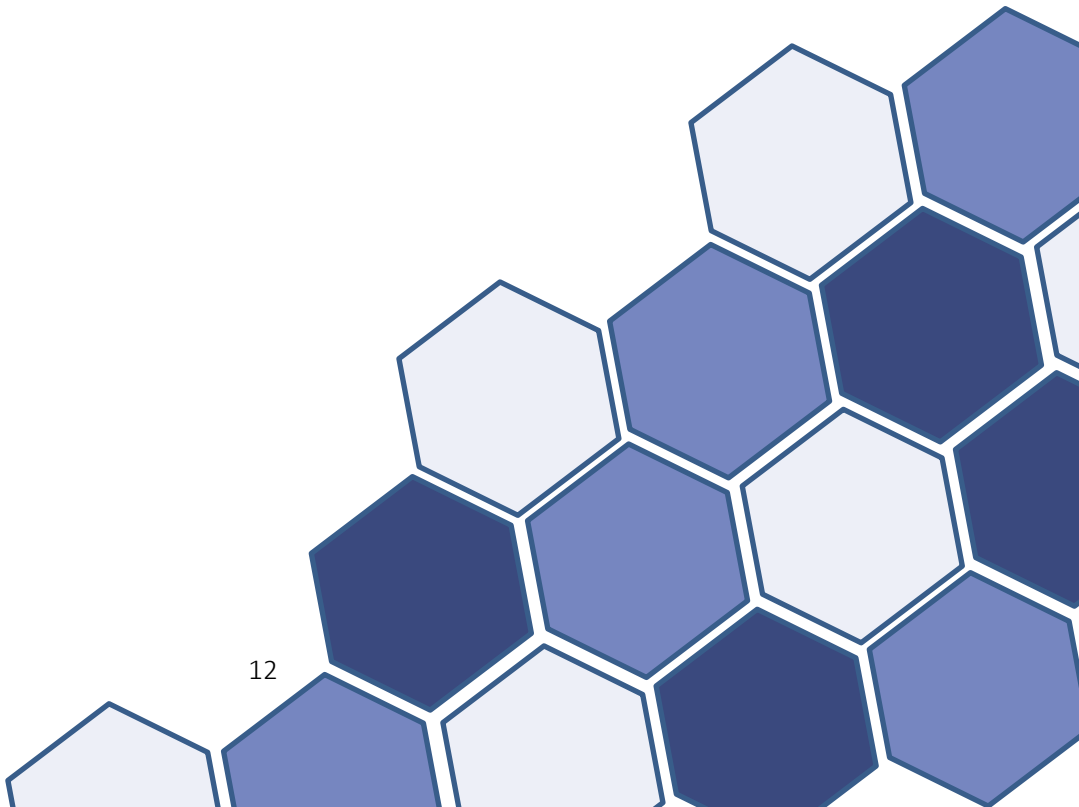
Looking Ahead

A significant challenge for effective public reporting of health care information continues to be the conversion of complex clinical data and metrics into timely, meaningful, and understandable information for consumers and policymakers. The Commission is integrating its consumer guides for different facility and provider types into a single website to provide a more streamlined, uniform, consumer-friendly approach to accessing quality and cost information. Through this process, the Commission will assess the value of the information included on its site as well as how to effectively display the information using consumer focus groups and provider industry engagement. The hospital price transparency feature will be enhanced with outpatient procedure volume and price information. Finally, with the completion of the redesigned website, the Commission will focus on a major marketing effort to increase public awareness

of the information it makes available to Maryland residents to support informed health care decision-making.

MHCC anticipates releasing a re-compete request for proposal for a new APCD vendor in 2020. MHCC is also working on updating APCD regulations and creating a new APCD data application to expand and improve the Commission's APCD data release process. MHCC expects to move forward with an initiative to reduce low-value care during fiscal years 2020 and 2021. This initiative will build on the Commission's efforts to educate consumers about health care value. In addition, the Commission plans to revamp the current price-compare dashboard for health care provider professional services. The staff has already created a prototype of the new web-based dashboard. Finally, MHCC is in the early stages of creating a prescription drug price comparison site.

All of these projects are part of the Commission's strategic priority to make MHCC the trusted source for cost and quality information.



Health Facilities Planning and Certificate of Need

MHCC is legislatively mandated to plan for and maintain the availability and financial viability of health care facilities and services for the State of Maryland. The purpose of state health planning and the Certificate of Need (CON) program, which requires certain types of health care facility and service projects to obtain approval from MHCC, is to ensure that health care facilities and services produce high value for the State's residents. MHCC certifies that the facilities established, relocated, or reconfigured are:

- Needed
- High quality
- Geographically and financially accessible
- Financially viable

In addition, the Commission supports the establishment and updating of regulations, known as the State Health Plan (SHP), which inform the regulated facilities about the requirements for obtaining CON approval of their development plans. The Commission is committed to a multi-year process of modernizing Maryland's Certificate of Need processes for health care facilities.

2019 Milestones

- Began a new phase of CON modernization to align CON regulation with Maryland's Total Cost of Care Model.
- Supported the passage of legislation key to implementing previously recommended CON reforms.
- Completed review of 17 CON applications and five exemptions from CON review in 2019, including the first conversions of general hospitals to freestanding medical facilities (FMFs).

Modernizing Health Planning and Certificate of Need Regulation

In 2018, the Commission adopted a report outlining steps for modernizing the Certificate of Need process. The 2019 General Assembly session produced several reforms that implemented key recommendations of the report. These statutory changes include:

- Eliminating capital expenditure thresholds as a basis for requiring CON review and approval of capital projects for all health care facilities other than hospitals.
- Increasing the capital expenditure threshold for hospital projects from approximately $12.5 million to the lesser of $50 million or 25% of the hospital's gross budgeted revenue. This change helped synchronize hospital CON regulation and Maryland's Total Cost of Care payment model.[7]
- Amending the definition of "ambulatory surgical facility" from an outpatient surgical center with two sterile operating rooms to a center with three sterile operating rooms. This change is likely to eliminate a substantial number of CON application and exemption reviews over time that would have otherwise been required.
- Eliminating statutory language that had created an uneven playing field between hospitals and physicians with respect to development of outpatient surgical centers. Under the amended law,

[7] The Health Services Cost Review Commission has adopted a policy for adjusting global revenue budgets for major capital projects that includes eligibility criteria that closely mirror this new regulatory threshold.

any person, including a hospital, can establish a market-priced outpatient surgical center with up to two operating rooms without obtaining a CON. Prior to this change in law, hospitals needed a CON to add surgical capacity in any setting.

- Eliminating the requirement for an existing general hospice to obtain a CON to add inpatient beds, through either establishing an inpatient hospice unit or expanding an existing unit.
- Eliminating the requirement for an existing alcoholism and drug abuse intermediate care facility to add beds.

State Health Plan Updates

Two SHP chapters of regulation were updated in 2019. The regulations for review of specialized cardiovascular services (COMAR 10.24.17) were updated to revise standards for ongoing performance review of cardiac surgery and percutaneous coronary intervention (PCI). These revised regulations also establish a new definition of cardiac surgery that reflects the evolution of this service. The regulations for review of comprehensive care facility or nursing home services were also updated (COMAR 10.24.20). New features of these regulations include docketing rules that incorporate minimal performance requirements in the Centers for Medicare & Medicaid Services' Nursing Home Compare star rating system and a revised methodology for projecting the need for nursing home bed capacity.

Key Capacity Planning Decisions

MHCC completed the review of 17 CON applications in 2019 and made final decisions on six requests to change approved CONs. MHCC also reviewed five requests for exemptions from CON review, an alternative and more limited project review process available for some types of projects.

Notable 2019 projects include the first conversions of general hospitals in Maryland to FMFs. These emergency treatment centers operate 24 hours per day, every day, and are staffed and equipped like hospital emergency departments but do not admit patients for overnight inpatient stays. They can observe patients for short periods to determine whether the patient requires transfer to a general hospital for admission.

Hospital Conversions to Freestanding Medical Facilities

University of Maryland (UM) Laurel Regional Hospital in Prince George's County was authorized to convert to FMF status in September 2018 and made the conversion in January 2019 using existing facilities. Its parent hospital is UM Prince George's Hospital Center in Cheverly, with a replacement hospital under construction in Largo. A new Laurel Medical Center outpatient campus is under development and will provide a range of outpatient services, including ambulatory surgery, when completed.

UM Shore Medical Center at Dorchester (located in Cambridge, Dorchester County) was also authorized to convert to an FMF in April 2019, and it is anticipated that the transition from hospital to FMF campus will take place in 2021. UM Shore Medical Center at Easton will be the parent hospital of the Cambridge FMF.

In the ten-year period preceding the proposed conversion of these general hospitals to outpatient care campuses, demand for inpatient hospitalization dropped substantially. In the case of Laurel Regional, average daily census dropped 43%. In the case of Shore at Dorchester, average daily census declined by 37%. Statewide, general hospital average daily census declined 14% between 2010 and 2020.

FY 2019 also saw the first use of a new regulatory process for periodic review of the performance of all cardiac surgery and PCI programs. In calendar year 2019, eight cardiac surgery programs were reviewed against performance standards established in COMAR 10.24.17. Seven were found fully compliant and granted four-year ongoing performance certification. One program with case volumes falling below the target of 200 cases per year was otherwise found to have acceptable performance in all other areas and was given three-year certification.

Tables providing additional details on Certificate of Need applications reviewed, approved, and/or changed in FY 2019 are in Appendix B: Tables of Certificates of Need Reviewed, Approved, or Changed in FY 2019

Looking Ahead

The next phase of health planning and CON modernization will focus on updating and streamlining the procedural regulations and SHP regulations that govern decisions on projects and the project review process. MHCC will also pursue additional opportunities for statutory changes aimed at a more rational scope of CON regulation.

Expanding Adoption of Information Technology in Health Care

The MHCC is responsible for advancing the adoption and meaningful use of health information technology (health IT). Health IT enables treating providers to have accurate, complete, and up-to-date patient information at the point of care delivery. The use of health IT facilitates the collection of information that can improve disease surveillance, increase health care knowledge, and shape best practice guidelines. Broad diffusion of health IT is essential to support alternative care delivery models that lead to improved efficiencies and higher quality of care. Leading elements of health IT include health information exchange (HIE), electronic health records (EHRs), and expanding telehealth.

2019 Milestones

- Assessed statewide progress of EHRs, use of HIE, and adoption of telehealth.
- Registered national HIEs that meet the revised definition of an HIE in Maryland law.
- Provided privacy and security policy oversight to the State-Designated HIE (Chesapeake Regional Information System for our Patients, or CRISP); re-designated CRISP as the State-Designated HIE.
- Completed three legislatively required health IT studies.
- Organized a health care facility cybersecurity readiness and risk management symposium.
- Convened the Maryland Primary Care Advisory Council, which provides input to the Secretary of the Maryland Department of Health on the operations of the Maryland Primary Care Program (MDPCP).
- Established a Care Management Focus Group to address policy challenges and identify best practices for advancing care management in ambulatory practices.
- Provided practice transformation support to 800 providers participating in the Centers for Medicare & Medicaid Services Practice Transformation Network.

Statewide Progress on EHR Diffusion, Use of HIE, and Adoption of Telehealth

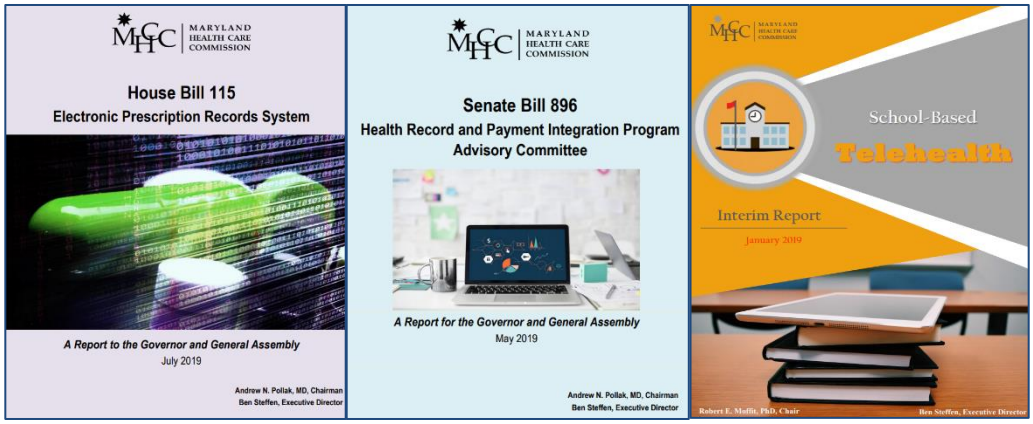
The MHCC assesses health provider adoption and meaningful use of health IT to draw comparisons to national uptake. Health IT assessments help MHCC identify trends and relevant policy matters that support awareness, build on the current landscape, and inform policy development, implementation, and evaluation. MHCC's efforts to promote adoption and meaningful use of EHRs continued throughout the year. A snapshot of EHR adoption by care setting is shown below.

Table 4: EHR Adoption in Maryland by Care Setting

EHR Adoption Rate (%)		
Care Setting	Maryland	Nation
Acute-Care Hospitals	100	96
Dentists	60	56
Office-Based Physicians	74	80
Nursing Homes	91	66

Notes: Maryland data is self-reported and has not been audited for accuracy; national data was obtained from publicly available sources.

Key Initiatives to Expand Health Information Technology



Electronic Prescription Records System Assessment and Report: In 2019, MHCC and stakeholders completed a report on implementation of a statewide repository of patient prescription medication history information. The system would collect and make available to authorized users (treating health care providers and dispensers) information on non-controlled substances (NCS) dispensed in Maryland. Currently, the Prescription Drug Monitoring Program (PDMP) makes available information on controlled dangerous substances (CDS) Schedules II through V dispensed in Maryland. In July 2018, MHCC began convening a workgroup of stakeholders including health care providers, pharmacists, consumers, and others to deliberate on specific aspects of a statewide repository as it relates to implementation, consumer privacy and education, and governance and funding. The workgroup concluded that a statewide repository for NCS complements CDS reporting requirements in Maryland and can bridge gaps in medication reconciliation.

Health Record and Payment Integration Program Advisory Committee Report: MHCC was asked to establish an Advisory Committee to study the feasibility of creating a health record and payment integration program. The findings of the Committee were published in 2019, including feasibility of establishing a free and secure web-based portal that providers can use, regardless of the method of payment being used for health care services, to create and maintain health records and file for payment for health care services provided; feasibility of incorporating the PDMP data into CRISP; and approaches for accelerating the adjudication of clean claims. The Committee recommended continuing to explore opportunities to leverage gains from existing health IT investments, which are foundational for value-based care and essential to improving health care quality, safety, and efficiency.

School-Based Telehealth: In March 2018, the Senate Finance Committee charged MHCC with convening a stakeholder workgroup to identify deficiencies in existing policies that limit diffusion of telehealth in Maryland primary and secondary schools and develop statutory, regulatory, and/or technical recommendations to improve these policies. The workgroup considered the value proposition of telehealth in schools; the current landscape, including industry trends and innovation; and funding. The workgroup assessed policy challenges related to telehealth adoption in schools under the existing regulatory oversight framework within the Maryland State Department of Education and the Maryland Department of Health. The workgroup recommendations address fundamental challenges as they relate to diffusing telehealth in schools and center on awareness building, privacy and security, and oversight. A final report was released in October 2019.

Cybersecurity: The Cybersecurity Readiness and Risk Management Symposium was the third collaboration among MHCC, the Maryland Healthcare Information and Management Systems Society, the Maryland Hospital Association, and HSCRC to bring together stakeholders and industry experts to share and discuss best practices related to improving cybersecurity governance and operational controls. The MHCC shared information on data analyzed on health care breaches available from the Department of Health and Human Services, Office for Civil Rights (OCR) online portal. The analysis included breaches reported to OCR that affected 500 or more individuals and assessed breach trends in Maryland and the nation.

Oversight of CRISP, the State-Designated HIE

The Maryland General Assembly, in Health-General §19-143, charges MHCC and HSCRC with the designation of a statewide health information exchange (HIE) for the State of Maryland. In 2009, MHCC and HSCRC competitively selected CRISP as the State-Designated HIE.

CRISP is responsible for building and maintaining the technical infrastructure that can support the secure exchange of electronic health information statewide. In 2019, the MHCC re-designated CRISP as the State-Designated HIE, and additional requirements around privacy, security, and sustainability were included in the three-year designation agreement. The MHCC continued to collaborate with CRISP to advance the technical infrastructure that supports the secure exchange of electronic health information. The CRISP governance model includes several broad-based stakeholder advisory committees (Executive, Clinical, Data Use, Privacy and Security, Reporting and Analytics, Finance, and Technology) in which MHCC participates. An annual independent audit of CRISP was conducted to ensure compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended by the Health Information Technology for Economic and Clinical Health (HITECH) Act, the Code of Maryland Regulations (COMAR), and cybersecurity standards.

Looking Ahead

In FY 2020, an online telehealth readiness assessment tool was released for use by practices to assess telehealth readiness in five domains: core readiness, financial considerations, operations, staff engagement, and patient readiness. Various health IT awareness-building events will occur for allied health care providers (e.g., dentists and podiatrists). The MHCC will modernize COMAR 10.25.18, Health Information Exchanges: Privacy and Security of Protected Health Information, to align the regulations with federal policies and the future direction of electronic health information. The MHCC, in collaboration with CRISP, will design and develop an HIE consumer consent management tool that will enable consumers to control access and disclosure of their electronic health information. Several care management resource tools will be released to help practices achieve sustainable and continued quality improvement. A practice symposium for managing patient populations and team-based care will occur in partnership with HSCRC, Johns Hopkins Medicine, and MedChi, The Maryland State Medical Society. Several virtual webinars will occur that are aimed at improving practice quality.

Supporting Statewide Initiatives

MHCC collaborates with other State agencies, provider organizations, health facilities, consumer groups, and others to support statewide health care initiatives. For example, the Commission supported the Health Resources Cost Review Commission in planning and implementing the Total Cost of Care Model, which began January 1, 2019. The Commission also worked with trauma centers through the State on the Maryland Trauma Physician Service Fund.

2019 Milestones

- Provided analytical support for the Maryland All-Payer Model.
- Released annual report to the Maryland General Assembly on the status of the Trauma Fund.

Evolving the Maryland Health Model

Analytical Support and Information Sharing

MHCC collaborates with HSCRC by providing health care data (enrollment and claims data releases) in support of the Maryland All-Payer Model. In fiscal year 2019, MHCC delivered quarterly files and a 2017 annual per capita cost analysis in support of monitoring TCOC Model performance. In an APCD benchmark analysis done by Milliman Actuaries for HSCRC, the company determined that despite the ERISA data loss due to *Gobeille v. Liberty Mutual*, the 2017 APCD data is a viable data source to monitor the TCOC Model. The Milliman analysis was done by comparing data reported by payers (membership and claims) in carriers' National Association of Insurance Commissioners insurance blanks (annual statements) to the health care data in the APCD per health insurance carrier. During fiscal year 2020, Milliman will benchmark the 2018 APCD data using the same approach. CareFirst, the State's largest payer, supported the results of the benchmark analysis on the insurer's APCD data.

The Maryland Primary Care Program

The Maryland Primary Care Program (MDPCP) is a key initiative under the State's Total Cost of Care Model. The MDPCP Advisory Council provides input to the operations of the MDPCP and serves in a consultative role to the Secretary of Health. The Council consists of 22 MHCC-appointed members who represent a broad range of stakeholders. The Council convened on several occasions to consider enhancements to quality measure reporting; challenges and opportunities to engage commercial payers in the program; adding a potential program Track 3 and Track 4; and reducing program administrative activities. The MDPCP is a voluntary program open to all qualifying Maryland primary care providers and provides funding and support for the delivery of advanced primary care throughout the State. The MDPCP supports primary care providers in increasing their role in prevention, management of chronic disease, and prevention of unnecessary hospital utilization.

Supportive Efforts for the Maryland Model

Expanding Care Management: MHCC has convened a Care Management Focus Group to identify best practices for care management in ambulatory practices and develop recommendations for care management resources. Focus group activities are aimed at identifying strategies and best practices to improve care management for populations with modifiable risks; align care management services to the needs of patients; and identify, prepare, and integrate a team-based approach to deliver the needed services. The focus group designed resource tools for establishing a care management program, identifying care manager responsibilities, and determining minimum qualifications for a care manager.

Building Practice Transformation Networks: Practice Transformation Networks (PTNs) are peer-based learning networks designed to coach, mentor, and assist providers in developing core competencies specific to practice transformation, such as improving patient care, organization, and workflow. In 2016, MHCC began a partnership with MedChi and the Maryland Learning Collaborative (University of Maryland) to transform over 800 providers statewide. In June 2019, the PTN was recognized by the Centers for Medicare & Medicaid Services for achieving enrollment goals, supporting transformation, improving health outcomes, reducing unnecessary hospitalizations, generating savings, and reducing unnecessary tests and procedures.

The Maryland Trauma Physician Services Fund:

The Maryland Trauma Physician Services Fund provides payments to offset the costs of uncompensated and undercompensated medical care provided by trauma physicians to patients at Maryland's designated trauma centers, stipends to trauma centers to offset the trauma centers' on-call and standby expenses, and grant funding to trauma centers for certain equipment. The fund is financed by a $5 surcharge on motor vehicle registrations.

2003 legislation established a formula for reimbursing trauma centers for trauma-related on-call expenses for trauma surgeons, orthopedists, neurosurgeons, and anesthesiologists. Requirements for on-call availability for Level I–III trauma centers are established by the Maryland Institute for Emergency Medical Services Systems (MIEMSS).

MHCC and HSCRC annually report to the Maryland General Assembly on the status of the Trauma Fund. In 2019, revenue collections by the Motor Vehicle Administration via the $5 surcharge increased to $12,707,734. In total, the Trauma Fund disbursed about $11.9 million to trauma centers and trauma physician practices over the past fiscal year. Also in 2019, the Maryland General Assembly passed a bill to provide PARC/Maryland Shock Trauma with access to on-call and standby cost payments from the Trauma Fund. A full report, "Maryland Trauma Physician Services Fund: Operations from July 1, 2017 through June 30, 2019," is available on the MHCC website.

Looking Ahead

MHCC plans to continue to support statewide initiatives in FY 2020, including ongoing work on the initiatives mentioned above. In addition, MHCC is assisting in the implementation of the Prescription Drug Affordability Board. This Board was established to protect the State from high prescription drug costs, create a Physician Drug Affordability Stakeholder Council, develop a process that requires the Board to identify drugs with certain costs, and report on the entire pharmaceutical distribution and payment system to lower the list price of drugs. This foundational work is to be completed by the end of 2020. The Commission is well positioned to support the Board with data on prescription drug claims from private and public payers. At the request of the Governor, the Commission will work with the Maryland Department of Budget Management and the Board to determine the most cost-effective approach to meeting the short- and long-term staffing needs of the Board.

Responding to Legislative Directives

The Maryland Health Care Commission is routinely asked by the Maryland General Assembly to conduct short-term projects to research policy issues, facilitate stakeholder discussion, and provide informed recommendations to the General Assembly. The Commission had nine short-term legislative projects that were active during some part of fiscal year 2019. Brief descriptions of these projects can be found in Appendix B. Additional information about each of these projects is available on the Maryland Health Commission website.

Table 5: Legislative Workgroups active in 2019

Topic	Deliverables	Source of Legislative Directive
Physician Maintenance of Certification Workgroup	Final Letter, November 2018	Letter, House Health and Government Operations Committee (2018)
Certificate of Need Modernization Taskforce	Interim Report, June 2018 Final Report, December 2018	Letter, Senate Finance Committee and House Health and Government Operations Committee (2017)
EMS Reimbursement for New Delivery Models	Final Report, January 2019	Senate Bill 682 (2018)
Health Record and Payment Integration Program Advisory Committee	Final Report, May 2019	Senate Bill 896 (2018)
Electronic Prescription Records System—Assessment and Report	Final Report, July 2019	House Bill 115 (2018)
School-Based Telehealth Workgroup	Interim Report, January 2019 Final Report, October 2019	Letter, Senate Finance Committee (2018)
Study of Mortality Rates of African American Infants and Infants in Rural Areas	Final Report, November 2019	Senate Bill 266 (2018)
Study of Proposed Mandated Health Insurance Services: EMS Treat and Release Programs, EMS Alternative Destination Programs, and EMS Mobile Integrated Health Programs	Final Report, December 2019	Letter, Senate Finance and House Health and Government Operations Committees (2019)
Assessment of Service Changes at the University of Maryland Shore Medical Center at Chestertown	Final Report, January 2020	Senate Bill 1010 (2019) and Joint Conference Report for House Bill 100 (2019)

Section 2: MHCC Organization, Operations, and Budget

MHCC Organization

The Commission is organized around health care systems it seeks to evaluate, regulate, or influence, bringing a wide range of tools (data gathering, public reporting, planning, and regulation) to bear to improve quality, address costs, and increase access. MHCC's activities are directed and managed by the Commission Executive Director. Administrative activities, such as staffing, budget, and procurement, are managed by the Director of Administration. Two Assistant Attorneys General provide legal advice and counsel to the Executive Director, the Commission members, and Commission staff.

MHCC staff members' backgrounds and skills encompass a broad range of expertise, including public policy analysis, data management and analysis, health planning, health facilities construction and financing, Medicaid administration, quality assessment, clinical and health services research, law, and public performance reporting.

Most Commission staff are organized into four Centers, described below. Two of the four Centers—the Center for Health Care Facilities Planning and Development and the Center for Quality Measurement and Reporting—are organized around provider organizations, bringing together under the same leadership the expertise and tools to address cost, quality, and access in those sectors of Maryland's health care system. The Center for Analysis and Information Systems conducts broad studies, using both Maryland databases and national surveys, but also has specific responsibilities relating to physician services. The fourth Center, the Center for Health Information Technology and Innovative Care Delivery, has responsibilities that cut across sectors to facilitate the adoption of EHRs and to enable private and secure transfer of personal health information among sectors.

The Center for Analysis and Information Systems (CAIS)

Director, Kenneth Yeates-Trotman

This Center assembles and manages the State's All-Payer Claims Database from claim and eligibility information submitted by about 37 private payers, Medicare, and Medicaid. The Center uses the APCD to report on total health care spending (cost and utilization) and spending for each health care sector, including hospitals, health care professionals, and prescription drugs. The Center also maintains the *Wear the Cost* website, a campaign aimed at increasing transparency of hospital pricing in the State. CAIS plays a crucial role in one of the Commission's strategic priorities in making MHCC the trusted source for cost and quality information.

The Center for Quality Measurement and Reporting

Director, Theressa Lee

The Center for Quality Measurement and Reporting is responsible for the Commission's health care provider quality and performance evaluation mandates. These mandates are to increase transparency and informed decision-making among consumers, to facilitate improvements in the delivery of care, and to support the State's unique hospital rate-setting system (i.e., the TCOC Model). The Center maintains the *Maryland Health Care Quality Reports* website and the *Consumer Guide to Long Term Care.* There were 20,933 total users and 20,733 new users from July 1, 2018, to June 30, 2019. The Center is committed to reporting disparities in health and health care and remains focused on raising awareness of the *Quality Reports* consumer site among minority and disadvantaged populations.

The Center for Health Care Facilities Planning and Development

Director, Paul Parker

The Center for Health Care Facilities Planning and Development develops plans for the supply and distribution of health care facilities and services and regulates the supply and distribution of facilities and services through CON and related oversight programs. The Center is responsible for development and updates to the SHP, a body of regulation that establishes criteria and standards for considering the need, costs and effectiveness, impact, and viability of health care facility capital projects. The Center administers the Certificate of Need, Certificate of Conformance, and Certificate of Ongoing Performance programs, which regulate certain aspects of health care service delivery by health care facilities.

The Center collects information on health care capacity service capacity and use. Annual data sets are developed on the service capacity of general and special hospitals, freestanding ambulatory surgical facilities, nursing homes, home health agencies, assisted living facilities, and adult day care facilities. The center also obtains hospital databases on cardiac surgery, cardiac catheterization, and PCI for use in regulatory oversight of these services.

The Center for Health Information Technology and Innovative Care Delivery

Director, David Sharp

The Center is responsible for advancing the implementation of health IT. The Center has a critical role in facilitating wider adoption of advanced care delivery activities and demonstrations aimed at implementing a new fundamental strategy focused on patient needs, where primary care is the foundation for maximizing value in health care delivery through better health outcomes and lower costs.

Spending

MHCC operates through special funding collected through an assessment on the health care providers and payers regulated by the Commission. The amount is derived differently for each industry and is set every four years based on an analysis of the Commission's workload. The cap was raised from $12 million to $16 million in fiscal year 2018 and remained in effect during fiscal year 2019. As in fiscal year 2018, the Commission assesses the following percentages on industries:

- Payers for an amount not to exceed 26% of the total MHCC budget
- Hospitals for an amount not to exceed 39% of the total MHCC budget
- Health Occupation Boards for an amount not to exceed 16 % of the total MHCC budget
- Nursing homes for an amount not to exceed 19% of the total MHCC budget

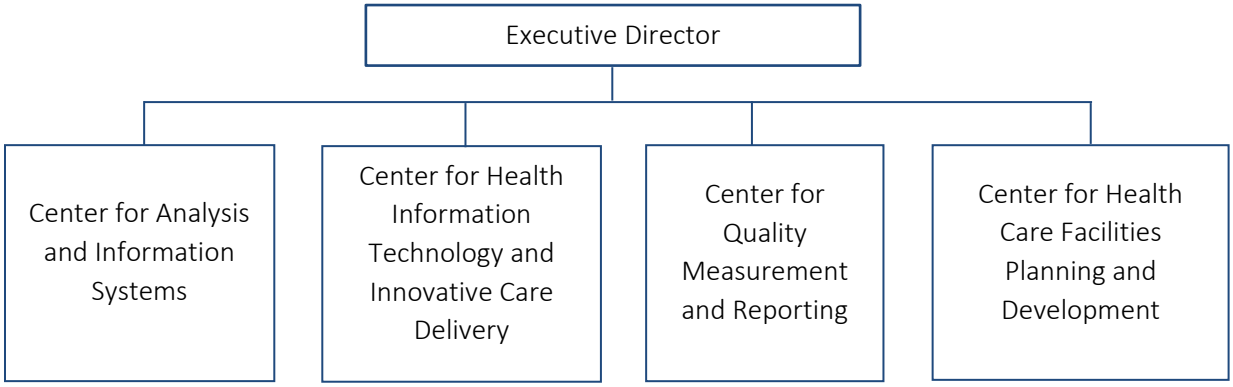
The total amount of fiscal year 2019 expenditures was $42,157,110, which includes $13,691,300 spent in operating costs. The remainder of fiscal year 2019 expenditures were used to manage critical funds through the MHCC as follows:

- Maryland Trauma Physician Service Fund—$11,826,729
- Shock Trauma Grants—$3,300,000
- Integrated Care Network (CRISP)—$13,339,080

MHCC closed fiscal year 2019 with a surplus of $7,019,577.

Appendix A: Governance

Figure 5: Maryland Health Care Commission Organizational Chart



Selection Process and Geographic Representation of Commissioners

MHCC is governed by 15 members appointed by the Governor with the advice and consent of the Senate. The Governor appointed the Chairman and the Chairman may select a Vice Chairman. Members are selected based on type of stakeholder they represent as well as their geographic location. The term of a member is four years, and a member may not serve more than two consecutive terms.

The composition of the Commission is as follows:

- 9 individuals who do not have any connection with the management or policy of a health care provider or payer
- 2 physicians
- 2 payers
- 1 nursing home administrator in the State
- 1 non-physician health care practitioner

To the extent practicable, when appointing members to the Commission, the Governor ensures that at least five members are residents of different counties with populations of 300,000 or more and at least three members are residents of different counties with populations of less than 300,000. Of the three members representing counties with fewer than 300,000 residents, at least one must be a resident of the Eastern Shore; one must be a resident of Allegany, Garrett, Washington, Carroll, or Frederick County; and one must be a resident of Southern Maryland.

Commissioner Biographies

A short biography of each Commission member follows:

Andrew N. Pollak, MD, Chairman, earned his MD at Northwestern University School of Medicine. His internship in general surgery and residency in orthopedic surgery were accomplished at the integrated Case Western Reserve University/University Hospitals of Cleveland Program. He went on to complete a

fellowship in orthopedic traumatology at University of California Davis Medical Center. Dr. Pollak is the James Lawrence Kernan Professor of Orthopedics and Chair of the Department of Orthopedics within the School of Medicine. He also serves as Chief of Orthopedics for the University of Maryland Medical System. In the past, Dr. Pollak has served as Chair of the Board of Specialty Societies for the American Academy of Orthopedic Surgeons (AAOS). He currently serves as Treasurer of the AAOS and is Past President of the Orthopedic Trauma Association. Dr. Pollak is a former Chair of the Extremity War Injuries Project Team for the AAOS, previously served as a Commissioner for the Maryland Health Care Commission from 2004 to 2008, and is a former Past President of the Maryland Orthopedic Association. His current responsibilities include Executive Committee Co-Chair for the Major Extremity Trauma Research Consortium (METRC), Chair of the Publications Committee for METRC, Editor of the AAOS Orange Book Series, Medical Director of the Baltimore County Fire Department, and Special Deputy US Marshal. (Term Expires 9/30/2020)

Randolph S. Sergent, Vice Chairman, is Vice President and Deputy General Counsel for CareFirst BlueCross BlueShield, where he has been employed since 2010. Prior to joining CareFirst, Mr. Sergent was a partner at Venable LLP. Mr. Sergent also has served in the Maryland Attorney General's Office as Deputy Counsel to the Maryland Insurance Commissioner and as Assistant Attorney General in the Civil Litigation Division. Mr. Sergent is a member of the Ethics Committee of the Maryland State Bar Association (MSBA)and has served as Chair of the MSBA's Health Law Section. Mr. Sergent holds a Juris Doctorate from the University of Virginia School of Law, a Master of Science in electrical engineering from the University of Maryland, College Park, and a Bachelor of Science in electrical engineering from the University of Virginia. Mr. Sergent resides in Howard County. (Term Expires 9/30/2020)

Arun Bhandari, MD, is a practicing Oncologist and Hematologist at Chesapeake Oncology Hematology Associates, PA (COHA), Annapolis, MD since 2007(an Oncology - Hematology private practice serving citizens of Maryland since 1990). He is on staff at Anne Arundel Medical Center (AAMC), Baltimore Washington Medical Center (BWMC), and John Hopkins Medicine at Howard County General Hospital (HCGH). Dr. Bhandari is an Executive Board Member of The Maryland and District of Columbia Society of Clinical Oncology, Inc. (MDCSCO), which plays a significant role to improve the quality and delivery of cancer care in Maryland and the District of Columbia.

In 2018, Dr. Bhandari was appointed by Governor Hogan as a Council on the Maryland State Council on Cancer Control, where he has a role to educate and advise government officials, public and private organizations and the general public on comprehensive State policies and programs necessary to reduce and control cancer incidence, mortality and morbidity among Marylanders. In 2016, Governor Hogan appointed Dr. Bhandari on The Maryland Board of Physicians.

Dr. Bhandari completed fellowship in Hematology-Oncology from Georgetown University Hospital/Washington Hospital Center, Washington, DC with bone marrow transplant rotation at the National Institute of Health (NIH- NHLBI), Bethesda, MD. He served as a Chief fellow in Hematology & Oncology from 2004-2005. He was a fellow in Hematology & Oncology at The University of Tennessee Health Science Center, Memphis, TN, and NCCN Member Institution.

Cassandra Boyer works at the US Army Communications Electronics Command (CECOM) at the Aberdeen Proving Ground, Maryland. She currently serves as the point person coordinating the Software Engineering Center's Human Capital Program. Past roles have included Executive Officer, Corporate Communications, and the CECOM Commander's Initiatives Group. Prior to her employment with the US

Army, Ms. Boyer held several positions in public affairs, including Director of Communications for Coventry Health Care of Delaware and Director of Advocacy for the American Lung Association. Ms. Boyer lives in Havre de Grace, MD, and serves her community as a member of the Havre de Grace City Council. She is a graduate of Ursinus College with additional study at Johns Hopkins University and the College of Notre Dame. (Term Expires 9/30/2023)

Marcia L. Boyle is the founder of the Immune Deficiency Foundation (IDF), the national nonprofit patient organization dedicated to improving the diagnosis, treatment, and quality of life of persons with primary immunodeficiency diseases through advocacy, education, and research (www.primaryimmune.org). She served as president and CEO until her retirement in August 2017. She grew IDF from five volunteers in 1980 to an organization with approximately $10 million a year in revenue in 2017 and a full-time staff of 37. She was a co-founder of the International Patient Organization for Primary Immunodeficiencies, which currently includes representation of patient organizations from 60 countries around the world. She also served on the Board of Directors of the National Health Council from 2015 to 2017. She was honored as a White House Champion of Change in Precision Medicine in 2015. (Term Expires 9/30/2022)

Martin L. "Chip" Doordan earned a Master of Arts in Health Care Administration from George Washington University, a Master of Science from the University of Maryland, and a Bachelor of Science from Univ. of Delaware. He has held positions in health care delivery for his entire career. Mr. Doordan served as CEO and President of Anne Arundel Medical Center (AAMC) from 1994 to 2011 and as President from 1988 through 1994. He also directed the growth of AAMC from a community hospital to, by 2011, a regional medical center with over 3,200 employees and an annual budget of over $550 million. He served in the US Army from 1968 to 1971, including service in Vietnam from 1970 to 1971. (Term Expires 9/30/2022)

Margaret B. Hammersla, PhD, is an Assistant Professor and Senior Director for the DNP Program at University of Maryland School of Nursing and an Adult Nurse Practitioner. Dr. Hammersla has worked in a variety of clinical arenas including perioperative care, emergency medicine, long-term care, and dementia management. She currently maintains a clinical practice in internal medicine in Eldersburg, Maryland. Dr. Hammersla has had extensive experience in simulation development, interprofessional education, and curriculum development. Dr. Hammersla was a member of a project to develop six simulation-based learning experiences to provide health care students (medicine, nursing, pharmacy, dental, social work, and law) with the opportunity to learn about each other's disciplines as well as how to better communicate utilizing a TEAMSTEPPS-based approach funded by the Maryland Higher Education Commission. In addition, she has worked on many individual projects to provide students APRN programs with interprofessional education opportunities with other schools on the UM Baltimore campus, such as pharmacy and dental schools. Dr. Hammersla received her PhD, a post-master certificate in teaching in nursing and health professions, and an MS Adult Nurse Practitioner from the University of Maryland, Baltimore. (Term Expires 9/30/22)

Jason McCarthy, PharmD, is Vice President for Operations at Kaiser Permanente Mid-Atlantic States. In his role, Mr. McCarthy is responsible for ensuring that Kaiser Permanente is appropriately and effectively aligned to implement high-quality care to its members throughout Maryland, Virginia, and the District of Columbia. In addition, Mr. McCarthy is responsible for overseeing Kaiser Permanente's growth in the Baltimore service area, which currently includes ~500 employees and 10 medical office buildings that service 125,000 members.

From 2014 to 2016, Mr. McCarthy served as the Regional Pharmacy Director for Kaiser Permanente of the Mid-Atlantic States, with oversight of 29 pharmacies, a mail-order facility, infusion services, and a wide range of pharmacy support functions. Prior to joining Kaiser, Mr. McCarthy served as a District Manager with CVS Pharmacy in the Washington, DC, metro area. He was accountable for the District's operational performance, total store revenue, customer service, expense control, and asset management.

Mr. McCarthy received his Doctor of Pharmacy from Howard University College of Pharmacy in 2002 and his MBA from the University of Maryland, College Park in 2016. He currently resides in Bowie, Maryland, with his wife and daughter. (Term Expires 9/30/2024)

Jeffrey Metz, MBA, LNHA, is President and Administrator of Egle Nursing and Rehab Center located in Lonaconing, Maryland. He is also a founding partner in Foundation, Rehab, an affiliate of Egle that provides long-term-care rehabilitation services. Mr. Metz previously served as Vice-Chair for the Maryland State Board of Examiners of Nursing Home Administrators. A graduate of Frostburg State University, he has a Bachelor of Science degree in accounting and a master's degree in business administration. Mr. Metz resides in Allegany County. (Term Expires 9/30/2022)

Gerard S. O'Connor, MD, is a surgeon in private practice in Chestertown, Maryland. In addition to his private practice, Dr. O'Connor has served as Chief of the Medical Staff and Chief of Surgery at Chester River Hospital Center, now University of Maryland Shore Medical Center at Chestertown. Dr. O'Connor received his undergraduate medical education at Georgetown University and completed a residency in general surgery at George Washington University. Dr. O'Connor brings to the Commission the perspective of a physician who serves a rural Maryland community. (Term Expires 9/30/2023)

Michael J. O'Grady, PhD, is a Principal of O'Grady Health Policy LLC, a private health consulting firm, and a Senior Fellow at the National Opinion Research Center (NORC) at the University of Chicago. His current research is concentrated on the interaction between scientific development and health economics, with a particular concentration on diabetes and obesity.

From 2003 to 2005, he was the Assistant Secretary for Planning and Evaluation at the US Department of Health and Human Services. Dr. O'Grady worked directly with the Secretary on such critical policy issues as implementing the new Medicare drug benefit. Prior to his Senate confirmation as the Assistant Secretary, he served as a senior health advisor to the Chairman of the Senate Finance Committee and a senior health economist at the Joint Economic Committee of the US Congress. Dr. O'Grady also held senior staff positions with the Medicare Payment Advisory Commission and the Congressional Research Service at the Library of Congress.

Dr. O'Grady also serves on a number of commissions and boards, including the National Committee on Vital and Health Statistics and the Board of Directors of the Patient Access Network and AcademyHealth. He received his PhD in political science from the University of Rochester. Dr. O'Grady resides in Montgomery County. (Term Expires 9/30/2023)

Martha G. Rymer is the partner/owner of Rymer & Associates PA, located in Calvert County, Maryland. She has been a professional in the practice since 1998. Prior to joining the practice, she was the Chief Financial Officer at Calvert Memorial Hospital for 13 years. Ms. Rymer has brought to the practice her extensive knowledge of health care. In addition, Ms. Rymer works with a wide variety of business clients in the construction, printing, real estate, restaurant, and retail industries. In addition to tax preparation,

she also consults on business practice management issues and assists various businesses with analysis of financial performance and planning. In addition to her responsibilities running her business, she is the Treasurer of her local Chamber of Commerce and on the finance committee of the local hospice and her church. Ms. Rymer graduated from Mount Saint Mary's University in 1983 with a BS degree in accounting. She is a certified public accountant licensed in the State of Maryland. (Term Expires 9/30/2021)

Stephen B. Thomas, PhD, is the director of the Maryland Center for Health Equity in the University of Maryland School of Public Health and a professor of health services administration at the school. Dr. Thomas is an internationally recognized African American leader in minority health research and community engagement, and he has been a lead investigator of multiple studies investigating racial differences in health outcomes. Dr. Thomas resides in Prince George's County. (Term Expires 9/30/2021)

Marcus L. Wang, Esq., is the Co-Founder, President, and General Manager of the Baltimore-based ZytoGen Global Genetics Institute, a CAP-accredited genetics testing company driving successful pregnancy outcomes for patients worldwide through its proprietary preimplantation genetic screening platform. Previously, he practiced corporate law at the Manhattan office of DLA Piper, as well as in China, where he spearheaded the development, execution, and launch of UnderArmour's China market entry in 2011.

Currently, Mr. Wang sits on the President's Roundtable at the University of Maryland, Baltimore, joining a select group of senior advisors to the President. In addition, he sits on the Board of Visitors at the University of Maryland Francis King Carey School of Law as Co-Chair of the Development Committee. He is also the founder of the Leadership Scholars Legacy Endowment, a scholarship fund for deserving students, and serves on the Board of Trustees at Gilman School, as well as the Board of Directors for the Baltimore County Revenue Authority.

Mr. Wang earned a BA cum laude from Harvard University, and a JD from the University of Maryland, Francis King Carey School of Law. Mr. Wang also holds a Certificate in International and Comparative Business Law from the Central University of Finance and Economics in Beijing, and a Certificate in Genetics and Genomics from Stanford University.

Appendix B: Tables of Certificates of Need Reviewed, Approved, or Changed in FY 2019

Table 6: Certificate of Need Applications Reviewed in FY 2019				
Project Sponsor	Location	Description of Project	Estimated Cost of Project	Final Action
Visiting Nurse Association of Maryland, LLC	Dorchester Co.	Expand the service area of an existing home health agency (HHA) to include Dorchester County	$47,000	Conditional Approval
Joseph Richey House, Inc. t/a Gilchrist Center Baltimore	Baltimore City	Relocate and replace a hospice inpatient facility	$10,328,950	Approval
Children's Hospital	Prince George's Co.	Establish an ambulatory surgical facility	$10,400,000	Conditional Approval
Brinton Woods Health and Rehabilitation at Winfield	Carroll Co.	Relocate a comprehensive care facility (CCF or nursing home)	$14,837,500	Conditional Approval
UM St. Joseph Medical Center	Baltimore Co.	Replacement of surgical facilities	$60,000,000	Conditional Approval
Adventist Home Health Services	Frederick Co.	Expand the service area of an existing HHA to include Frederick County	$75,000	Conditional Approval
Amedisys Home Health	Frederick Co.	Expand the service area of an existing HHA to include Frederick County	$40,000	Conditional Approval
Bayada Home Health Care	Allegany, Frederick, Garrett, and Washington Counties	Expand the service area of an existing HHA to include Allegany, Frederick, Garrett, and Washington Counties	$0	Conditional Approval
Hope House Treatment Centers	Prince George's Co.	Establish an alcoholism and drug abuse intermediate care facility	$0	Approval
Amedisys Maryland	Prince George's Co.	Expand the service area of an existing general hospice to include Prince George's County	$38,000	Conditional Approval

Bayada Home Health Care	Prince George's Co.	Establish a general hospice authorized to serve Prince George's County	$131,000	Conditional Approval
Montgomery Hospice	Prince George's Co.	Expand the service area of an existing general hospice to include Prince George's County	$1,482,515	Conditional Approval
P-B Health Home Care Agency	Prince George's Co.	Establish a general hospice authorized to serve Prince George's County	$105,000	Conditional Approval
Adventist Rehabilitation Hospital	Montgomery Co.	Relocation of a special rehabilitation hospital	$19,547,323	Conditional Approval
Atlantic General Hospital	Worcester Co.	Establishment of an ambulatory surgical facility	$8,023,827	Approval
Peninsula Regional Medical Center	Wicomico Co.	Introduce child and psychiatric hospital services	$8,520,716	Approval
University of Maryland Medical Center	Baltimore City	Introduce adolescent psychiatric hospital services	$9,580,000	Approval

Table 7: Exemptions from Certificate of Need Review Completed in FY 2019				
Project Sponsor	Location	Description of Project	Estimated Cost of Project	Final Action
University of Maryland (UM) Capital Region Health d/b/a UM Laurel Regional Hospital	Prince George's Co.	Conversion of a general hospital to a freestanding medical facility (FMF) with ambulatory surgical capacity	$53,225,855	Approval
Adventist HealthCare (AHC) Shady Grove Medical Center (SGMC) and AHC Washington Adventist Hospital	Montgomery Co.	Consolidate acute psychiatric bed capacity (except for 10 beds at replacement hospital under development in Silver Spring) at SGMC	$3,400,000	Approval
Summit Ambulatory Surgery Center	Anne Arundel Co.	Add a second operating room	$25,000	Approval
UM Shore Health d/b/a UM Shore Medical Center at Dorchester	Dorchester Co.	Convert a general hospital to an FMF	$38,497,006	Approval
UM Shore Health System d/b/a UM Shore Medical Center at Dorchester and UM Shore Medical Center at Easton	Talbot Co.	Consolidate acute psychiatric hospital services of two general hospitals	$5,178,535	Approval

Table 8: Changes to Approved Certificates of Need Reviewed in FY 2019				
Project Sponsor	Location	Description of Project	Estimated Cost of Project	Final Action
Adventist HealthCare (AHC) d/b/a Washington Adventist Hospital	Montgomery Co.	Add development of an acute psychiatric program (10 beds) for adults at the replacement hospital under development in Silver Spring	$3,300,000	Approval [One surviving condition from original CON]
Coastal Hospice and Palliative Care	Wicomico Co.	Increase in the approved cost of a new building project	$579,315 (yielding a new total approved project cost of $8,577,429)	Approval
Stella Maris	Baltimore Co.	Increase in the approved cost of a new building project	$4,024,479 (yielding a new total approved project cost of $33,716,305)	Approval [Two surviving conditions from original CON]
Suburban Hospital	Montgomery Co.	Void CON condition requiring termination of cardiac surgery services if case volume declines below 200 cases per year	$0	Approval [Conforms this long-established program with current SHP standard]
Western Maryland Regional Medical Center	Allegany Co.	Void CON condition requiring termination of cardiac surgery services if case volume declines below 200 cases per year	$0	Approval [Conforms this long-established program with current SHP standard]
Anne Arundel Mental Health Hospital	Anne Arundel Co.	Increase in the approved cost of a new special psychiatric hospital	$3,300,763 (yielding a new total approved cost of $28,285,558)	Approval

Table 9: Certificates of Ongoing Performance for Cardiac Surgery in FY 2019			
Hospital	Location	Cardiovascular Service	Final Action
AHC Washington Adventist Hospital	Montgomery Co.	Cardiac surgery	Approval through 2023
Western Maryland Regional Medical Center	Allegany Co.	Cardiac surgery	Approval through 2022
Peninsula Regional Medical Center	Wicomico Co.	Cardiac surgery	Approval through 2023
UM St. Joseph Medical Center	Baltimore Co.	Cardiac surgery	Approval through 2023
University of Maryland Medical Center	Baltimore City	Cardiac surgery	Approval through 2023
Sinai Hospital of Baltimore	Baltimore City	Cardiac surgery	Approval through 2022
The Johns Hopkins Hospital	Baltimore City	Cardiac surgery	Approval through 2023
MedStar Union Memorial Hospital	Baltimore City	Cardiac surgery	Approval through 2023

Appendix C: Brief Descriptions of Short-Term Legislative Directed Projects Active in Fiscal Year 2019

Physician Maintenance of Certification Workgroup

In 2018, the Chair of the House Health and Government Operations Committee requested that the Commission convene a workgroup to study physician maintenance of certification requirements. The Commission convened a workgroup of key stakeholders and conducted a study on this issue. The Commission submitted a final letter summarizing the findings of the study and the recommendations of the Commission in November 2018.

Certificate of Need Modernization Taskforce

In 2017, the Chairs of the Senate Finance Committee and the House Health and Government Operations Committee requested that the Commission review Certificate of Need application requirements and processes in the State, including alignment with the Total Cost of Care Model. The Commission convened a taskforce to review this topic, which operated during calendar year 2018. An interim report was submitted to the legislative committees in June 2018, and a final report was submitted in December 2018.

EMS Reimbursement for New Delivery Models

Senate Bill 682 (2018) required the Commission and the Maryland Institute for Emergency Medical Services Systems (MIEMSS) to convene a workgroup on EMS reimbursement for three new care delivery models. The Commission and MIEMSS worked closely with other State agencies to study the issue and convened the required workgroup to gather input from stakeholders. A final report on this topic was submitted in January 2019.

Health Record and Payment Integration Program Advisory Committee

Senate Bill 896 (2018) required the Commission to establish a Health Record and Payment Integration Program Advisory Committee. The Advisory Committee was tasked with conducting a health information technology policy study to assess the feasibility of creating a health record and payment integration program that could incorporate administrative health care claim transactions into the State-Designated Health Information Exchange (HIE). The Commission submitted the final report of this Advisory Committee to the Governor and the General Assembly in May 2019.

Electronic Prescription Records System—Assessment and Report

House Bill 115 (2018), Maryland Health Care Commission—Electronic Prescription Records System—Assessment and Report, required the Commission to convene a workgroup of interested stakeholders to conduct a health information technology policy study that assesses the benefits and feasibility of developing an electronic system for health care providers to access patient prescription medication history. More than 81 stakeholders representing a broad array of interests participated in the study. The final report was submitted to the General Assembly in July 2019.

School-Based Telehealth Workgroup

In 2018, the Senate Finance Committee requested that the Commission convene a workgroup to identify deficiencies in existing policies related to school-based telehealth programs and develop an approach for improving these policies, which may be statutory, regulatory, or technical in nature. The Commission was required to report on the workgroup's findings and provide legislative and regulatory recommendations,

including associated budget estimates for programs the State should undertake to improve the delivery of school-based telehealth services. The Commission submitted to the Senate Finance Committee an interim report from this workgroup in January 2019 and a final report in October 2019.

Study of Mortality Rates of African American Infants and Infants in Rural Areas

Senate Bill 266 (2018) required the Commission, in consultation with the Office of Minority Health and Health Disparities, the Maternal and Child Health Bureau, the Vital Statistics Administration, and interested stakeholders, to conduct a study regarding the mortality rates of African American infants and infants in rural areas. The Commission convened a workgroup made up of diverse stakeholders and contracted with the School of Public Health at the University of Maryland to conduct the study. A final report was submitted to the Senate Finance Committee and the House Health and Government Operations Committee in November 2019.

Study of Proposed Mandated Health Insurance Services: EMS Treat and Release Programs, EMS Alternative Destination Programs, and EMS Mobile Integrated Health Programs

In 2018, the Senate Finance Committee and House Health and Government Operations Committee requested, under the authority of Insurance Article §15-1501, that the Commission assess the social, medical, and financial impact of establishing a mandate for covering alternative destination treatment programs, treat-and-release programs, and mobile integrated health programs in the fully insured private health insurance market in Maryland. The Commission submitted a final report on this topic to these legislative committees in December 2019.

Assessment of Service Changes at the University of Maryland Shore Medical Center at Chestertown

Senate Bill 1010 (2019) and the Joint Conference Report for House Bill 100 (2019) required the Commission to conduct an assessment of service changes at the University of Maryland Shore Medical Center at Chestertown. The Commission conducted this assessment in close collaboration with the Health Services Cost Review Commission and the Office of Health Care Quality in the Maryland Department of Health. In addition, the Commission contracted with the Walsh Center for Rural Health Analysis at NORC to conduct a complementary study on options for rural health care delivery in Maryland. The Commission submitted final reports for both the Assessment required by law and the study of rural health care delivery options in January 2020.

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