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SUMMARY OF COMMISSION ACTION

JULY 7, 2010 PUBLIC MEETING

Commissioner Sexton made a motion that the Commission approve a maximum overall base rate Update Factor of 2.22% including 0.5% for case mix increase on the inpatient portion of the update. The 2.22% included the re-admission policy with staff's modification of the incentive structure that would add 25% to the current fixed cost adjustment of 15% for changes in re-admission volumes.

The motion was not seconded.

Commissioner Lowthers made a motion that the Commission approve an overall base rate Update Factor of 2.00% that included modifying the proposed 0.75% cap for Inpatient case mix increases to 0.5% (leaving the Outpatient cap for case mix increases of 1.35% unchanged) but did not include any adjustment for the re-admission policy.

The motion was seconded by Commissioner Antos, and the Commission voted to approve the motion by a vote of 4 to 2. Commissioners Hall and Sexton voted against the motion. Chairman Young cast the fourth affirmative vote.

Commissioner Lowthers made a motion that the Commission approve no funding for the proposed joint consensus proposal re-admission program.

Commissioner Wong proposed that the motion be amended to re-visit this issue in October or November for potentially coupling the joint consensus proposed re-admission reduction program and the Commission's Maryland Hospital Preventable Re-admission initiative (MHPR) with the possibility of increasing the update factor effective January 1, 2011. Commissioner Lowthers accepted the amendment to his motion.

The motion was seconded by Commissioner Antos, and the Commission voted 4-0 to approve the amended motion. Commissioner Sexton abstained.

Commissioner Sexton made a motion that the Commission approve staff's recommendation to scale: 0.5% of hospital approved revenue for Quality-based Reimbursement Initiative relative performance; 0.5% of hospital revenue for Maryland Hospital Acquired Conditions relative performance; and 15% of the difference between a hospital's position on the Reasonableness of Charges analysis and the peer group average.

The motion was seconded by Commissioner Lowthers, and the Commission voted unanimously to approve the motion.

Commissioner Hall made a motion that the Commission approve staff's recommendation that the Commission send a letter to the Maryland Secretary of Health recommending that Medicaid change its reimbursement methodology which authorizes an extra payment multiple of 2.5 times the reported uncompensated care of Children's Hospital of the District of Columbia.

The motion was seconded by Commissioner Antos, and the Commission voted unanimously to approve the motion.

Commissioner Lowthers made a motion that the Commission approve the adoption of a goal of moving the Maryland Rate Setting System toward a position of 6% below the U.S. on the basis of hospital cost per Equivalent Inpatient Admission with the end date to reach the goal unspecified.

The Motion was seconded by Commissioner Antos, and the Commission voted unanimously to approve the motion.