



maryland  
**health services**  
cost review commission

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## Total Cost of Care Model Progression: Consumer Advocate Workgroup

February 21, 2023

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# Agenda

Time	Topic
9:00- 9:05	Welcome & Review of Ground Rules
9:05- 9:15	Rural Health Project
9:15-9:20	Review of Workgroup Charge and Level Setting
9:20-10:10	Cost Sharing Protections and Enhanced Benefits: A Discussion of Policy Tradeoffs
10:10-10:20	Public Comment
10:20-10:40	Chronic Care Management
10:40-10:50	Public Comment
10:50-11:00	Next Steps

# Workgroup Ground Rules

- Be prepared: please read materials before the meeting
- Be brief.
- Share the floor: please monitor your contributions to make sure others have an opportunity to engage in the discussion.
- No interruptions (except for the time-keeper).
- Use the hand-raise function if available
- Stay on topic.
- Questions are welcome.
- Respect deadlines for written comments.

# Rural Health Study

# Total Cost of Care Model Progression Consumer Advocate Workgroup Charge

The Health Services Cost Review Commission (HSCRC) established the Consumer Advocate Workgroup to gather input to ensure that consumer perspectives are used to inform the design and management of policies for any future Model agreement with the Centers for Medicare and Medicaid Services.

## Why is this feedback needed?

- The Total Cost of Care (TCOC) Model agreement with the Federal Center for Medicare and Medicaid Innovation (CMMI) is set to end in 2026.
- State / Federal negotiations on the future of the Model will begin in late 2023 or 2024

# Guiding Principles for TCOC Model Expansion

1. The Progression Plan should further the goals of the Maryland Health Model to lead the nation in health equity, quality, access, cost of care, and consumer experience through aligned incentives and value-based payment methodologies across providers and payers.
2. The Progression Plan should include high-level recommendations that are feasible to implement and build upon existing initiatives and programs, where possible.
3. The Progression Plan should utilize State flexibility in order to tailor delivery system and payment reform efforts unique to Maryland.
4. The Progression Plan recommendations should adhere to the all-payer nature of the system to align quality and cost incentives across payers.
5. The Progression Plan recommendations should be established through a collaborative public process.

# Cost Sharing Protections and Enhanced Benefits: A discussion of policy tradeoffs

# Background on the Total Cost of Care Model

- The Maryland Total Cost of Care (TCOC) Model is designed to benefit consumers in Maryland by:
  - Increasing the affordability of healthcare services by reducing hospital costs;
  - Incentivizing hospitals to invest in keeping people healthy, rather than keeping people in the hospital.
- To date, the TCOC Model has been successful on both fronts.
  - The cost of hospital services in Maryland are lower than are in similar states;
  - The growth rate in the cost of hospital services has been lower than gross state product;
  - The rate of unnecessary hospitalizations has declined, the rate of readmissions has declined, etc.



## Increasing the benefits to consumers

- While the Maryland TCOC Model provides benefits to Maryland consumers, the relationship between the Model and consumers is primarily indirect.
  - While hospital costs are lower than they would be without the model, hospital costs remain expensive;
  - Lower hospital costs manifest in a slower growth rate of hospital services over years;
  - Improvements in hospital quality (e.g., avoided readmissions) is difficult for consumers to “see”.
- As the State begins planning for a successor model to the TCOC Model, Staff are considering building a more direct relationship with beneficiaries.

# Request for the Consumer Advocate Workgroup

- Staff are asking for the Workgroup's help in prioritizing different consumer benefits that could be provided under the TCOC Model.
  - The TCOC Model operates under budget constraints. We must produce Medicare savings and fund existing hospital services.
  - We will have to work with CMS to provide these benefits under the TCOC Model, and CMMI has its own cost savings objections.
- Disclaimer: Staff are asking for the Workgroup's input to produce the State's "wish list" for the negotiation with CMS.
  - Some or all of these idea may not be feasible;
  - The magnitude of the 'budget' that we have available is unknown.

# Strawman #1: Cost Sharing Reductions

- The next version of the TCOC Model could return some of the savings to consumers by reducing the cost-sharing amount on hospital services.
  - For example, Medicare outpatient cost-sharing is 20% of the hospital charges.
  - The Model could potentially reduce that cost-sharing amount.
- This could take the form of:
  - A “cap” on out-of-pocket expenses in aggregate (e.g., no cost sharing in excess of \$10k);
  - A reduction in the cost-sharing rates (e.g., a reduction in cost sharing from \$20% to 15%);
  - A fixed menu of out-of-pocket spending for different hospital services (e.g., cost sharing on knee replacements being equal to \$5k, regardless of other hospital charges).

## Strawman #2: Enhanced Benefits

- The next TCOC Model could use some of the savings to provide additional benefits to Maryland consumers.
  - Currently, medical and supplemental benefits are separated (e.g., hospital costs, dental, and vision care are all separated).
  - These benefits could be financed under the TCOC Model.
- For example, some savings from the TCOC Model could be used to fund insurance costs for:
  - Dental Care
  - Vision Care
  - Cost-sharing on some drug costs (insulin, etc.)

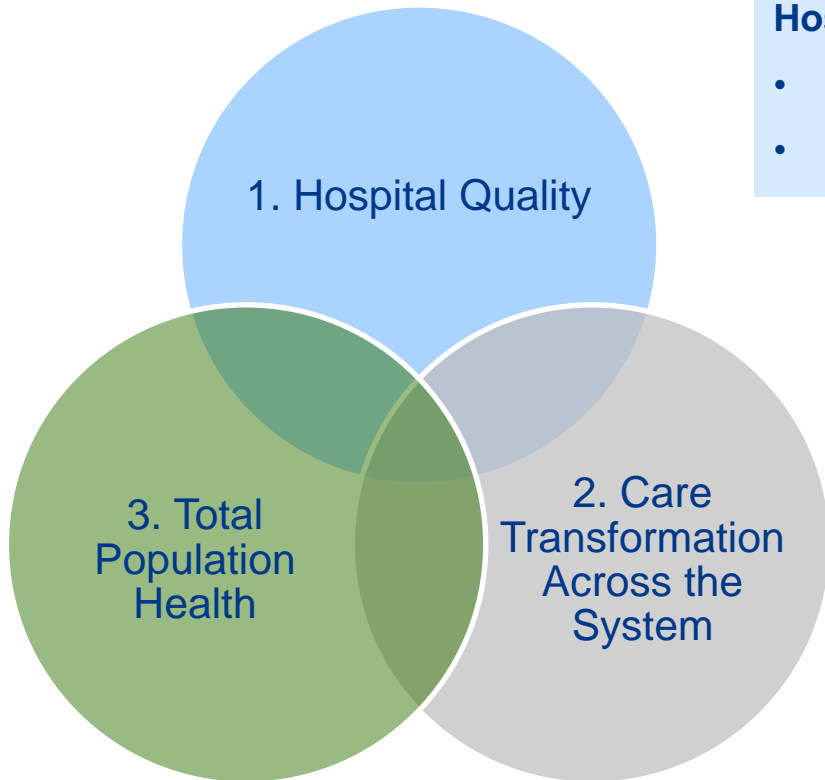
## Discussion Questions

- Are there additional types of consumer benefits that the State should consider as part of a successor to the TCOC Model?
- If you had to pick ONE type of consumer benefit, which would it be?
- REMINDER: This is a wish list for the State that we will explore as part of our progression plan.

# Public Comment

# Chronic Care Management

# Statewide Integrated Health Improvement Strategy



## Hospital Quality

- Reduce avoidable admissions
- Improve Readmission Rates by Reducing Within-Hospital Disparities

## Care Transformation Goals

- Increase the amount of Medicare TCOC or number of Medicare beneficiaries under value-based care models\*
- **Improve care coordination for patients with chronic conditions**

## Total Population Health Goals

- Priority Area 1 (Diabetes): Reduce the mean BMI for adult Maryland residents
- Priority Area 2 (Opioids): Improve overdose mortality
- Priority Area 3 (Maternal and Child Health):
  - Reduce severe maternal morbidity rate
  - Decrease asthma-related emergency department visit rates for ages 2-17

\*Value-based models including the Care Redesign Program, Care Transformation Initiatives, and qualifying successor models.



# SIHIS Care Transformation Goals

	Goal #1: Increase the amount of Medicare TCOC or number of Medicare beneficiaries under Care Transformation Initiatives (CTIs), Care Redesign Program, or successor payment model		Goal #2: Improve care coordination for patients with chronic conditions
<b>Measure</b>	Percent of TCOC under Care Transformation	Number of beneficiaries under CTI	Timely Follow-up After Acute Exacerbations of Chronic Conditions (NQF# 3455)
<b>2018 Baseline</b>	\$0	0	70.85%
<b>2021 Year 3 Milestone</b>	12.5% of Medicare TCOC under a CTI or CRP or successor payment model	7.5% of Medicare Beneficiaries covered under a CTI or CRP or successor payment model	72.38% 2.16 percent improvement <b>Actual Performance:</b> 70.07% (Milestone Not Met)
<b>2023 Year 5 Target</b>	37% of Medicare under a CTI or CRP or successor payment model	22% of Medicare Beneficiaries covered under a CTI or CRP or successor payment model	73.42% 3.62 percent improvement
<b>2026 Year 8 Final Target</b>	50% of Medicare TCOC under a CTI or CRP or successor payment model	30% of Medicare Beneficiaries covered under a CTI or CRP or successor payment model	75.00% 5.86 percent improvement or 0.50 percent better than the national rate

# The Model Invests in Primary Care

The Maryland Primary Care Program (MDPCP) supports Maryland primary care providers as they **deliver advanced primary care.**

**53%**  
of eligible  
Maryland  
Medicare FFS  
beneficiaries  
are attributed  
to an MDPCP  
practice.\*



The goal of MDPCP is to build a **strong, effective primary care delivery system**, inclusive of **medical, behavioral and social needs.**



In conjunction with value-based opportunities for other providers under the Total Cost of Care Model, MDPCP seeks to **transform care delivery through primary care.**



MDPCP **targets upstream interventions** through **chronic disease management** and preventative care, helping to **improve population health and care outcomes.**

*\*Beneficiaries with both Part A + B coverage*

# Burden of Chronic Conditions in Maryland

Maryland has a higher number of Medicare beneficiaries with most chronic conditions per 100,000 Medicare beneficiaries than other states

**Table 2. Number of Beneficiaries per 100,000 Beneficiaries with Chronic Conditions**

ISO	Condition	Maryland	Other States	Maryland/ Other States
0	Any of the 25 CCW conditions (1 or more)	67,150	59,701	1.12
1	Hypertension	49,154	41,867	1.17
2	Hyperlipidemia	41,278	34,667	1.19
3	Diabetes	21,069	17,561	1.20
4	Rheumatoid Arthritis/Osteoarthritis	20,539	18,240	1.13
5	Glaucoma	12,652	8,786	1.44
6	Ischemic Heart Disease	12,407	11,807	1.05
7	Anemia	12,186	10,035	1.21
8	Hypothyroidism	11,707	11,663	1.00
9	Depression, Bipolar, or Other Depressive Mood Disorders	11,024	9,952	1.11
10	Chronic Kidney Disease	9,764	9,291	1.05
11	Atrial Fibrillation and Flutter	8,002	7,794	1.03
12	Chronic Obstructive Pulmonary Disease	7,865	8,153	0.96
13	Benign Prostatic Hyperplasia	5,957	5,335	1.12
14	Heart Failure and Non-Ischemic Heart Disease	5,926	6,170	0.96
15	Osteoporosis With or Without Pathological Fracture	5,145	4,855	1.06
16	Asthma	4,401	3,754	1.17

Source: Acumen, “Maryland Model Analytics Consultant -Evaluation of Maryland Medicare Spending on Chronic Conditions”, November 2022

# Chronic Conditions in Maryland

- Medicare beneficiaries with chronic conditions in Maryland have a mean number of 3.78 comorbidities
- Compared to other States, Medicare beneficiaries with chronic conditions in Maryland-
  - Experience inpatient hospitalizations at a slightly lower rate;
  - Use Post Acute Care and home health care less often;
  - Have a lower rate of outpatient utilization;
  - Use physician services at about the same rate as in other states

The lower rate of hospitalizations *could suggest* that Maryland is better at keeping beneficiaries with chronic conditions stable.

## Discussion

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What improvements to the health care system in Maryland would improve care for people with chronic conditions?

# Public Comment

# Next Steps

- Meeting 3: Health Care Quality and Equity
  - Tentatively scheduled for March 20, 1:30-3:30

Thank you!

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# Appendix

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# Many health care issues are not related to the Model agreement with CMMI

- HSCRC Responsibilities
  - Hospital Financial Assistance
  - Hospital Medical Debt Collection
  - Hospital Community Benefits Reporting
- Other topics
  - Insurance regulation (eligibility, coverage, and cost-sharing\*)
  - Facility and Provider Licensure.

Workgroup recommendations to Commissioners should prioritize items related to future model agreements with CMMI

*\*The Total Cost of Care standing workgroup may discuss Medicare cost-sharing, which could be addressed through a future version of the Model.*

# State Resources for Patients

HSCRC can help consumers with complaints about hospital charges/bills, financial assistance, medical debt collection, or facility fee notices. If you have a complaint related to one of these areas and would like assistance, please email [hscrc.patient-complaints@maryland.gov](mailto:hscrc.patient-complaints@maryland.gov) with the details of your complaint.

For information on nursing homes, hospitals, hospice, assisted living facilities, including quality and performance reports and price comparisons, visit the Maryland Health Care Commission's Maryland Quality Reporting website. (<https://healthcarequality.mhcc.maryland.gov/>)

Education and consumer support related to health insurance is available from the Maryland Insurance Administration (<https://insurance.maryland.gov/Consumer/Pages/default.aspx>)

Complaints about patient care and facility safety go to the Office of Health Care Quality in the Maryland Department of Health <https://app.smartsheet.com/b/publish?EQBCT=07c94438f6714af1bbfe8ff1037b8b74>

The Health Education and Advocacy Unit of the Office of the Attorney General is available to assist patients or their authorized representative in filing and mediating complaints related to health care bills and other health care issues. [HEAU@oag.state.md.us](mailto:HEAU@oag.state.md.us)