

**606th Meeting of the Health Services Cost Review Commission
April 12, 2023**

(The Commission will begin in public session at 11:30 am for the purpose of, upon motion and approval, adjourning into closed session. The open session will resume at 1:00pm)

**CLOSED SESSION
11:30 am**

1. Discussion on Planning for Model Progression - Authority General Provisions Article, §3-103 and §3-104
2. Update on Administration of Model - Authority General Provisions Article, §3-103 and §3-104
3. Update on Commission Response to COVID-19 Pandemic - Authority General Provisions Article, §3-103 and §3-104
4. Discussion on Bond Covenant Review - Authority General Provisions Article, §3-305(b)(5)(8)

**PUBLIC MEETING
1:00 pm**

1. Summary Statement of Closed Session
2. Review of Minutes from the Public and Closed Meetings on March 8 and March 20, 2023
3. Docket Status – Cases Closed
4. Docket Status – Cases Open
 - 2603R Luminis Anne Arundel Medical Center
 - 2608R Shady Grove Adventist Medical Center
5. Adoption of Proposed Regulations
 - a. Accounting and Budget Manual: COMAR 10.37.01.02
 - b. Regular Rate Applications, including the moratorium: COMAR 10.37.10.03;
Commission Review of Established Rates: COMAR 10.37.10.04;
Temporary Rate Applications: COMAR 10.37.10.05
6. Policy Update
 - a. Legislative Update
 - b. Model Monitoring
 - c. Workgroup Review
7. Hearing and Meeting Schedule

H.S.C.R.C's CURRENT LEGAL DOCKET STATUS (OPEN)

AS OF APRIL 3, 2023

A: PENDING LEGAL ACTION : NONE
B: AWAITING FURTHER COMMISSION ACTION: NONE
C: CURRENT CASES:

Docket Number	Hospital Name	Date Docketed	Purpose	Analyst's Initials	File Status
2603R	Luminis Anne Arundel Medical Center	7/22/2022	FULL	KW	OPEN
2608R	Shady Grove Adventist Medical Center	7/18/2022	CAPITAL	GS	OPEN

PROCEEDINGS REQUIRING COMMISSION ACTION - NOT ON OPEN DOCKET

None

Title 10

MARYLAND DEPARTMENT OF HEALTH

Subtitle 37 HEALTH SERVICES COST REVIEW COMMISSION

Chapter 01 Uniform Accounting and Reporting System for Hospitals and Related Institutions

Authority: Health-General Article, §§19-207 and 19-215, Annotated Code of Maryland

Notice of Final Action

[22-352-P-I]

On April 12, 2023, the Health Services Cost Review Commission adopted amendments to Regulation .02 under **COMAR 10.37.01 Uniform Accounting and Reporting System for Hospitals and Related Institutions**. This action, which was proposed for adoption in 50:02 Md. R. 67-68 (January 27, 2023), has been adopted as proposed.

Effective Date: May 1, 2023

Title 10

MARYLAND DEPARTMENT OF HEALTH

Subtitle 37 HEALTH SERVICES COST REVIEW COMMISSION

Chapter 10 Rate Application and Approval Procedures

Authority: Health-General Article, §§19-207 and 19-219, 19-220 and 19-222
Annotated Code of Maryland

Notice of Final Action

[22-294-P]

On April 12, 2023, the Health Services Cost Review Commission adopted amendments to Regulations **.03, .04, and .05** under **COMAR 10.37.10 Rate Application and Approval Procedures**. This action, which was proposed for adoption in 50:03 Md. R. 97 (February 10, 2023), has been adopted as proposed.

Effective Date: May 1, 2023



Maryland
Hospital Association

March 13, 2023

Dennis Phelps
Principal Deputy Director – Audit & Compliance
Health Services Cost Review Commission
4160 Patterson Avenue
Baltimore, MD 21215

Dear Mr. Phelps:

On behalf of Maryland's 60 hospitals and health systems, MHA offers its comments on proposed changes to COMAR 10.37.10.05(F)– Rate Applications and Approval Procedures.

MHA requests HSCRC strike the second proposed sentence, *“A temporary rate approved by the Commission may not result in regulated revenue exceeding regulated expenses in the most recently completed fiscal year.”*

As written, the sentence limits all temporary HSCRC action to only regulated operating losses, when an operating loss from both regulated and unregulated services may be justified. HSCRC has wide latitude to exercise its judgment on an appropriate temporary increase and need not limit itself to this provision. Hospitals cannot simply ask for a temporary rate increase without consequences because a permanent rate application must follow.

By statute, HSCRC regulates prices and revenues, not margins. The proposed language presupposes a margin. If HSCRC wants to both set a limit and replace the reference to a dated methodology, a methodology-based limit should be proposed in a working group for stakeholder review and comment.

We look forward to commenting on this matter at an upcoming public meeting. If you have any questions or concerns about the concern raised in this letter, please do not hesitate to contact me.

Sincerely,

Brett McCone
Senior Vice President, Health Care Payment

cc: Katie Wunderlich, Executive Director



TO: HSCRC Commissioners
FROM: HSCRC Staff
DATE: April 12, 2023
RE: Hearing and Meeting Schedule

May 10, 2023 To be determined - GoTo Webinar

June 14, 2023 To be determined - GoTo Webinar

The Agenda for the Executive and Public Sessions will be available for your review on the Wednesday before the Commission meeting on the Commission's website at <http://hscrc.maryland.gov/Pages/commission-meetings.aspx>.

Post-meeting documents will be available on the Commission's website following the Commission meeting.

Adam Kane, Esq
Chairman

Joseph Antos, PhD
Vice-Chairman

Victoria W. Bayless

Stacia Cohen, RN, MBA

James N. Elliott, MD

Maulik Joshi, DrPH

Sam Malhotra

Katie Wunderlich
Executive Director

William Henderson
Director
Medical Economics & Data Analytics

Allan Pack
Director
Population-Based Methodologies

Gerard J. Schmith
Director
Revenue & Regulation Compliance