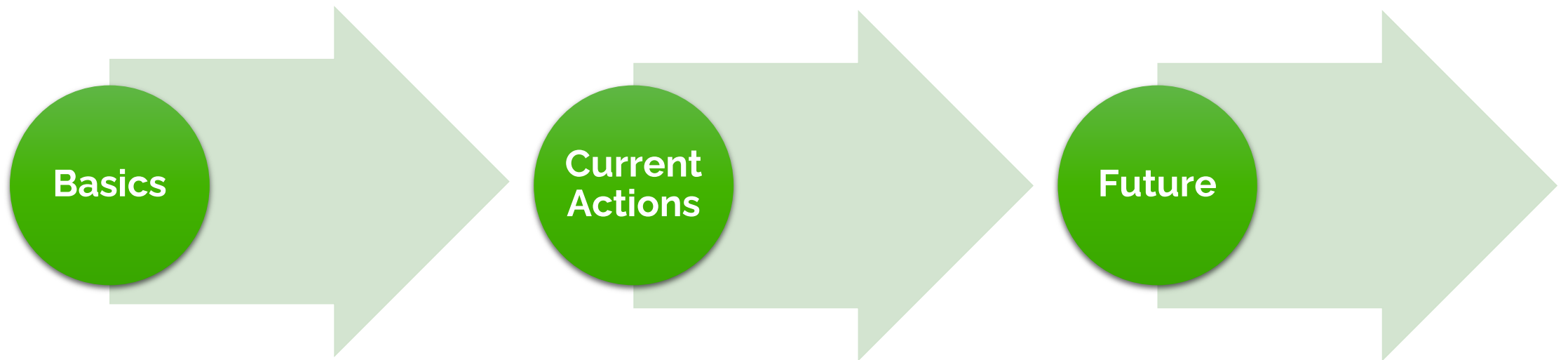


Maryland AAHAM HSCRC Update May 13, 2022

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Agenda Items



BASICS

Quick Explanation of the HSCRC

New to Maryland or the HSCRC?

- New to Maryland and/or not sure what the HSCRC is? You are not alone!
 - HSCRC ⇒ Health Services Cost Review Commission
 - Maryland has been a “waiver state” since 1978, meaning Maryland hospital services are exempt from Medicare payment rates and all payers pay the same price for the same service (with some discounts/exceptions).
 - To keep the waiver, Maryland’s rate of change in Medicare hospital spending must be less than that of the nation.
- Primary goal of the HSCRC: reduce healthcare costs while ensuring high quality healthcare in Maryland.
- Website: <https://hscrc.maryland.gov/pages/default.aspx>

Many Changes

Then

- “Hospital-Centric”
- Cost (Charge)-Focused
 - Rate centers, rates, and relative value units
- Revenue was volume-driven
- Some programs

Now

- Total Cost of Care – 2019
- Quality-Focused
- Revenue is capped
 - GBR-2014
- Many programs
 - Community Benefits
 - Acquired Conditions, Readmissions

Commissioners vs. Commission Staff

Commissioners

- Appointed by Governor
- Diverse: Hospital, Non-Hospital, includes payer representation
- Terms
- Votes on all policies

Commission Staff

- Hired to work for state government
- Policy, economics, etc.
- Employment
- Develops (with stakeholders) and presents policies

Regulated vs. Non-Regulated

Regulated

- Facility hospital services provided “at the hospital” (on campus)

Non-Regulated

- Physician Offices
- Professional Fees
- Specimen Only Laboratory
- End-Stage Renal
- Post-Acute Care
- Other freestanding entities

Waiver

What it Does

- Controls what hospitals can charge for services that are regulated by the HSCRC
- Payers must pay what hospitals charge for regulated services (with some discounts)
- Makes information public

What it Does Not Do

- Affects coverage of services
- Tells how to bill or code for services
- Impacts what is charged and paid for non-regulated services

New Vision Statement

The Maryland Model, stabilized and embracing a population health approach for all providers, will serve as the nation's leader in health equity, quality, access, total cost, and consumer experience by leveraging value-based payment methodologies across all payers.

Questions on Basics?

Don't be shy!

CURRENT ACTIONS

What has happened recently that could impact operations?

Our last update was October 27, 2021

Charging

- Rate Year 2023 Update Factor
- Full Rate Reviews
 - Psych
 - Non-Psych
- Clinic conversion

Medical Debt and Payment Plans

- Code of Maryland Regulations (COMAR) 10.37.10.26, Patient Rights and Obligations; Hospital Credit and Collection and Financial Assistance Policies
 - Notice requirements
 - Payment amounts not exceeding 5% of patient income
 - Duration of repayment
 - Interest Rate Cap
 - Payment Plan modifications, prepayments, missed payments, and late payments.
- FAQs
- Proposed – Medical Debt

Staffing Shortages

- Nurse Support Programs
 - Schools – \$4.1 million
 - Hospitals – 0.1 or 0.2% of revenues
- Advance Funding

Other

- Chesapeake Regional Information System for our Patients (CRISP)
- Urgent Care Center de-regulation
- Tri-County Behavioral Health Engagement (TRIBE)
- Quality-Based Reimbursement (QBR) – Concurrent Norms
- Mobile Care Grants
- Facility Fees vs. No Surprises Act

FUTURE

What areas are targeted for future?

Priorities

- Keeping the model
- Revenue for Reform (R4R) and Care Transformation Initiatives (CTIs)
- Population Health
- Quality
- Equity
- Statewide priorities
 - Diabetes
 - Behavioral Health
 - Maternal/child health

Key Takeaways

What KHC hopes you remember from today's informal session:

HSCRC information is shared publicly.

Stay connected with Reimbursement Team.

The devil is in the details.

You are not alone.

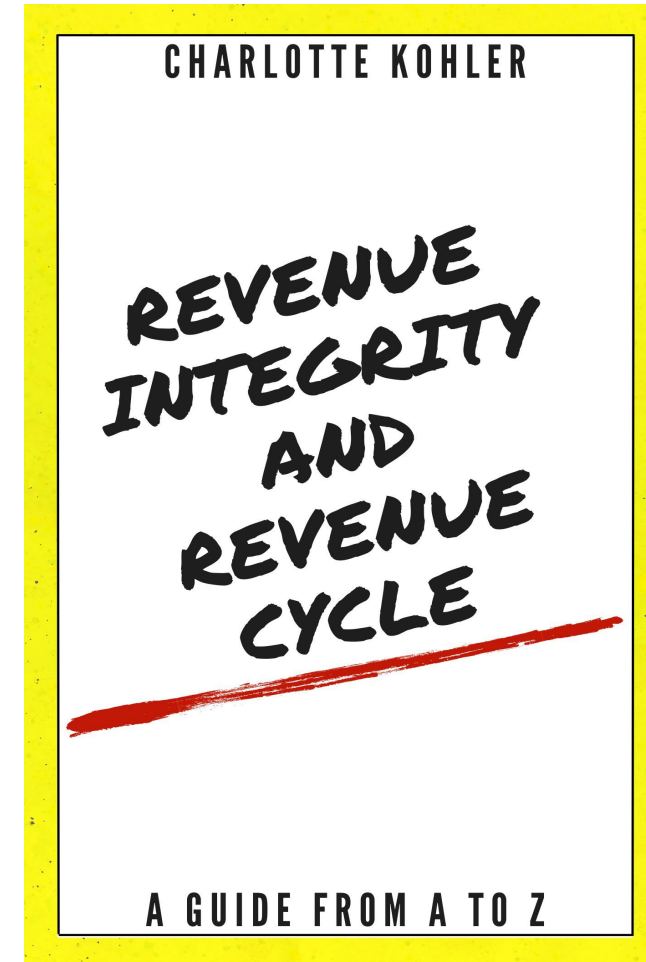
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KHC Learning Collaboratives

**Charge
Description
Master (CDM)**

Denials

**E/M and
Critical Care**

HSCRC

NCCI Edits

**No Surprises
Act**

THANK YOU FOR PARTICIPATING!

These slides were prepared by
Kohler HealthCare Consulting, Inc.
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