



March 9, 2022

To: The Senate Finance Committee

From: Adventist HealthCare

Re: SB834 - Health Insurance – Two-Sided Incentive Arrangements & Capitated Payments – Authorization

POSITION: SUPPORT

Adventist HealthCare is a faith-based, not-for-profit organization that has served the Greater Washington region for more than 115 years. We operate the largest health system in Montgomery County, and offer services across the region. Our goal is to provide a world-class patient experience to every person. Adventist HealthCare is also one of the largest behavioral health providers in the state and operates the state's largest clinically integrated network of community providers.

SB824 expands voluntary contracting options between provider organizations and health plans for commercial populations in Maryland. Adventist HealthCare joined a months-long multistakeholder coalition focused on shaping this bill to serve our communities and safeguard those responsible for their care. That collaboration resulted in this innovative blueprint to permit voluntary partnerships between provider organizations and health plans.

Value-based care is not a new endeavor, to the healthcare system or to us. In fact, we support the Maryland Primary Care Program as a Care Transformation Organization and partner with health plans in numerous similar value-based arrangements. Adventist HealthCare hospitals have also long helped the State achieve success under the Maryland Total Cost of Care Model. However, despite our extensive experience, and long history of success, we are barred from entering into similar agreements for commercial populations. This bill is necessary to address that limitation and allow leaders like Adventist HealthCare to partner in new ways that meet the growing and evolving needs of all Maryland residents.

Adventist HealthCare stands committed to improving the health of the communities we serve. Expanding the ways provider groups and health plans can voluntarily partner, including value-based contracts with two-sided incentives and capitation for commercial populations, means we, and other forward-facing organizations, can provide greater access to care and better meet the needs of all Marylanders.

For these reasons, Adventist HealthCare supports SB834 and encourages the committee to issue **a favorable report.**

