

MARYLAND REGISTER

## Proposed Action on Regulations

<b>Transmittal Sheet</b>  <b>PROPOSED OR REPROPOSED</b>  <b>Actions on Regulations</b>	<b>Date Filed with AELR Committee</b>	<b>TO BE COMPLETED BY DSD</b>
	08/14/2015	Date Filed with Division of State Documents
		Document Number
		Date of Publication in MD Register

**1. Desired date of publication in Maryland Register: 9/4/2015**

**2. COMAR Codification**

**Title Subtitle Chapter Regulation**

10 37 10 07-1

**3. Name of Promulgating Authority**

Health Services Cost Review Commission

**4. Name of Regulations Coordinator**

Diana M Kemp

**Telephone Number**

410-764-2576

**Mailing Address**

4160 Patterson Avenue

**City State Zip Code**

Baltimore MD 21215

**Email**

dkemp@hscrc.state.md.us

**5. Name of Person to Call About this Document**

Diana Kemp

**Telephone No.**

410-764-2576

**Email Address**

diana.kemp@maryland.gov

**6. Check applicable items:**

- New Regulations
  - Amendments to Existing Regulations
    - Date when existing text was downloaded from COMAR online: 08/10/2015.
  - Repeal of Existing Regulations
  - Recodification
  - Incorporation by Reference of Documents Requiring DSD Approval
  - Reproposal of Substantively Different Text:
    - : Md. R
    - (vol.) (issue) (page nos) (date)
- Under Maryland Register docket no.: --P.

**7. Is there emergency text which is identical to this proposal:**

- Yes  No

**8. Incorporation by Reference**

Check if applicable: Incorporation by Reference (IBR) approval form(s) attached and 18 copies of documents proposed for incorporation submitted to DSD. (Submit 18 paper copies of IBR document to DSD and one copy to AELR.)

**9. Public Body - Open Meeting**

- OPTIONAL - If promulgating authority is a public body, check to include a sentence in the Notice of Proposed Action that proposed action was considered at an open meeting held pursuant to State Government Article, §10-506(c), Annotated Code of Maryland.
- OPTIONAL - If promulgating authority is a public body, check to include a paragraph that final action will be considered at an open meeting.

**10. Children's Environmental Health and Protection**

Check if the system should send a copy of the proposal to the Children's Environmental Health and Protection Advisory Council.

**11. Certificate of Authorized Officer**

I certify that the attached document is in compliance with the Administrative Procedure Act. I also certify that the attached text has been approved for legality by Leslie C. Schulman, Assistant Attorney General, (telephone #410-764-2575) on 08-12-2015. A written copy of the approval is on file at this agency.

**Name of Authorized Officer**

John M. Colmers

**Title**

Chairman

**Date**

August 12, 2015

**Telephone No.**

410-764-2605

**Title 10**  
**DEPARTMENT OF HEALTH AND MENTAL HYGIENE**

**Subtitle 37 HEALTH SERVICES COST REVIEW COMMISSION**

**10.37.10 Rate Application and Approval Procedures**

Authority: Health-General Article, Sections 19-201, and 19-207; Annotated Code of Maryland

**Notice of Proposed Action**

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The Health Services Cost Review Commission proposes to amend Regulation .07-1 under COMAR 10.37.10 Rate Application and Approval Procedures. This action was considered and approved for promulgation by the Commission at a previously announced open meeting held on August 12, 2015, notice of which was given pursuant to General Provisions Article, Section 3-302(c), Annotated Code of Maryland. If adopted, the proposed amendments will become effective on or about November 23, 2015.

**Statement of Purpose**

The purpose of this action is to conform to legislation passed in the 2015 General Assembly, which establishes that outpatient services associated with the federal 340B Program and that meet certain criteria shall be considered provided "at the hospital" and thereby subject to HSCRC rate jurisdiction.

**Comparison to Federal Standards**

There is no corresponding federal standard to this proposed action.

**Estimate of Economic Impact**

**I. Summary of Economic Impact.**

Assumption of a moderate benefit to regulated hospitals, third party payers and the general public.

<b>II. Types of Economic Impact.</b>	Revenue (R+/R-)	Magnitude
	Expenditure (E+/E-)	
A. On issuing agency:	NONE	
B. On other State agencies:	NONE	
C. On local governments:	NONE	

	Benefit (+) Cost (-)	Magnitude
D. On regulated industries or trade groups:	NONE	
(1)	(+)	Moderate
E. On other industries or trade groups:	NONE	
(2)	(+)	Moderate
F. Direct and indirect effects on public:	NONE	
(3)	(+)	Moderate

**III. Assumptions.** (Identified by Impact Letter and Number from Section II.)

D(1). Assumption of moderate benefit to regulated hospitals, third party payers and the public is based on hospitals paying less for certain outpatient drugs under the federal 340B Program, which translates to payers and patient paying less as well.

E(2). Assumption of moderate benefit to regulated hospitals, third party payers and the public is based on hospitals paying less for certain outpatient drugs under the federal 340B Program, which translates to payers and patient paying less as well.

F(3). Assumption of moderate benefit to regulated hospitals, third party payers and the public is based on hospitals paying less for certain outpatient drugs under the federal 340B Program, which translates to payers and patient paying less as well.

**Economic Impact on Small Businesses**

The proposed action has minimal or no economic impact on small businesses.

**Impact on Individuals with Disabilities**

The proposed action has no impact on individuals with disabilities.

**Opportunity for Public Comment**

Comments may be sent to Diana Kemp, Regulations Coordinator, Health Services Cost Review Commission, 4160 Patterson Avenue, Baltimore, MD 21215, or call 410-764-2576, or email to [diana.kemp@maryland.gov](mailto:diana.kemp@maryland.gov), or fax to 410-358-6217. Comments will be accepted through October 5, 2015. A public hearing has not been scheduled.

**Economic Impact Statement Part C**

A. Fiscal Year in which regulations will become effective: FY 2016

B. Does the budget for the fiscal year in which regulations become effective contain funds to implement the regulations?

Yes

C. If 'yes', state whether general, special (exact name), or federal funds will be used:

Special - Hospital Assessments

D. If 'no', identify the source(s) of funds necessary for implementation of these regulations:

E. If these regulations have no economic impact under Part A, indicate reason briefly:

F. If these regulations have minimal or no economic impact on small businesses under Part B, indicate the reason and attach small business worksheet.

G. Small Business Worksheet:

Attached Document:

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## **Title 10 DEPARTMENT OF HEALTH AND MENTAL HYGIENE**

### **Subtitle 37 HEALTH SERVICES COST REVIEW COMMISSION**

#### **10.37.10 Rate Application and Approval Procedures**

Authority: Health-General Article, §§ 19-201, and 19-207; Annotated Code of Maryland

##### **.07-1 Outpatient Services – At the Hospital Determination.**

A. —B.(text unchanged)

C. In accordance with Health-General Article, § 19-201, Annotated Code of Maryland, the Commission's rate-setting jurisdiction extends to outpatient services provided at the hospital. *Outpatient services associated with the federal 340B Program under the federal Public Health Service Act provided in a department of a regulated hospital that, on or before June 1, 2015, is under a merged asset hospital system, and which are physically located at another regulated hospital under the same merged asset hospital system, shall be subject to the rate-setting jurisdiction of the Commission.*

D.-J. (text unchanged)

**JOHN M. COLMERS**  
Chairman  
Health Services Cost Review Commission