

MARYLAND REGISTER

Proposed Action on Regulations

Transmittal Sheet PROPOSED OR REPROPOSED Actions on Regulations	Date Filed with AELR Committee	TO BE COMPLETED BY DSD
	08/11/2016	Date Filed with Division of State Documents
		Document Number
		Date of Publication in MD Register

1. Desired date of publication in Maryland Register: 9/2/2016

2. COMAR Codification

Title Subtitle Chapter Regulation

10 37 10 03

3. Name of Promulgating Authority

Health Services Cost Review Commission

4. Name of Regulations Coordinator Telephone Number
Diana M Kemp 410-764-2576

Mailing Address

4160 Patterson Avenue

City State Zip Code
Baltimore MD 21215

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5. Name of Person to Call About this Document Telephone No.
Diana Kemp 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: 08/10/2016.
- 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

If yes, corresponding proposed text published in:

- same issue
- future issue
- previous issue; it appeared in
:
Md. R
(vol.) (issue) (page no's) (date)
Under Maryland Register docket no.: --E.

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 General Provisions Article, §3-302(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 #410-764-2576) on 08/10/2016. A written copy of the approval is on file at this agency.

Name of Authorized Officer

Nelson Sabatini

Title

Chairman

Date

08/10/2016

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 19-207, 19-219, and 19-222; Annotated Code of Maryland

Notice of Proposed Action

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The Health Services Cost Review Commission proposes to amend Regulation .03 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 10, 2016, 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 December 19, 2016.

Statement of Purpose

The purpose of this action is to extend a moratorium on the filing of regular rate applications given the progression of the all-payer model.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

I. Summary of Economic Impact.

Filing of full rate applications has become the exception as hospitals are able to avail themselves of other administrative remedies for seeking rate relief.

Revenue (R+/R-)

II. Types of Economic Impact.

Expenditure (E+/E-)

Magnitude

- 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:		
() 1	(-)	Minimal
	NONE	
E. On other industries or trade groups:		
() 2	(+)	Minimal
	NONE	
F. Direct and indirect effects on public:		
() 3	(+)	Minimal
	NONE	

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

D(). This assumption is based on the belief that although hospitals will not be able to file full rate applications during the moratorium, they have other administrative remedies and opportunities available for obtaining rate relief during the moratorium.

E(). This assumption is based on the belief that third party payers will not be paying higher rates associated with a full rate application during the moratorium. However, the filing of full rate applications has become the exception as hospitals are able to avail themselves of other administrative remedies for seeking rate relief.

F(). This assumption is based on the belief that the public will not be paying higher rates associated with a full rate application during the moratorium. However, the filing of full rate applications has become the exception as hospitals are able to avail themselves of other administrative remedies for seeking rate relief.

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, Regulation Coordinator, Health Services Cost Review Commission, 4160 Patterson Avenue, Baltimore, MD 21215, or call 410-764-2576, or email to diana.kemp@maryland.gov, or fax to 410-358-6217. Comments will be accepted through October 17, 2016. A public hearing has not been scheduled.

Economic Impact Statement Part C

- A. Fiscal Year in which regulations will become effective: FY 2017
- 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:
100% Special Funds - 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.
Hospital rate applications do not apply to small businesses
- G. Small Business Worksheet:

Attached Document:

Title 10 DEPARTMENT OF HEALTH AND MENTAL HYGIENE

Subtitle 37 HEALTH SERVICES COST REVIEW COMMISSION

Chapter 10 Rate Application and Approval Procedures

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

.03 Regular Rate Applications.

A. A hospital may not file a regular rate application with the Commission until rate efficiency measures are adopted by the Commission which are consistent with the all-payer model contract approved by the Centers for Medicare & Medicaid Services (CMS). During this interim period of time, a hospital may seek a rate adjustment under any other administrative remedy available to it under existing Commission, law, regulation, or policy. The rate efficiency measures shall be adopted by the Commission no later than [July 1, 2016] *October 31, 2017*. [In no event shall the moratorium continue in effect beyond September 30, 2016.] Once the moratorium is lifted, a hospital may file a regular rate application with the Commission at any time if:

(1) (text unchanged)

(2) (text unchanged)

B. – D. (text unchanged)

NELSON SABATINI

Chairman

Health Services Cost Review Commission