House Bill 1563

Maryland Lifetime Infant Care Trust

Judiciary Committee Testimony

March 9, 2020

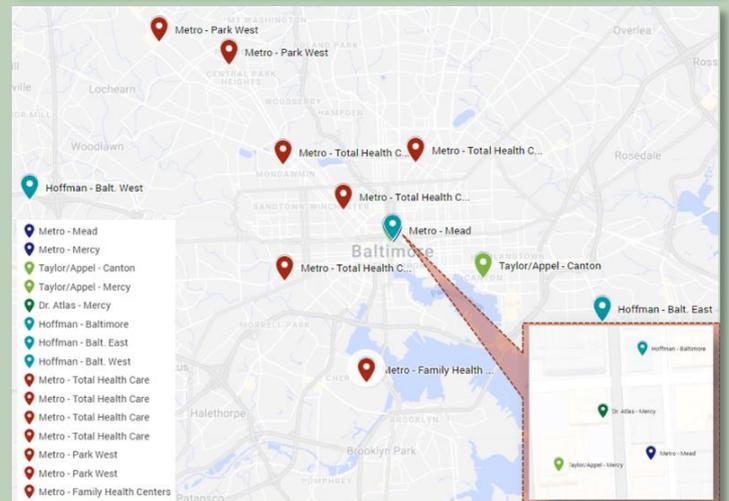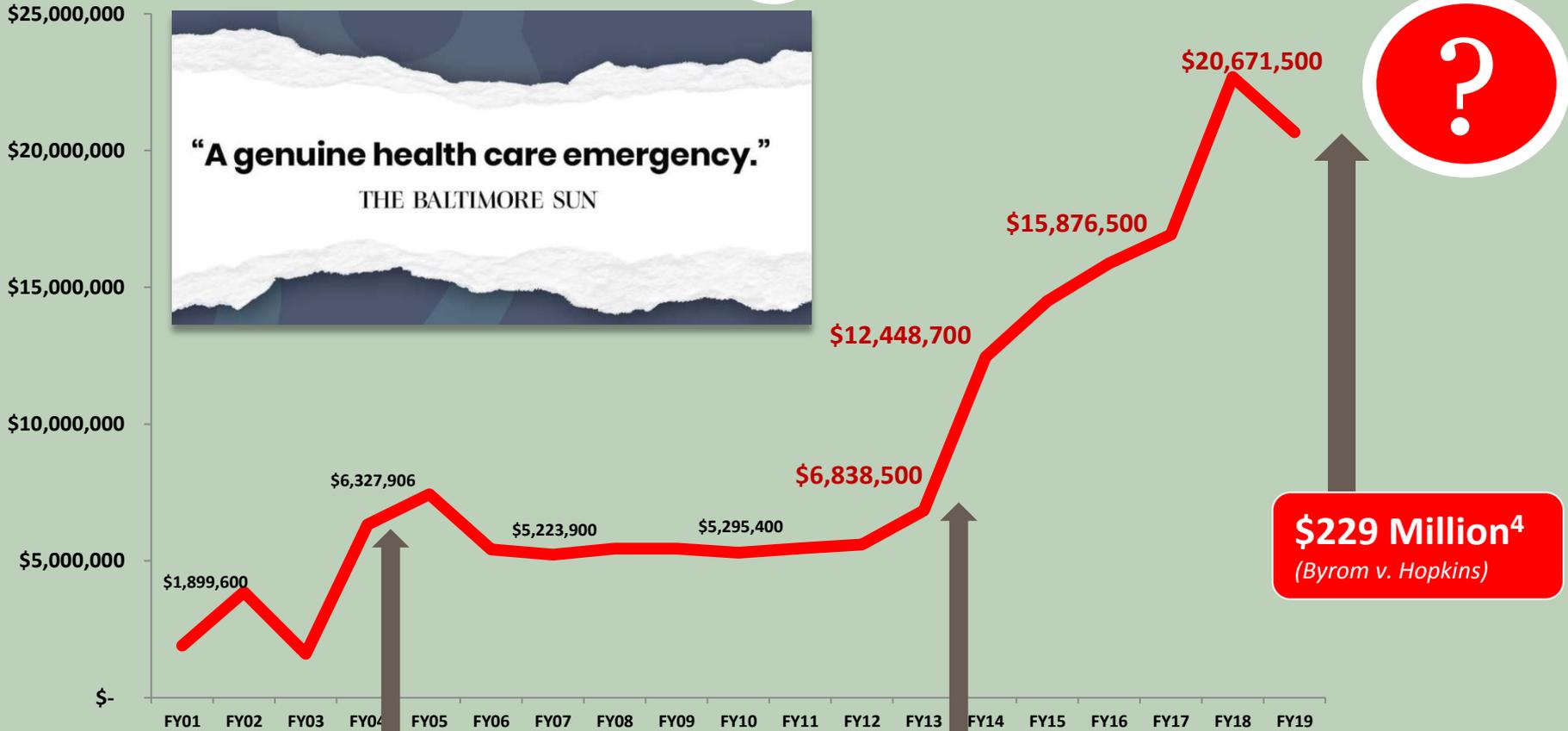Ryan O'Doherty, Vice President, External Affairs, Mercy Health Services

- **Independent, Community Hospital**

  - Sponsored by the Sisters of Mercy since 1874

  - Teaching affiliation with UMD

- **City's Largest Birthing Hospital**

  - ~3,000 Births annually

    (1-in-5 City births)

  - Over 70% of Mercy mothers are Medicaid-insured

Mercy Hospital Medical Liability Costs

HSCRC Annual Filing (FY2001-2019)[1]

$20,671,500

$15,876,500

$12,448,700

$6,838,500

$6,327,906

$5,223,900 $5,295,400

$1,899,600

?

$229 Million[4]
(Byrom v. Hopkins)

2004 MGA Special Session

$55 Million[2] *(Martinez v. Hopkins)*
$21 Million[3] *(Norfleet v. Harbor)*

Chart axis: $25,000,000 / $20,000,000 / $15,000,000 / $10,000,000 / $5,000,000 / $-

X-axis: FY01 FY02 FY03 FY04 FY05 FY06 FY07 FY08 FY09 FY10 FY11 FY12 FY13 FY14 FY15 FY16 FY17 FY18 FY19

Image caption: "A genuine health care emergency."
THE BALTIMORE SUN

Who Pays for Medical Liability Costs?

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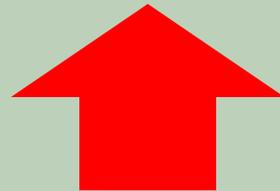## MERCY MEDICAL CENTER

$14,534	$17,768	$5,320
FY2012 Average Charge per Birth	FY2019 Average Charge per Birth	FY2019 Liability Cost Per Birth

+22% Price Increase On All Payers

Source:
Mercy Medical Center HSCRC Annual Filing

Addressing Maternal Health Disparities
HB1563 Maryland Lifetime Infant Care Trust

This hospital's severe maternal morbidity rate for births to **black mothers** is less than the rate for Maryland

8,027 of 11,727 deliveries

This hospital:

1.5%

0   Maryland: 2.6%

U.S.: 2.6%   Max: 14.4%

"Black mothers delivering at Mercy also bucked the national trend among delivery patients. Their severe complications were half the overall rate from USA TODAY's analysis."
—USA TODAY, November 13, 2019.

HB1563 Maternal Health Provisions:

$1 million in hospital grant funding to address maternal health disparities
Maryland Patient Safety Center Perinatal Clinical Advisory Committee

Conclusion: Mercy Strongly Urges Favorable Report

HB1563 Maryland Lifetime Infant Care Trust

- ✓ Guaranteed **Lifetime Care** for Injured Infants

- ✓ **Reliable funding** source for families

- ✓ Available/Affordable **reinsurance** for providers

- ✓ Protects **access to care** for vulnerable populations

- ✓ Generates **Medicaid savings** over time