

2024 Legislation MHCC -(SB 694 - MDH - REG Commiss

Uploaded by: Ben Steffen

Position: FAV



February 21, 2024

The Honorable Pamela G. Beidle
Chair, Senate Finance Committee
James Senate Office Building, Room 202
11 Bladen Street
Annapolis, MD 21401

Re: SB 694 -Maryland Department of Health – Health Commissions and Maryland Insurance Administration –Study - Letter of Support

Dear Chair Beidle and Members of the Committee:

The Maryland Health Care Commission (MHCC) appreciates the opportunity to support Senate Bill 694 and to provide its view on Maryland’s changing health care delivery and regulatory environment. Assessing the operations of Executive Branch organizations and seeking greater efficiencies is within the purview of the legislative branch.

This legislation requires the Maryland Department of Health (MDH) to contract with a consultant to evaluate potential overlap among the Maryland Health Care Commission, the Health Services Cost Review Commission, the Community Health Resources Commission, and the Maryland Insurance Administration. The legislation requires the agencies to work collaboratively with the consultant hired by MDH. MHCC will make Commissioners and senior staff available to the consultant and will work in collaboration with the other agencies to characterize MHCC’s role in Maryland’s regulatory framework. While we do not believe there is duplicative overlap but necessary collaboration, an external assessment by an independent consultant could prove valuable to the Departments, Commissions, and General Assembly.

New State and national initiatives are driving a transformation of the healthcare delivery system aimed at expanding health equity by eliminating the disparity in health outcomes, providing early and improved access to primary and behavioral care, lowering total costs, and ensuring greater accountability among providers and payers. Health care providers are breaking out of their service silos and creating strategic linkages across the care continuum and across geographic regions to support care coordination, improve health outcomes and increase efficiencies. These changes can be positive and negative. While in many instances positive there are significant challenges.

Ambulatory care is assuming a more dominant position in the health care delivery system as it must if we are to provide patient-centered care. Physician practices are growing larger

through consolidation with other practices, acquisitions with large payers and technology companies, or affiliation with health care systems. Private equity firms increasingly see opportunities to acquire nursing home facilities and ambulatory surgery centers; these sectors will not be the last targets.

Regulators may celebrate some of these trends and bemoan others, but the regulatory tools to shape the new frameworks, arrangements, and collaborative actions of providers and payers should be assessed. As new business processes and technology innovations create opportunities for providers and payers, the regulatory framework must also be aligned to respond to new opportunities and challenges. SB 694 presents an opportunity to conduct these assessments.

The assessment period for the study envisioned under SB 694 aligns with critical milestones in Maryland's next phase of health care reform. On March 18th, the State will submit its application to participate in CMS's Advancing All-Payer Health Equity Approaches and Development (AHEAD) model. If Maryland's application is successful, State agencies will spend the next eighteen months preparing for the launch of the AHEAD model in January 2026.

AHEAD represents the most significant opportunity for health care transformation in Maryland since the establishment of hospital-rate setting in the early 1980's. AHEAD will enable Maryland to manage better the total cost of care across all public and private payers, improve population health, and advance health equity by reducing disparities in health outcomes. Participation in the AHEAD model is essential for the State to continue to play a leading role in the evolution of health care delivery in the United States. CMS will support participating states through AHEAD Model components that aim to increase investment in primary care, provide financial stability for hospitals, and support beneficiary connection to community resources.

MHCC believes the assessment envisioned in SB 694 may play a role in continuing to align regulatory processes with the rapidly changing health care delivery system and health care needs of Maryland residents.

Sincerely,

Ben Steffen

Ben Steffen,
Executive Director



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Uploaded by: Jason Caplan

Position: FAV



February 21, 2024

The Honorable Pamela Beidle
Chair, Senate Finance Committee
Miller Senate Office Building, 3 East Wing
11 Bladen St., Annapolis, MD 21401

RE: Senate Bill 694 - Maryland Department of Health – Health Commissions and Maryland Insurance Administration – Study – Letter of Support

Dear Chair Beidle and Committee Members:

The Health Services Cost Review Commission (HSCRC) requests that the Committee favorably report Senate Bill 694, “Maryland Department of Health – Health Commissions and Maryland Insurance Administration – Study.”

The Department of Health, each of the Health Regulatory Commissions, and the MIA have had an important role in shaping Maryland’s health care system. An analysis of these agencies has not been performed in recent memory. As we strengthen our focus on population health, increasing access to quality care, and controlling health care costs, we respectfully submit that a comprehensive review of efficiency, effectiveness and collaboration of the agencies is appropriate and important.

HSCRC is working more closely than ever with our partner agencies, particularly related to Maryland’s application to the AHEAD Model. The study contained in Senate Bill 694 will allow us to gain new perspectives on our work and further our collaboration.

The HSCRC supports a favorable report of SB 694. If you have any questions or if I may provide you with any further information, please do not hesitate to contact me at jon.kromm@maryland.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jon Kromm".

Jon Kromm
Executive Director

Joshua Sharfstein, MD
Chairman

Joseph Antos, PhD
Vice-Chairman

James N. Elliott, MD

Ricardo R. Johnson

Maulik Joshi, DrPH

Adam Kane, Esq

Nicki McCann, JD

Jonathan Kromm, PhD *****
Executive Director

William Henderson
Director
Medical Economics & Data Analytics

Allan Pack
Director
Population-Based Methodologies

Gerard J. Schmith
Director
Revenue & Regulation Compliance

Claudine Williams
Director
Healthcare Data Management & Integrity

SB 694 - MIA - FAV FINAL.pdf

Uploaded by: Kathleen Birrane

Position: FAV

WES MOORE
Governor

ARUNA MILLER
Lt. Governor



KATHLEEN A. BIRRANE
Commissioner

TAMMY R. J. LONGAN
Acting Deputy Commissioner

200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202
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1-800-492-6116 TTY: 1-800-735-2258
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Date: February 21, 2024

Bill # / Title: SB 694 - Maryland Department of Health – Health Commissions and Maryland Insurance Administration – Study

Committee: Senate Finance Committee

Position: Support

The Maryland Insurance Administration (MIA) appreciates the opportunity to share its support of Senate Bill 694.

Senate Bill 694 requires the Maryland Department of Health (MDH) to contract with an independent consultant to analyze the duties of the Health Services Cost Review Commission (HSCRC), the Maryland Health Care Commission (MHCC), the MIA, and the Maryland Community Health Resources Commission (MCHRC) to identify potential overlap between agencies; identify whether any of the duties may be more appropriate for MDH or another agency; identify whether the agencies under study and their functions can be streamlined to improve effectiveness and efficiency; examine how the duties of the studied agencies align with the Maryland Total Cost of Care Model and the Advancing All-Payer Health Equity Approaches and Development (AHEAD) model; and recommend any changes in the agencies administrative structure. The independent consultant is required to seek input from the agencies in completing the study, and report the results by January 1, 2026.

The MIA, HSCRC, MHCC, and MCHRC each serve an important role in supporting Maryland consumers in accessing and utilizing health care. The MIA values its collaborative partnership with these entities and supports efforts to analyze and streamline services to ensure efficiency and effectiveness in health care regulation in the State. Our agency looks forward to working with the consultant tasked with undertaking this study, and is confident that the results of this independent analysis will lead to a stronger, more transparent healthcare system for Marylanders.

For these reasons, the MIA urges a favorable committee report on Senate Bill 694 and thanks the Committee for the opportunity to share its support.

2024 Legislation MHCC -(SB 694 - MDH - REG Commiss

Uploaded by: State of Maryland

Position: FAV



February 21, 2024

The Honorable Pamela G. Beidle
Chair, Senate Finance Committee
James Senate Office Building, Room 202
11 Bladen Street
Annapolis, MD 21401

Re: SB 694 -Maryland Department of Health – Health Commissions and Maryland Insurance Administration –Study - Letter of Support

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This legislation requires the Maryland Department of Health (MDH) to contract with a consultant to evaluate potential overlap among the Maryland Health Care Commission, the Health Services Cost Review Commission, the Community Health Resources Commission, and the Maryland Insurance Administration. The legislation requires the agencies to work collaboratively with the consultant hired by MDH. MHCC will make Commissioners and senior staff available to the consultant and will work in collaboration with the other agencies to characterize MHCC’s role in Maryland’s regulatory framework. While we do not believe there is duplicative overlap but necessary collaboration, an external assessment by an independent consultant could prove valuable to the Departments, Commissions, and General Assembly.

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MHCC believes the assessment envisioned in SB 694 may play a role in continuing to align regulatory processes with the rapidly changing health care delivery system and health care needs of Maryland residents.

Sincerely,

Ben Steffen

Ben Steffen,
Executive Director



HFAM Testimony SB 694.pdf

Uploaded by: Joseph DeMattos

Position: FWA



**TESTIMONY BEFORE THE
SENATE FINANCE COMMITTEE**

February 21, 2024

Senate Bill 694: Maryland Department of Health - Health Commissions and
Maryland Insurance Administration - Study
Written Testimony Only

POSITION: FAVORABLE WITH AMENDMENT

On behalf of the members of the Health Facilities Association of Maryland (HFAM), we appreciate the opportunity to express our support with amendment for Senate Bill 694.

HFAM represents skilled nursing centers and assisted living communities in Maryland, as well as associate businesses that offer products and services to healthcare providers. Our members provide services and employ individuals in nearly every jurisdiction of the state. HFAM is affiliated with the American Health Care Association/National Center for Assisted Living (AHCA/NCAL), which is the largest association in the United States representing long-term and post-acute care providers.

Senate Bill 694 requires the Maryland Department of Health to contract with an independent consultant to conduct a certain study of the Health Services Cost Review Commission, the Maryland Health Care Commission, the Maryland Insurance Administration, and the Maryland Community Health Resources Commission; and requires the Department to submit a report on the results of the study to the Governor, the Senate Finance Committee, and the House Health and Government Operations Committee on or before January 1, 2026.

We appreciate the intent of this legislation and agree that it is important to look at overlap of organizations to appropriately streamline duties for improved effectiveness and efficiency. **We respectfully request that the Office of Health Care Quality (OHCQ) be added to the list of organizations studied in Senate Bill 694.**

As you know, OHCQ is the agency within the Maryland Department of Health charged with monitoring the quality of care in Maryland's health care facilities and community-based programs. In our experience, there is often overlap statutory and regulatory duties performed by between OHCQ and the other organizations outlined in this legislation. We believe including OHCQ in the study proposed by this legislation will be beneficial to healthcare providers, consumers, and to meeting the goals of the Total Cost of Care Contract. We and our members are supportive of appropriately streamlining duties to improve effectiveness and efficiency in organizations that oversee healthcare providers.

For these reasons, and with the proposed amendment, we request a favorable report on Senate Bill 694.

Submitted by:

Joseph DeMattos, Jr.
President and CEO
(410) 290-5132