LIFEBRIDGE HEALTH®

Date: February 13, 2025
To: Chair Pena-Melnyk, Vice Chair Cullison and Health and Government Operations Committee
Reference: HB659: Health Insurance - Utilization Review - Exemption for Participation in Value-Based Care Arrangements

Position: Favorable with Amendment

Dear Chair Pena-Melnyk and Committee Members,
On behalf of LifeBridge Health, I appreciate the opportunity to offer our comments for House Bill 659. LifeBridge Health is a regional health system comprising Sinai Hospital of Baltimore, an independent academic medical center; Levindale Hebrew Geriatric Center and Hospital in Baltimore; Northwest Hospital, a community hospital in Baltimore County; Carroll Hospital, a sole community hospital in Carroll County; Grace Medical Center (formerly Bon Secours Hospital), a freestanding medical facility in West Baltimore; and Center for Hope a center of excellence focused on provided hope and services for trauma survivors in Baltimore City.

LifeBridge Health appreciates the intention of the bill, however, is concerned that without specific details on shared risk by removing a step that typically would facilitate timely care may create unbalanced risk to the providers. Value-Based Care Arrangements are specially agreed upon contracts with providers and payers, the nuances of these agreements and mechanisms for implementation need to be considered when implementing policy changes proposed in this legislation.

Value-Based Care arrangements are often focused on specific quality metrics alongside cost and utilization targets. Other components – including medical necessity review, cost control mechanisms, and workflow processes may exist today outside of these arrangements. We would want to ensure any changes would be complimentary to our current arrangements, processes and appropriate safeguards/appeal process is in place. As the Committee is considering this legislation, we would ask for clarification regarding the attribution methodology for these arrangements to ensure there is clarity on those populations that are excluded from any cost control or authorization requirements. We would want to understand by removing preauthorization requirements by the insurers does shift more risk to providers in this voluntary arrangement should there be increase unforeseen costs and for what covered patient population.

We ask for a favorable vote with amendments to support holding off on this significant policy change and allow for an interim study with key stakeholders to better define parameters and additional risk that providers who agree to in a two-sided risk arrangement that no longer required preauthorization by carriers.

For more information, please contact:
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