



Monitoring Maryland Performance Medicare TCOC Data

Data through July 2016 - Paid Claims through September

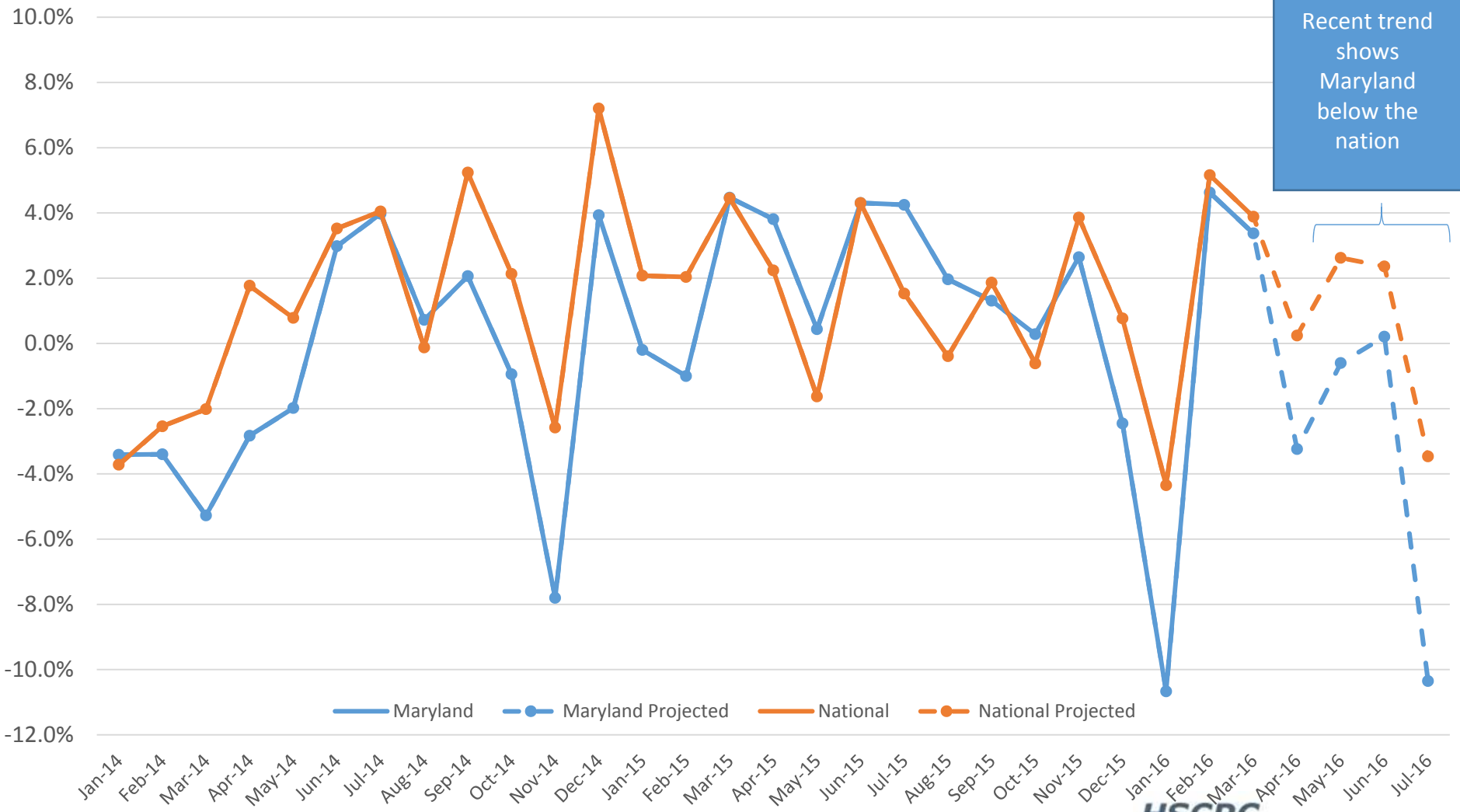


Disclaimer

Data contained in this presentation represent analyses prepared by MHA and HSCRC staff based on data summaries provided by the Federal Government. The intent is to provide early indications of the spending trends in Maryland for Medicare patients, relative to national trends. HSCRC staff has added some projections to the summaries. This data has not yet been audited or verified. Claims lag times may change, making the comparisons inaccurate. ICD-10 implementation could have an impact on claims lags. These analyses should be used with caution and do not represent official guidance on performance or spending trends. These analyses may not be quoted until public release.

Medicare Hospital Spending per Capita

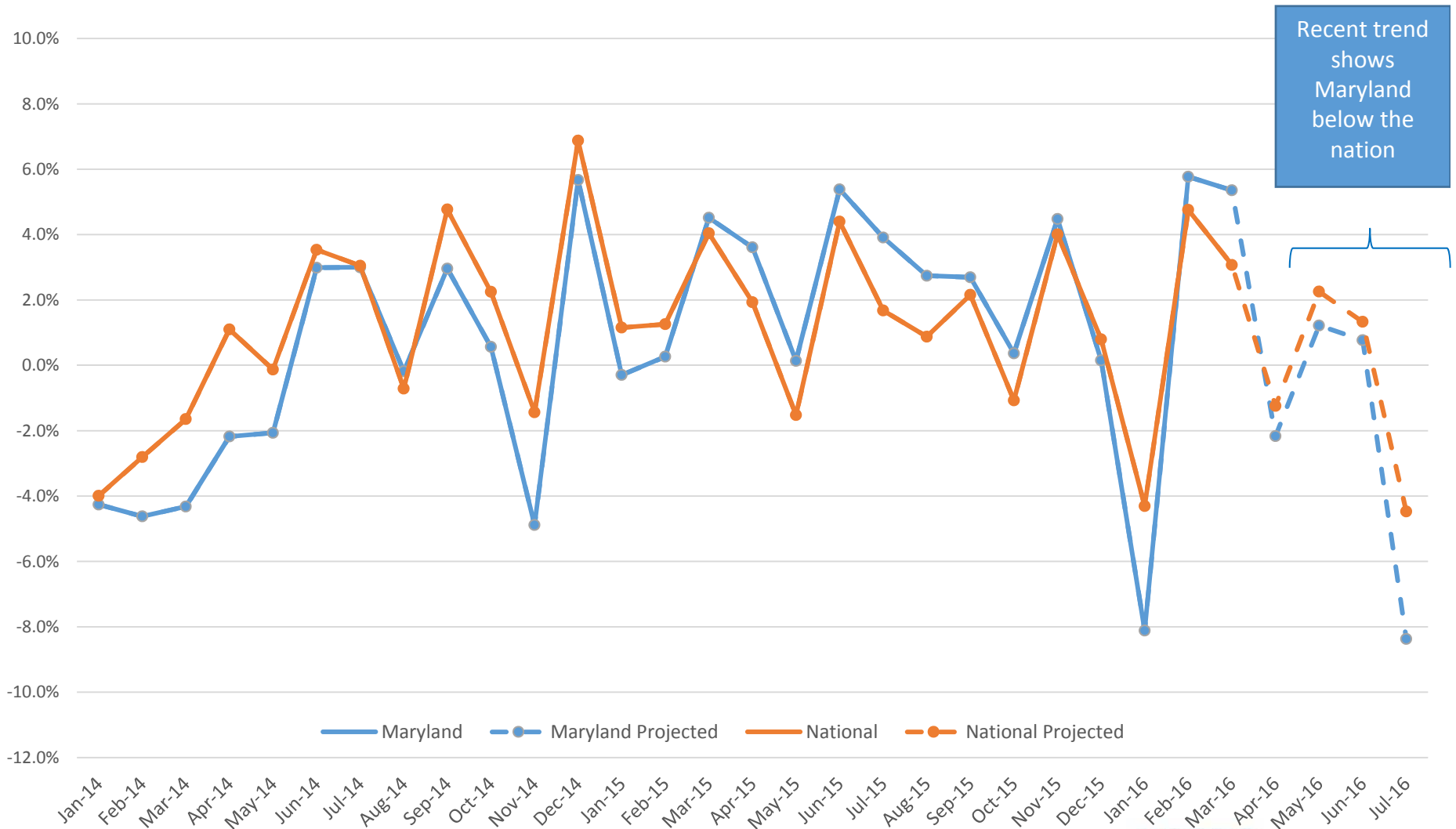
Actual Growth Trend (CY month vs. prior CY month)



Recent trend shows Maryland below the nation

Medicare Total Cost of Care Spending per Capita

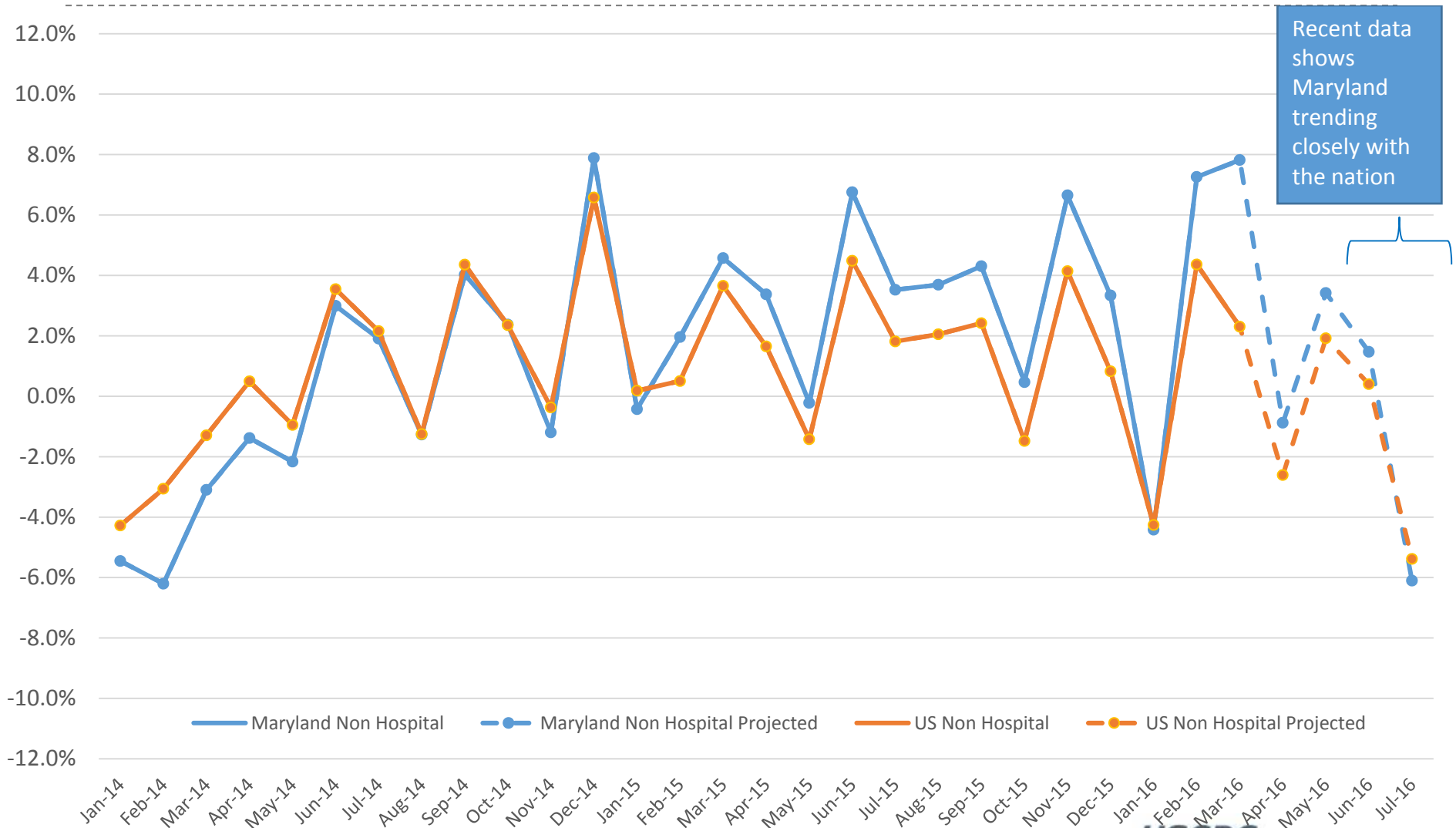
Actual Growth Trend (CY month vs. prior CY month)



Recent trend shows Maryland below the nation

Non-Hospital Spending per Capita

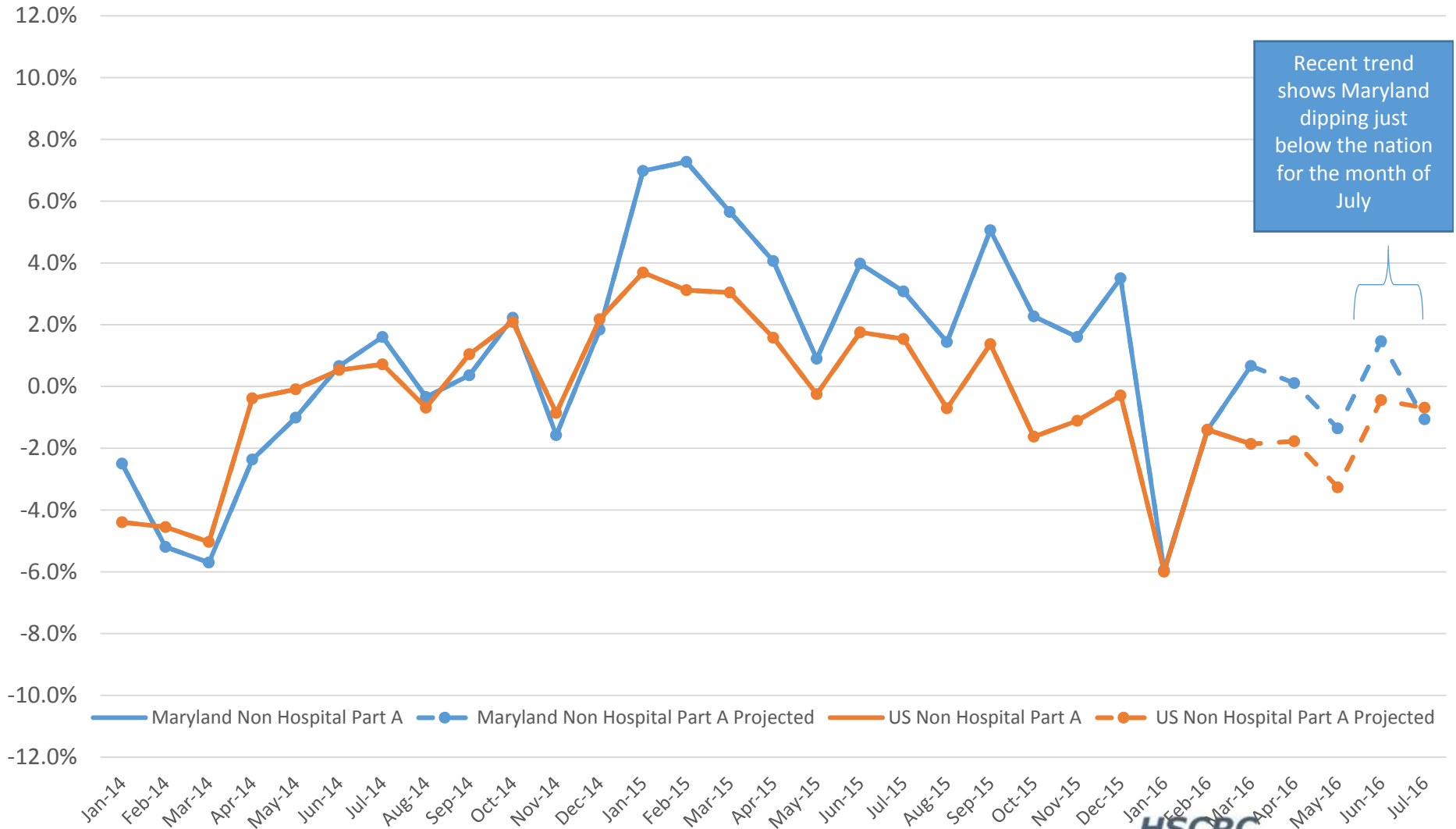
Actual Growth Trend (CY month vs. prior CY month)



Recent data shows Maryland trending closely with the nation

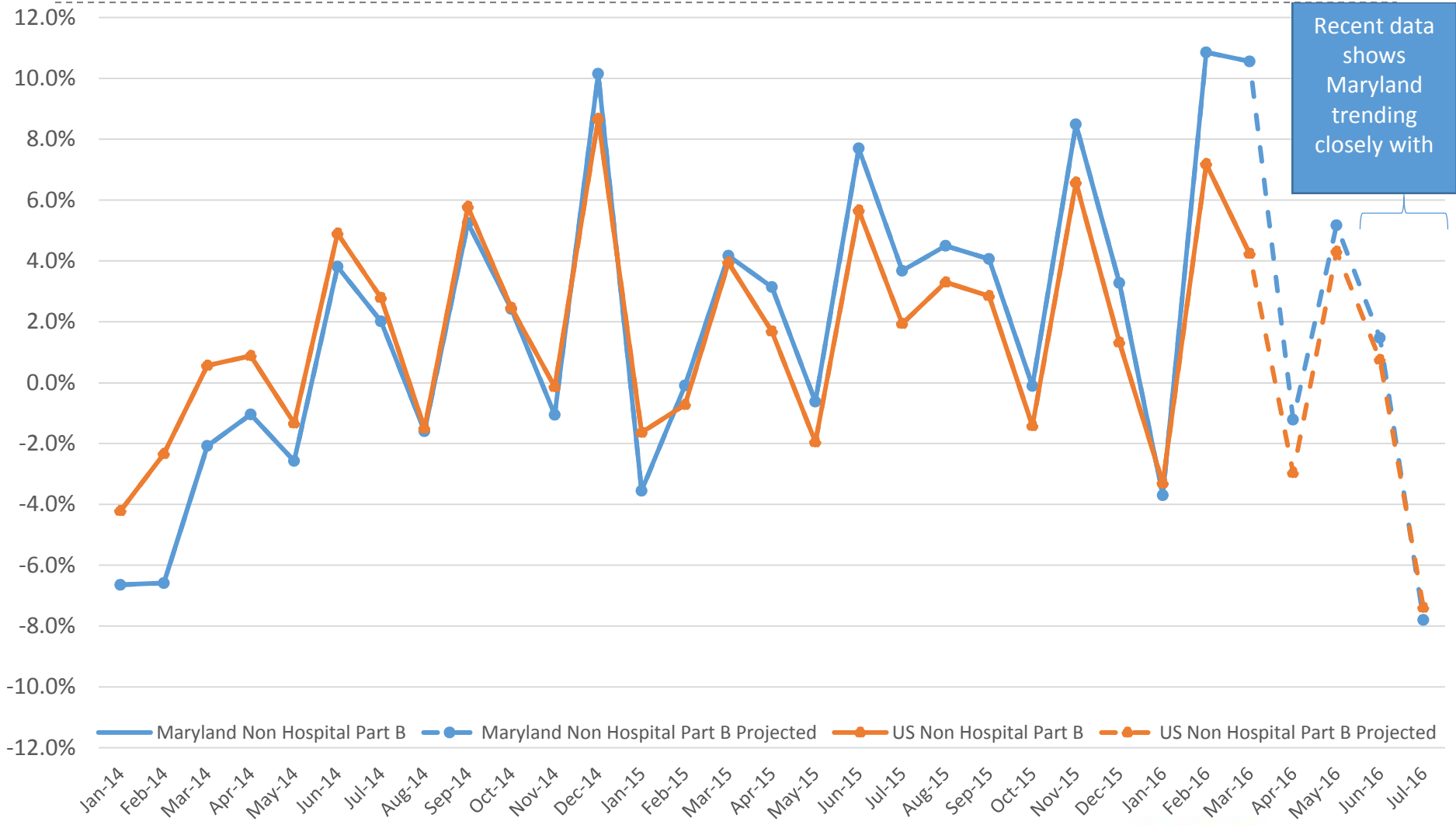
Non-Hospital Part A Spending per Capita

Actual Growth Trend (CY month vs. prior CY month)



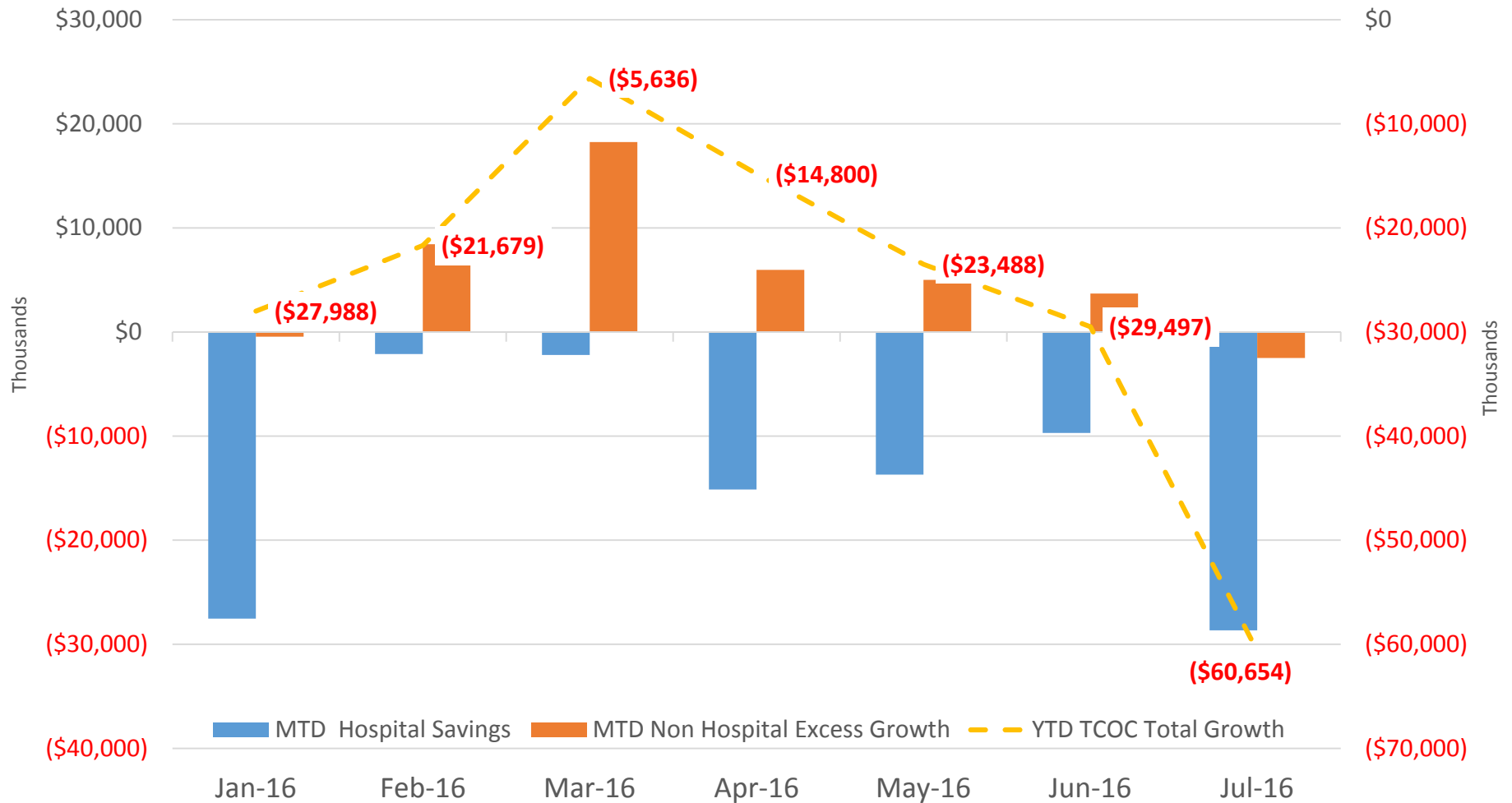
Non-Hospital Part B Spending per Capita

Actual Growth Trend (CY month vs. prior CY month)



Recent data shows Maryland trending closely with

Medicare Hospital & Non-Hospital Growth (with completion) CYTD through July 2016



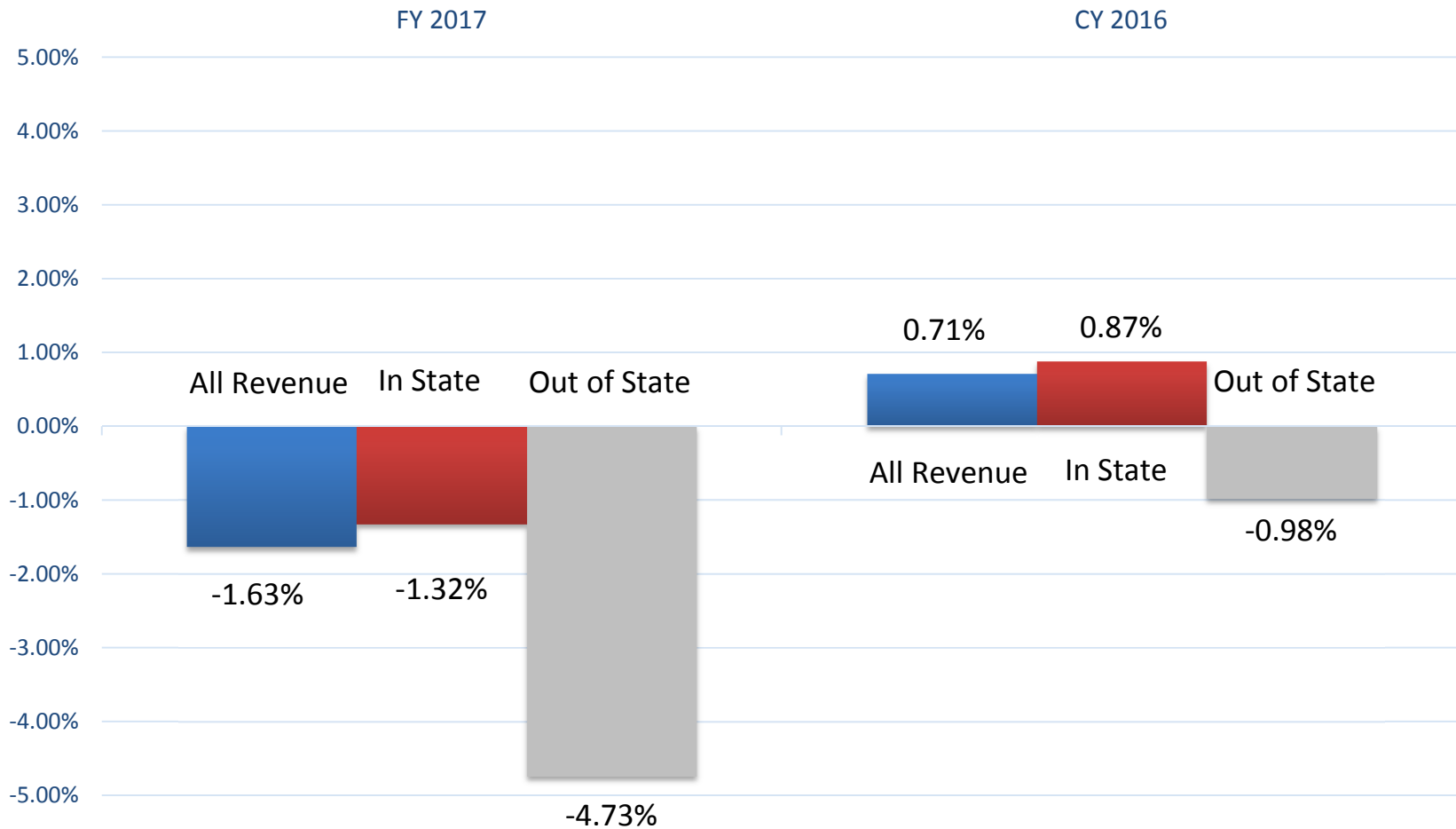


Monitoring Maryland Performance

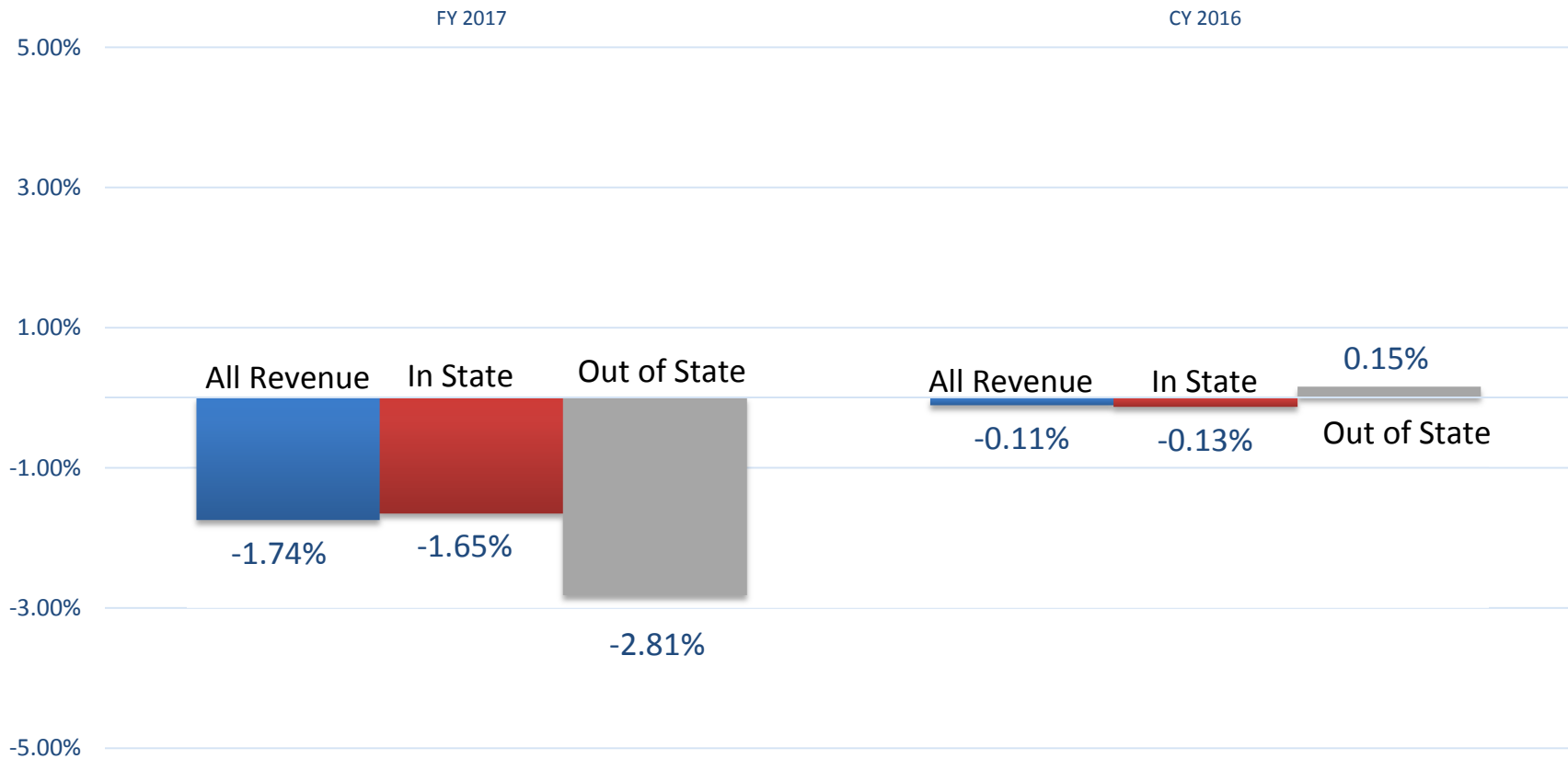
Financial Data

Year to Date thru September 2016

Gross All Payer Revenue Growth Year to Date (thru September 2016) Compared to Same Period in Prior Year

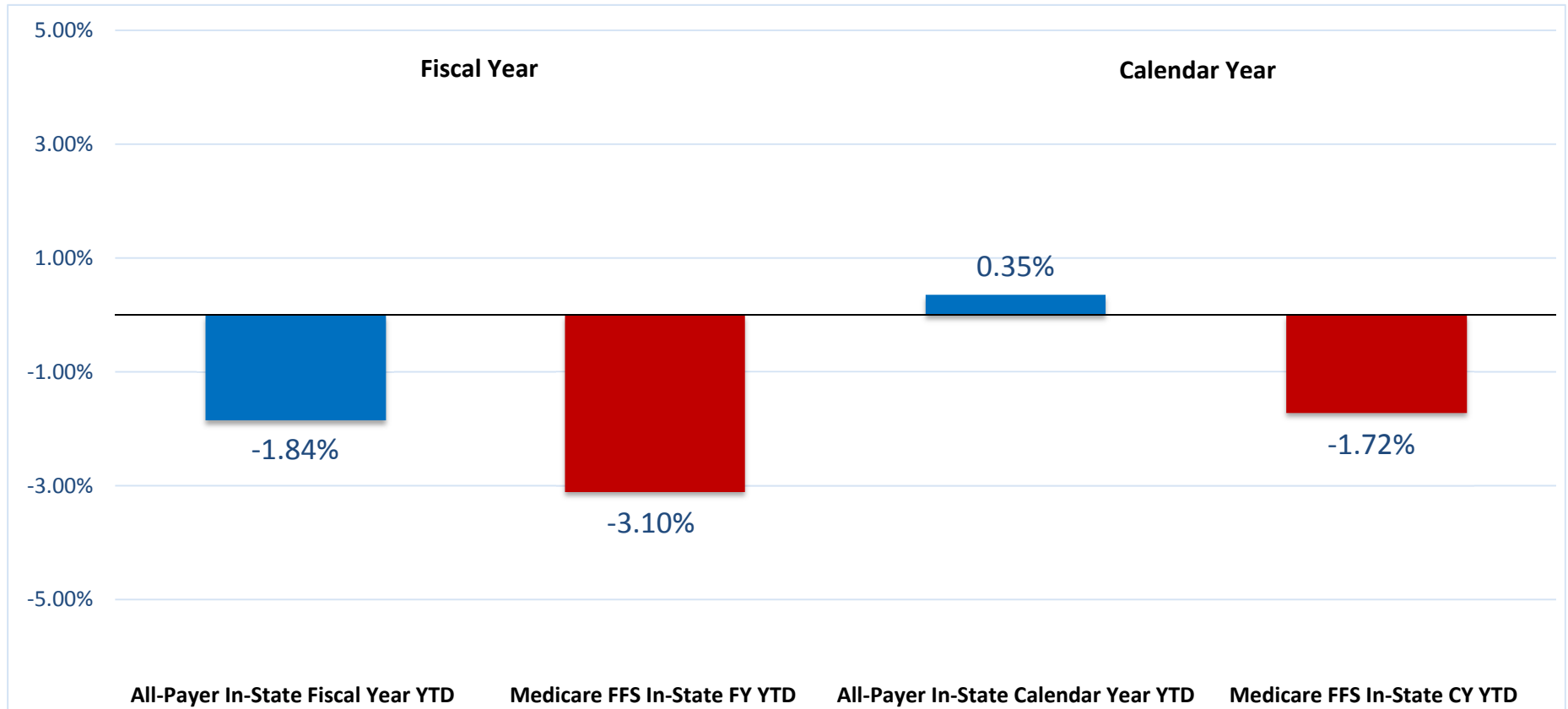


Gross Medicare Fee-for-Service Revenue Growth Year to Date (thru September 2016) Compared to Same Period in Prior Year



Per Capita Growth Rates

Fiscal Year 2017 (YTD September 2016 over YTD September 2015) and
 Calendar Year 2016 (Jan-Sept 2016 over Jan-Sept 2015)

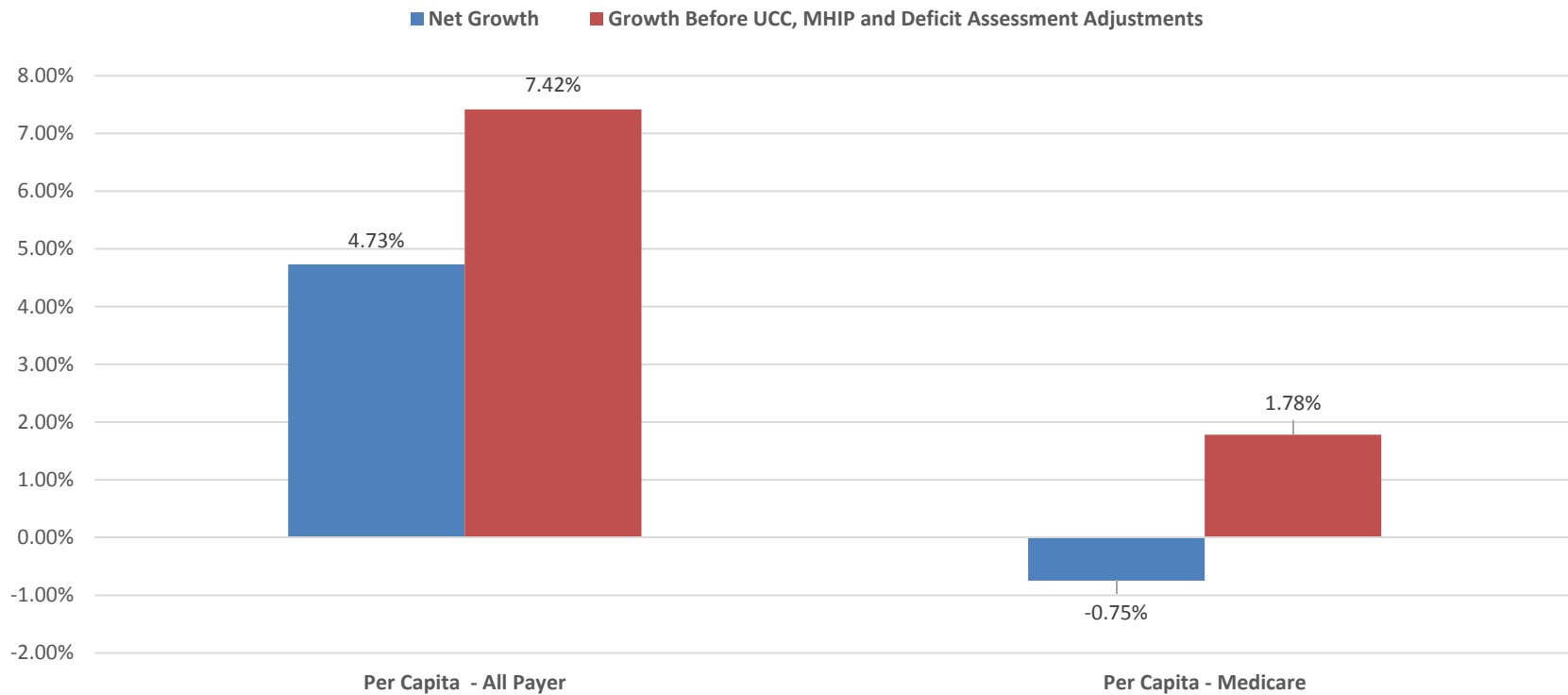


- Calendar and Fiscal Year trends through September are below All-Payer Model Guardrail of 3.58% per year for per capita growth.

FFS = Fee-for-Service

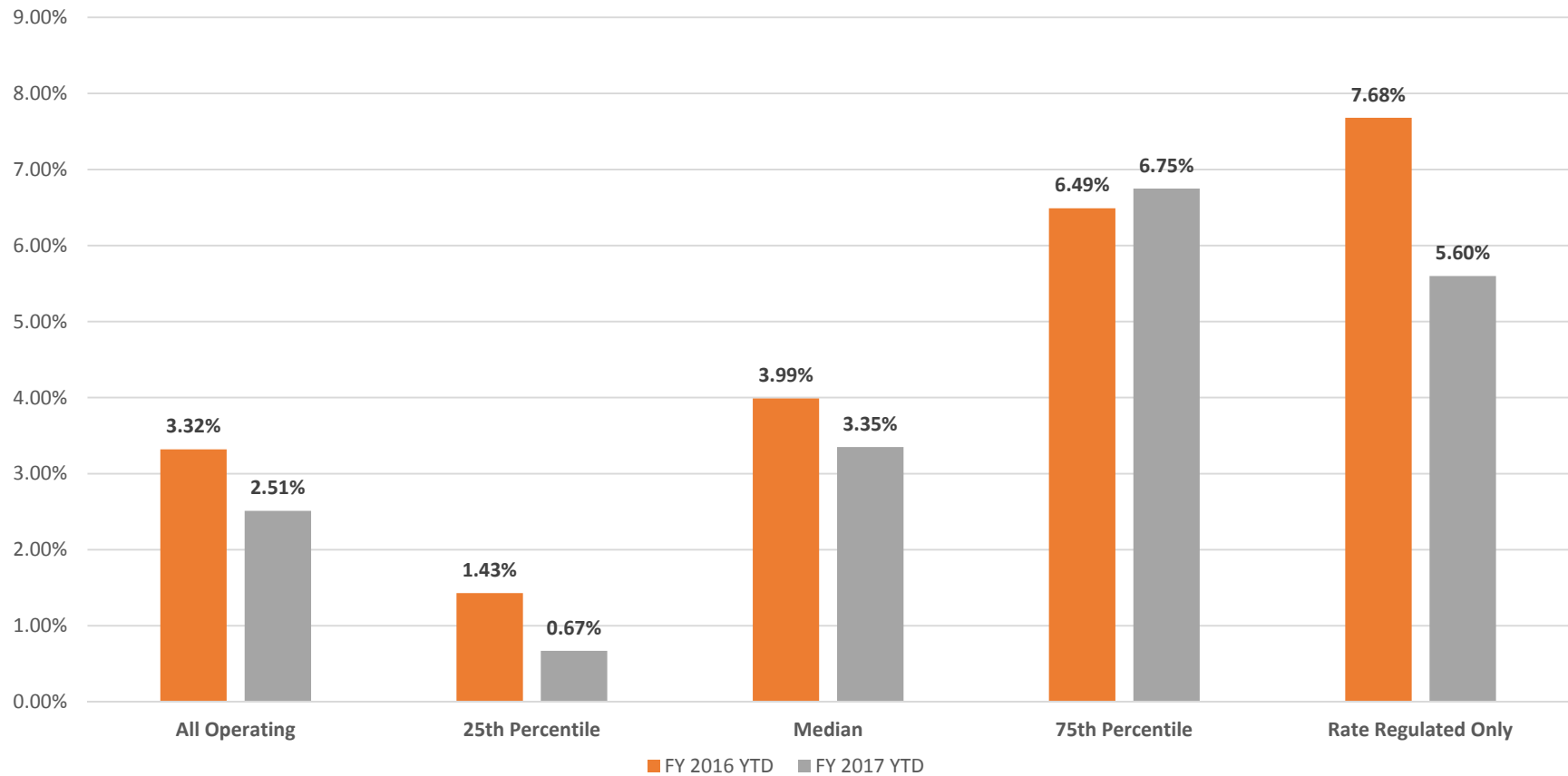
Population Data from Estimates Prepared by Maryland Department of Planning

Per Capita Growth – Actual and Underlying Growth CY 2016 Year to Date (Jan-Sept) Compared to Same Period in Base Year (2013)

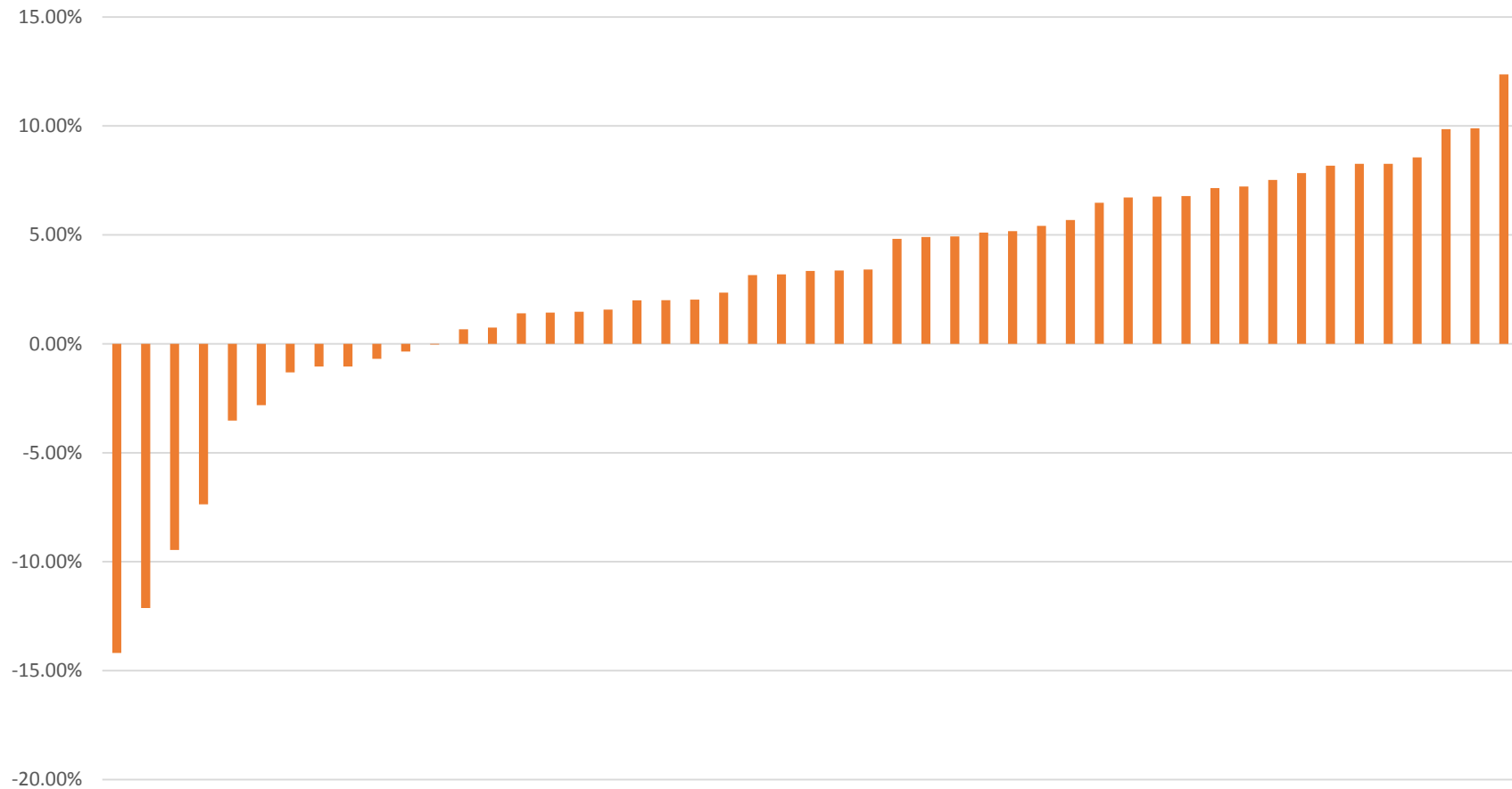


- ▶ Three year per capita growth rate is well below maximum allowable growth rate of 11.13% (growth of 3.58% per year)
- ▶ Underlying growth reflects adjustment for FY16 revenue decreases that were budget neutral for hospitals. 2.52% hospital bad debts and elimination of MHIP assessment and FY17 revenue decreases of .49% UCC and 0.15% Deficit Assessment.

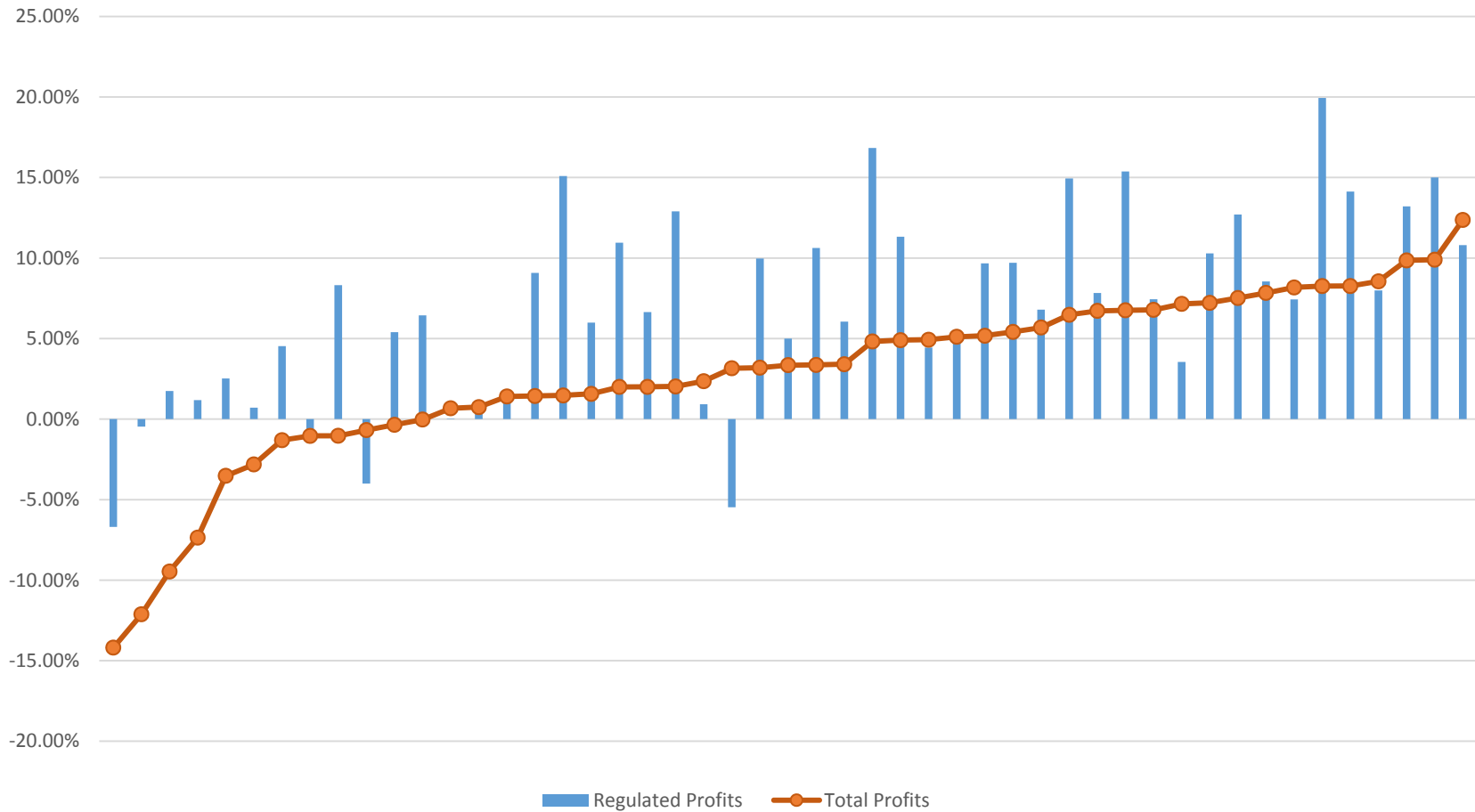
Total Operating Profits FYTD 2016 vs FYTD 2017 (July-September)



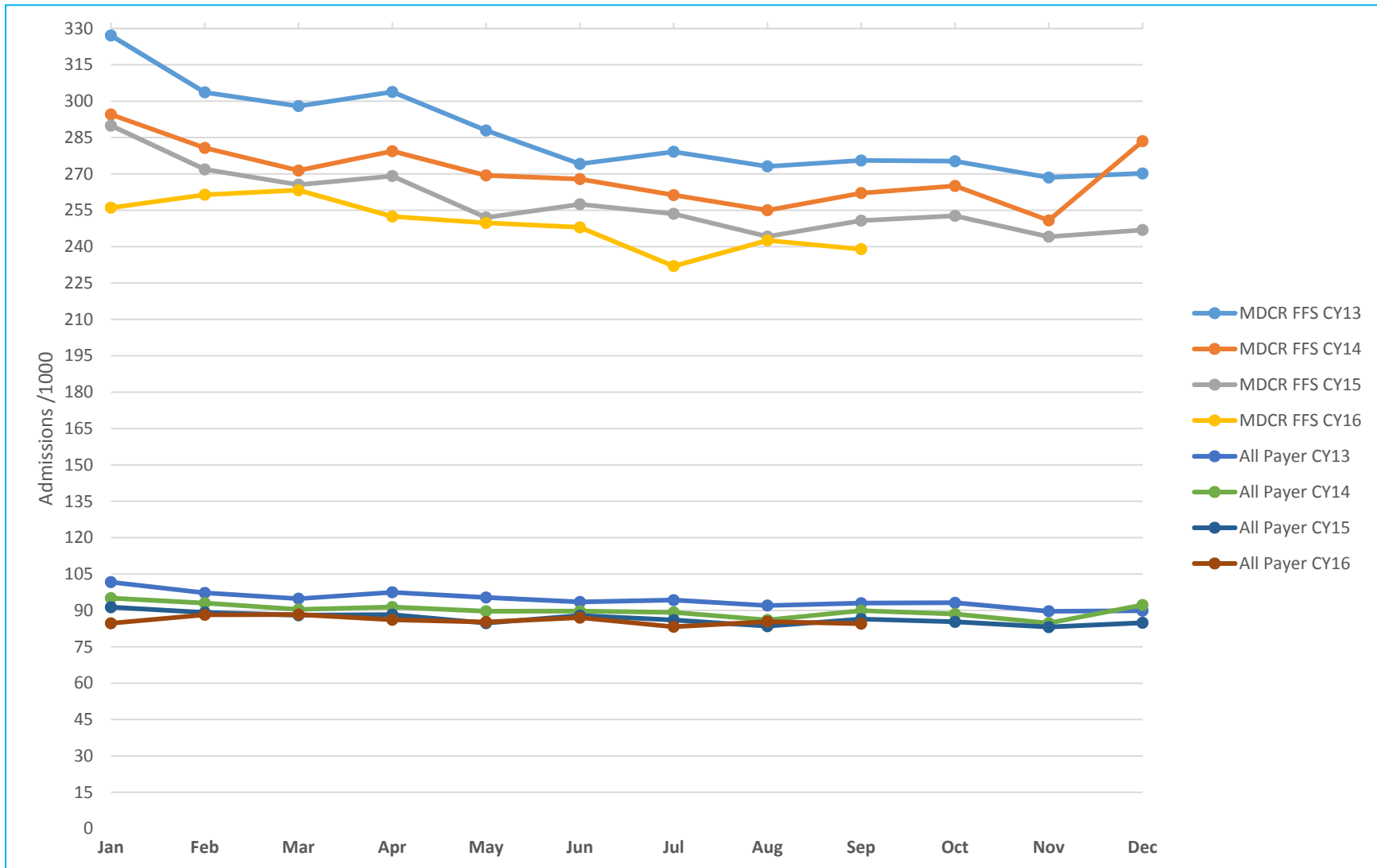
Total Operating Profits by Hospital Fiscal Year 2017 to Date (Jul-Sept 2016)



Regulated and Total Operating Profits by Hospital Fiscal Year 2017 to Date (Jul-Sept 2016)

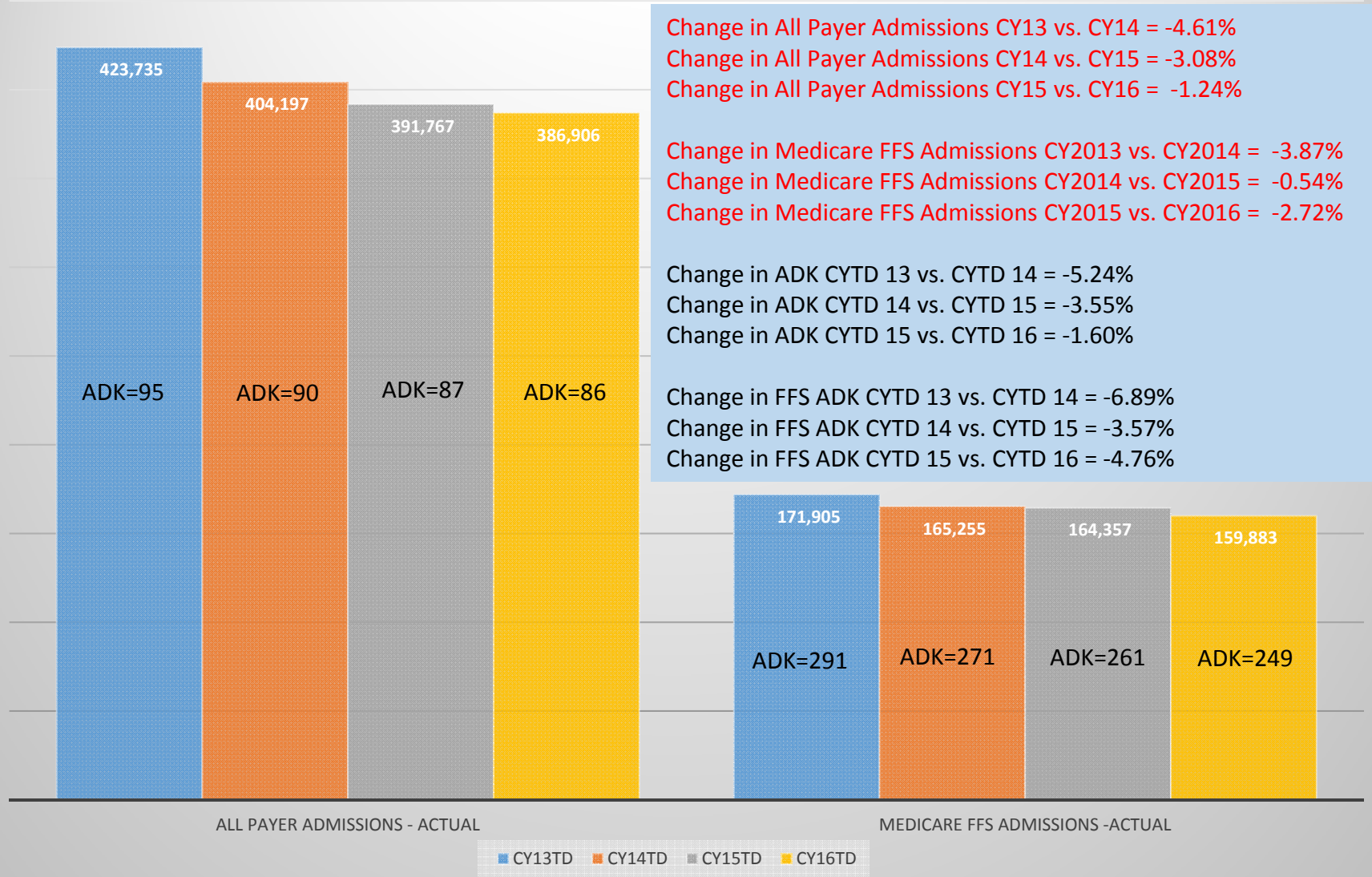


Annual Trends for Admissions/1000 (ADK) Annualized Medicare FFS and All Payer (CY 2013 through CY 2016 YTD)



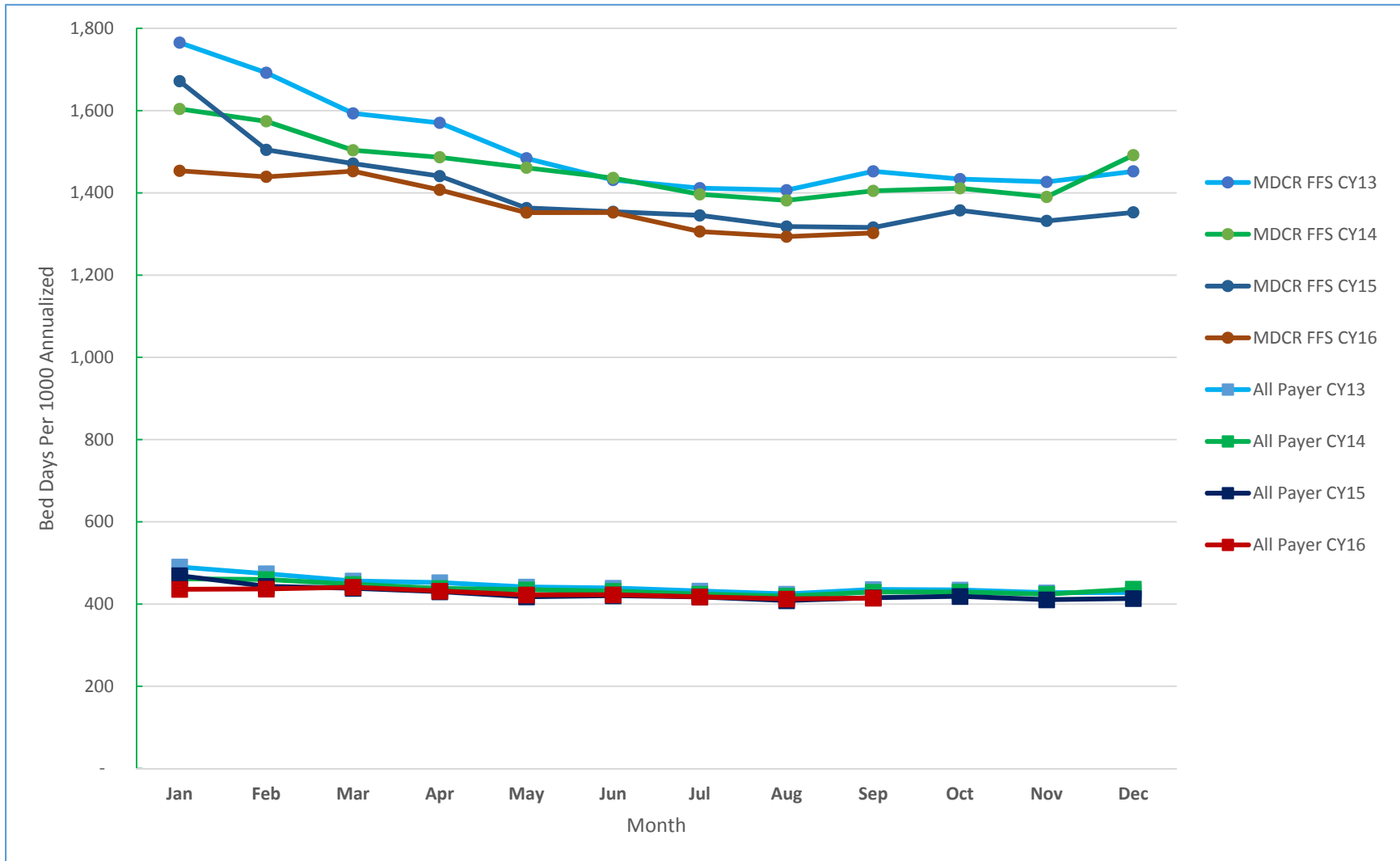
*Note – The admissions do not include out of state migration or specialty psych and rehab hospitals

Actual Admissions by Calendar Year to Date through September



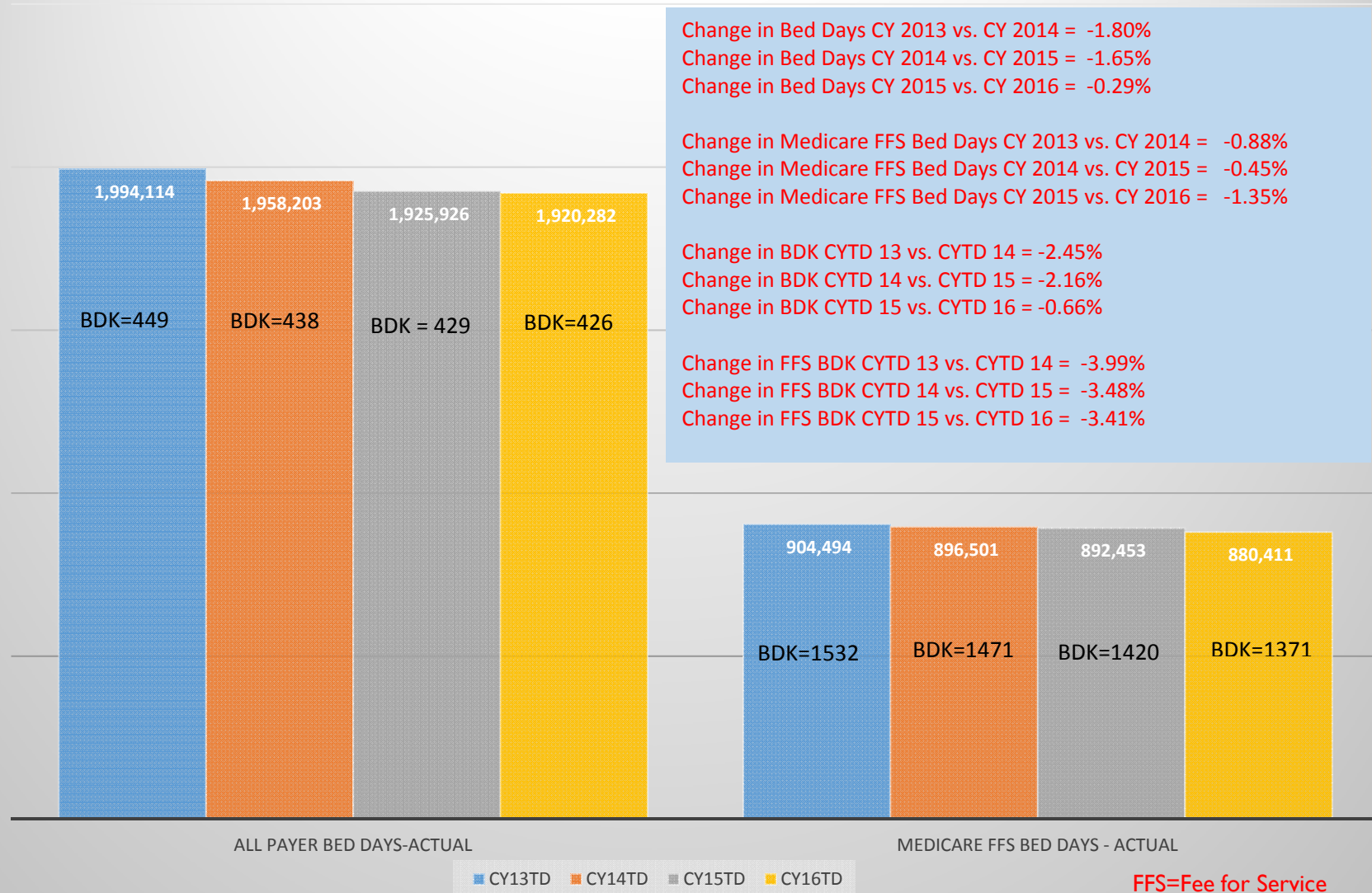
*Note – The admissions do not include out of state migration or specialty psych and rehab hospitals

Annual Trends for Bed Days/1000 (BDK) Annualized Medicare FFS and All Payer (CY 2013 through CY 2016 YTD)



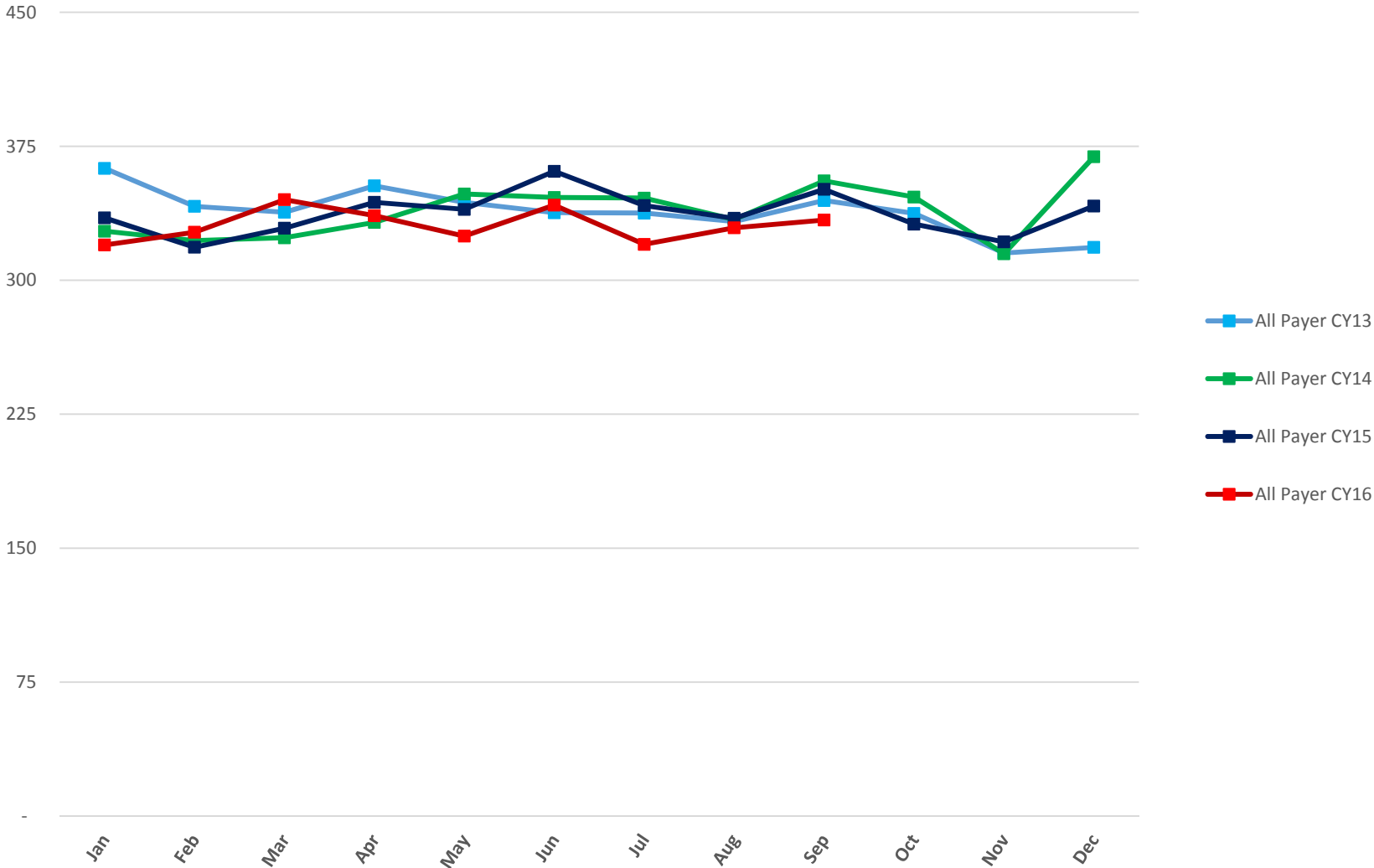
*Note – The bed days do not include out of state migration or specialty psych and rehab hospitals.

Actual Bed Days by Calendar Year to Date through September 2016



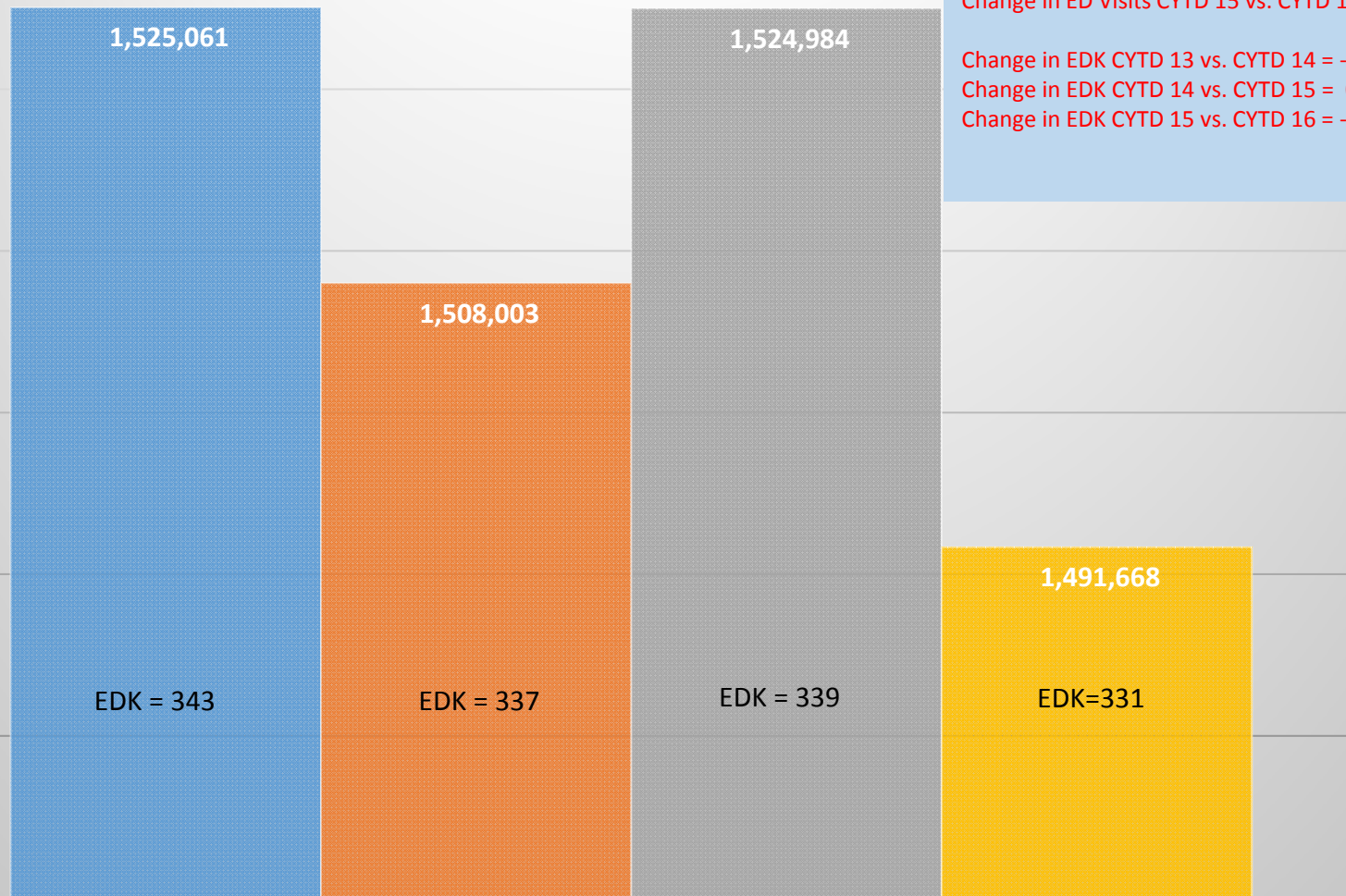
*Note – The bed days do not include out of state migration or specialty psych and rehab hospitals.

Annual Trends for ED Visits / 1000 (EDK) Annualized All Payer (CY2013 through CY2016 YTD)



*Note - The ED visits do not include out of state migration or specialty psych and rehab hospitals.

Actual ED Visits by Calendar YTD through September 2016



Change in ED Visits CYTD 13 vs. CYTD 14 = -1.12%
 Change in ED Visits CYTD 14 vs. CYTD 15 = 1.13%
 Change in ED Visits CYTD 15 vs. CYTD 16 = -2.18%

Change in EDK CYTD 13 vs. CYTD 14 = -1.77%
 Change in EDK CYTD 14 vs. CYTD 15 = 0.60%
 Change in EDK CYTD 15 vs. CYTD 16 = -2.54%

*Note - The ED visits do not include out of state migration or specialty psych and rehab hospitals.

EMERGENCY VISITS ALL PAYER - ACTUAL

■ CY13TD ■ CY14TD ■ CY15TD ■ CY16TD

Purpose of Monitoring Maryland Performance

Evaluate Maryland's performance against All-Payer Model requirements:

- **All-Payer total hospital per capita revenue growth ceiling** for Maryland residents tied to long term state economic growth (GSP) per capita
 - 3.58% annual growth rate
- **Medicare payment savings** for Maryland beneficiaries compared to dynamic national trend. Minimum of \$330 million in savings over 5 years
- **Patient and population centered-measures** and targets to promote population health improvement
 - Medicare readmission reductions to national average
 - 30% reduction in preventable conditions under Maryland's Hospital Acquired Condition program (MHAC) over a 5 year period
 - Many other quality improvement targets

Data Caveats

- Data revisions are expected.
- For financial data if residency is unknown, hospitals report this as a Maryland resident. As more data becomes available, there may be shifts from Maryland to out-of-state.
- Many hospitals are converting revenue systems along with implementation of Electronic Health Records. This may cause some instability in the accuracy of reported data. As a result, HSCRC staff will monitor total revenue as well as the split of in state and out of state revenues.
- ▶ All-payer per capita calculations for Calendar Year 2015 and Fiscal 2016 rely on Maryland Department of Planning projections of population growth of .52% for FY 16 and .52% for CY 15. Medicare per capita calculations use actual trends in Maryland Medicare beneficiary counts as reported monthly to the HSCRC by CMMI.

Data Caveats cont.

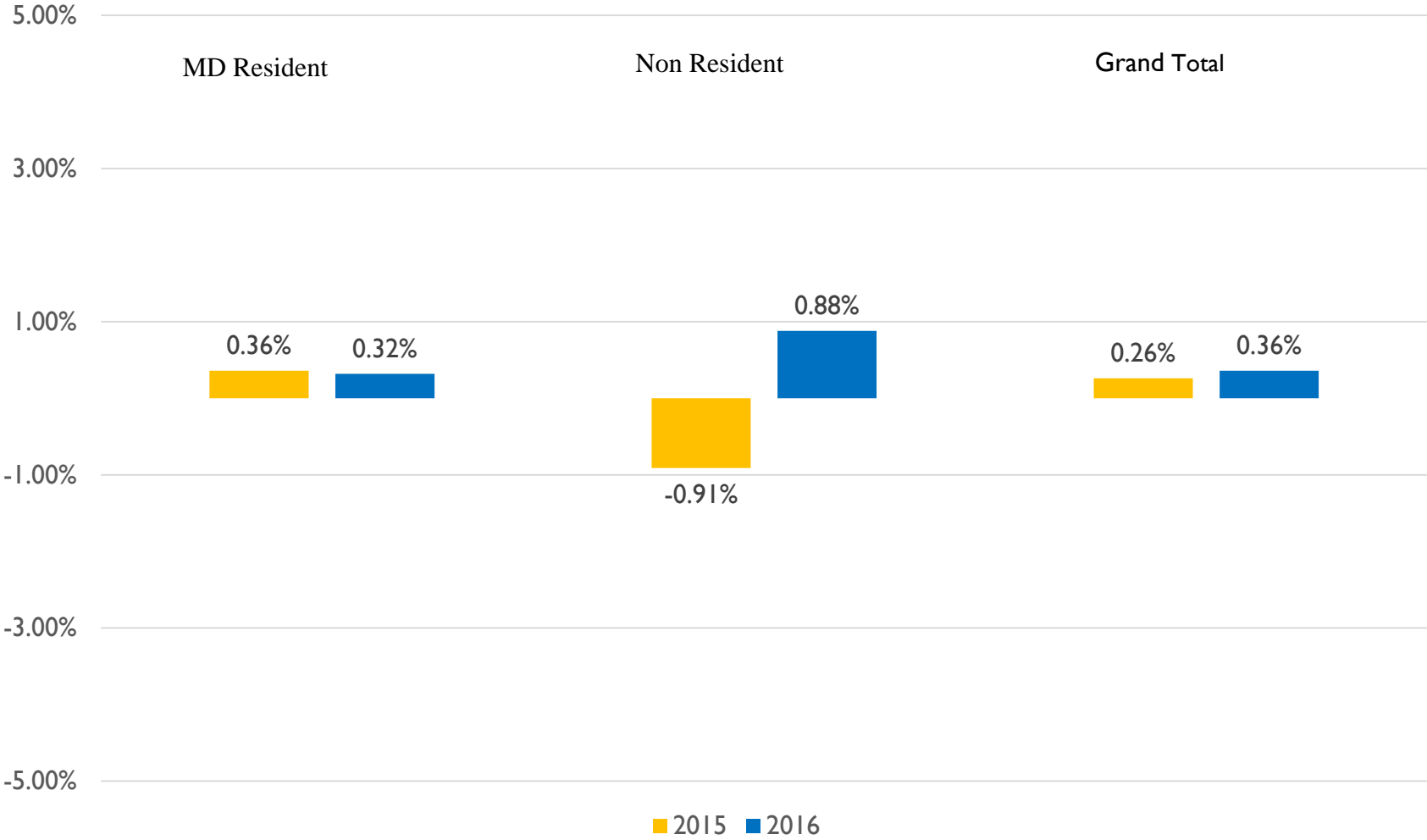
- ▶ The source data is the monthly volume and revenue statistics.
- ▶ ADK – Calculated using the admissions multiplied by 365 divided by the days in the period and then divided by average population per 1000.
- ▶ BDK – Calculated using the bed days multiplied by 365 divided by the days in the period and then divided by average population per 1000.
- ▶ EDK – Calculated using the ED visits multiplied by 365 divided by the days in the period and then divided by average population per 1000.
- ▶ All admission and bed days calculations exclude births and nursery center.
- ▶ Admissions, bed days, and ED visits do not include out of state migration or specialty psych and rehab hospitals.



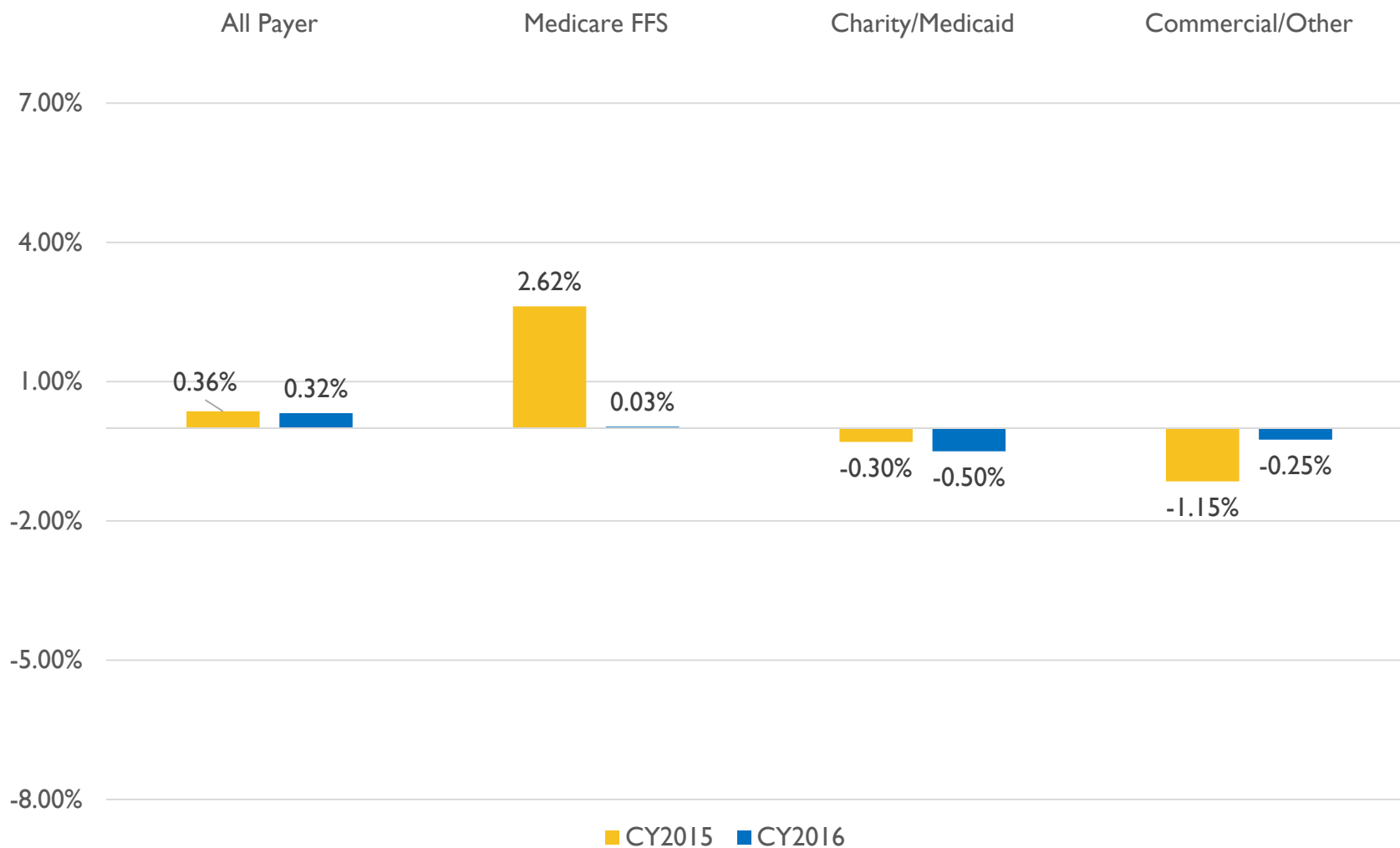
Monitoring Maryland Performance Preliminary Utilization Trends

2016 vs 2015
(January to September)

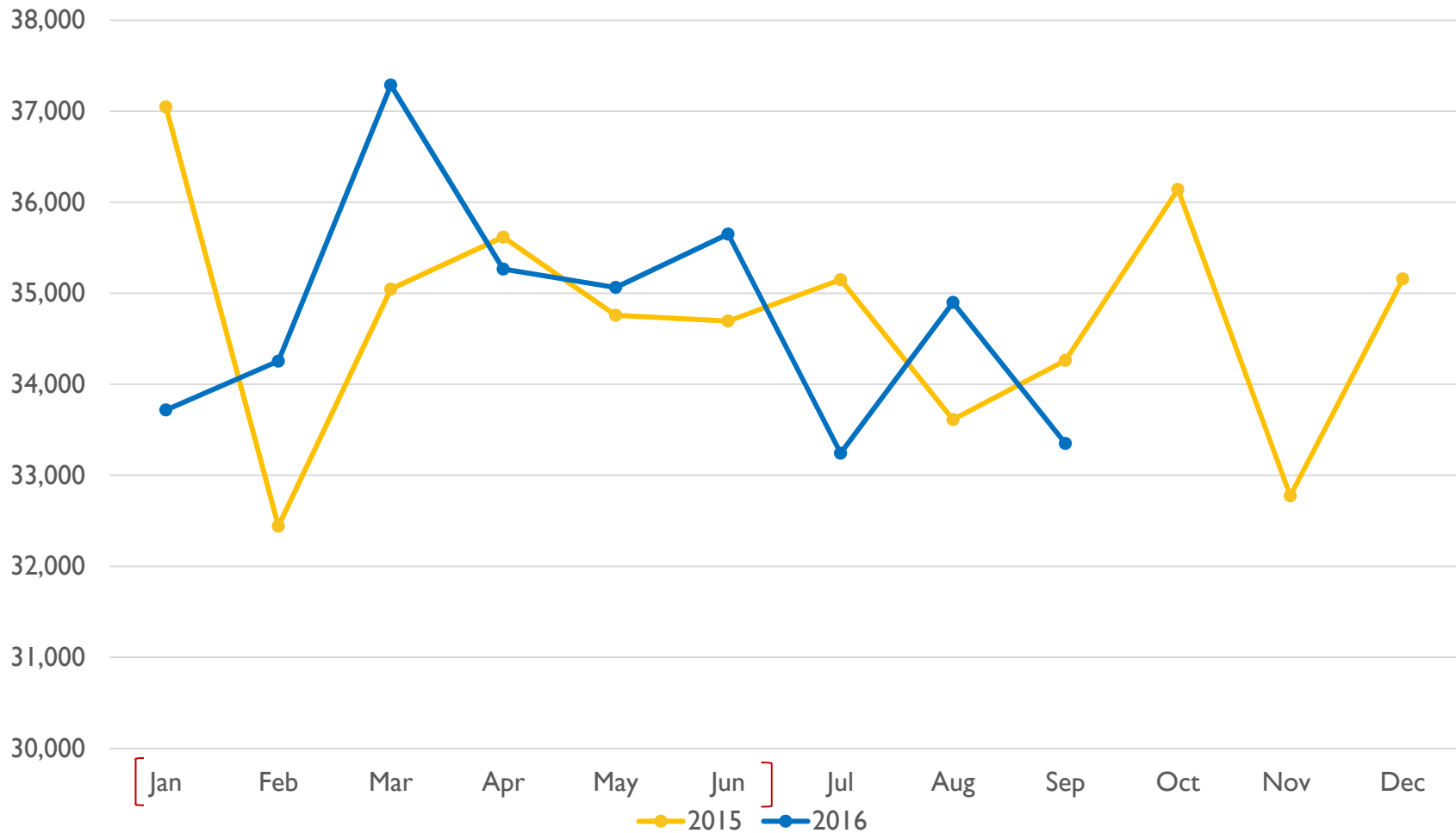
All Payer ECMAD CYTD Annual Growth



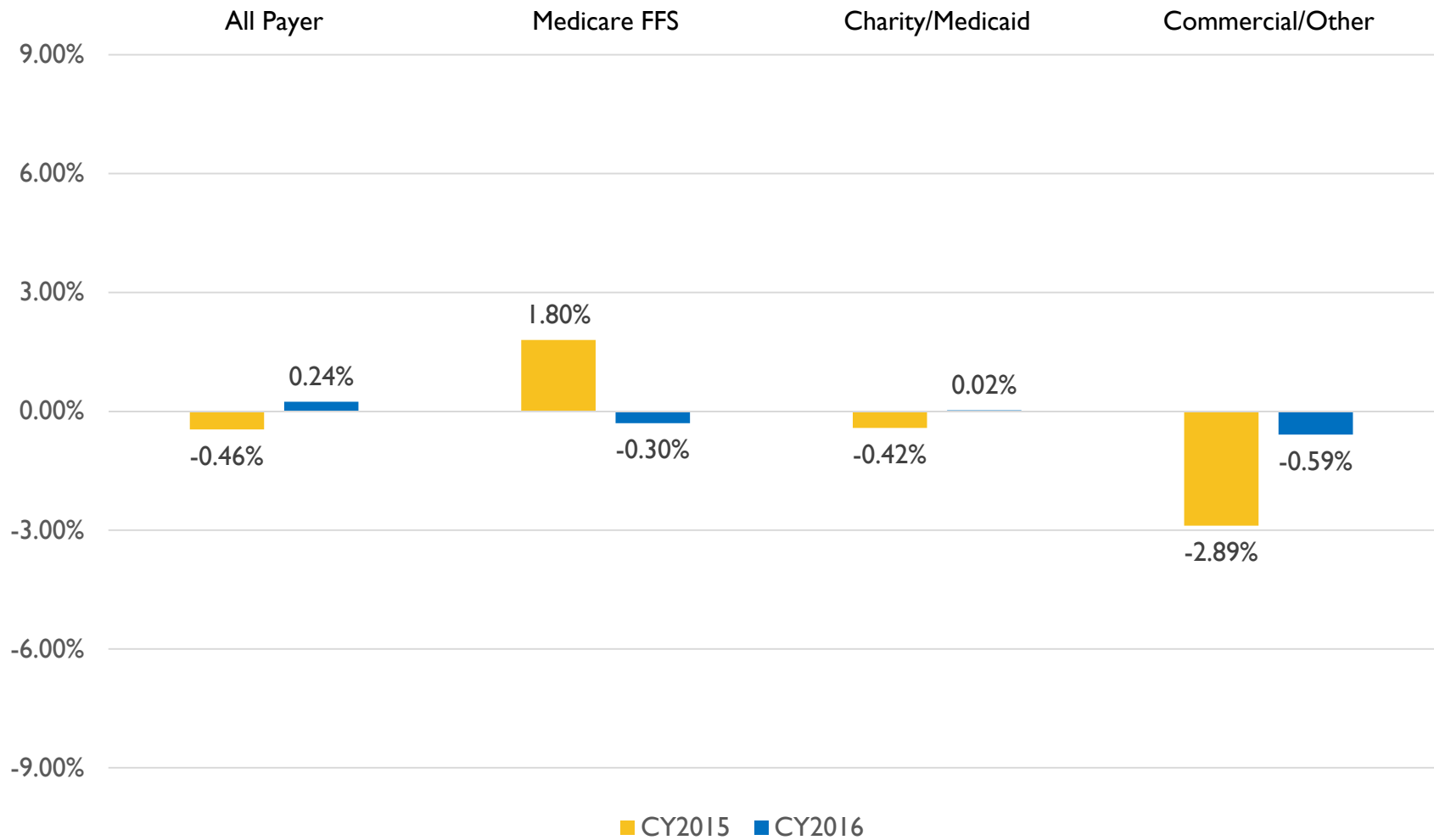
MD Resident ECMAD CYTD Annual Growth



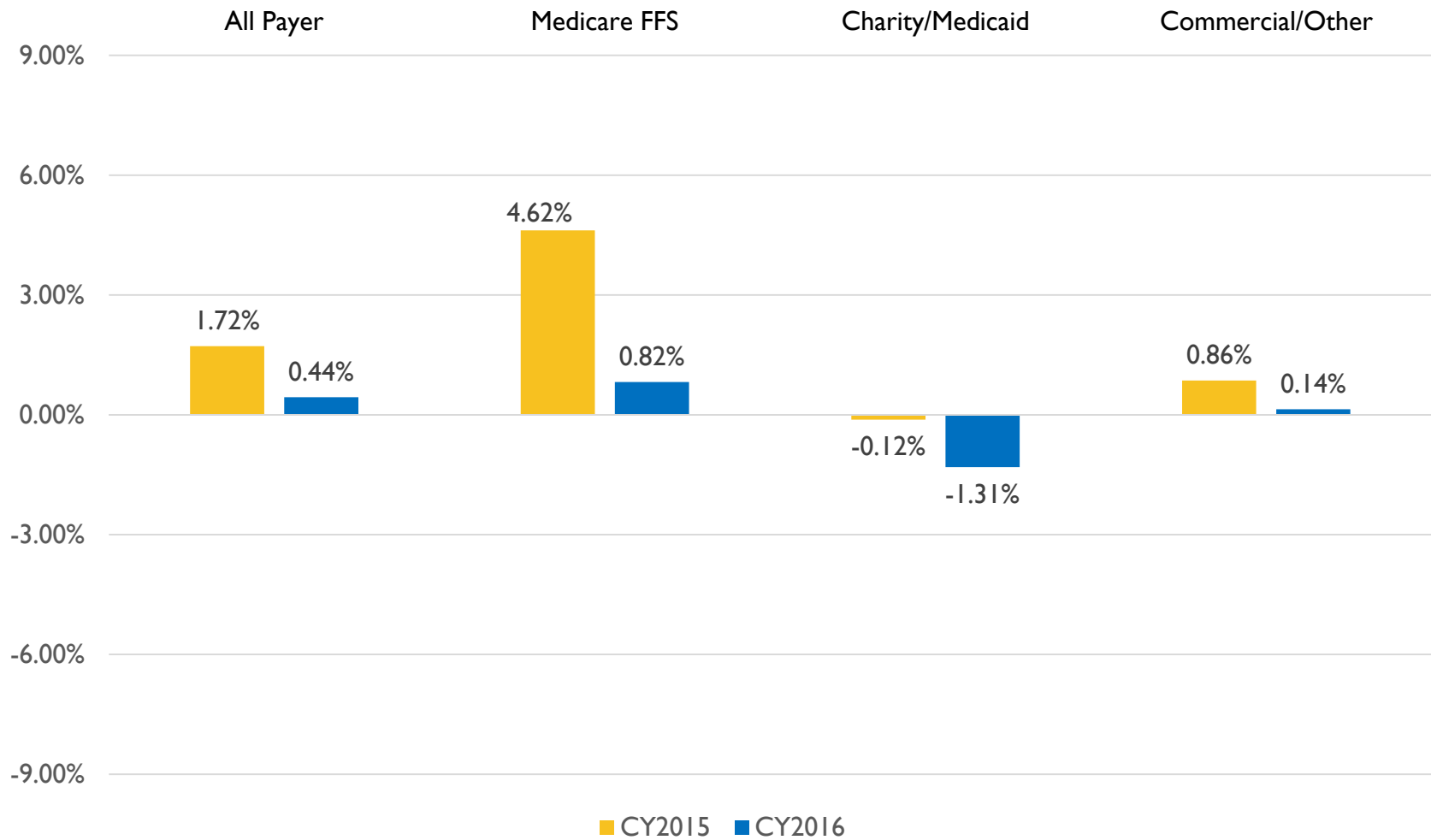
Medicare MD Resident ECMAD Annual Growth by Month



MD Resident Inpatient ECMAD CYTD Annual Growth

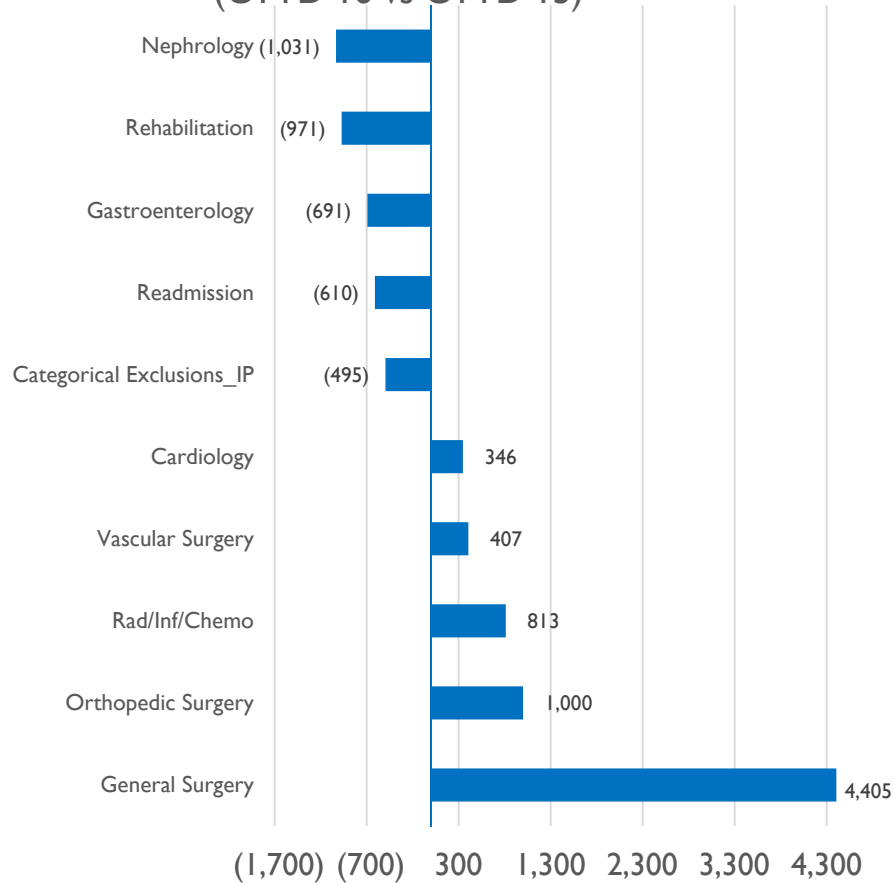


MD Resident Outpatient ECMAD CYTD Annual Growth

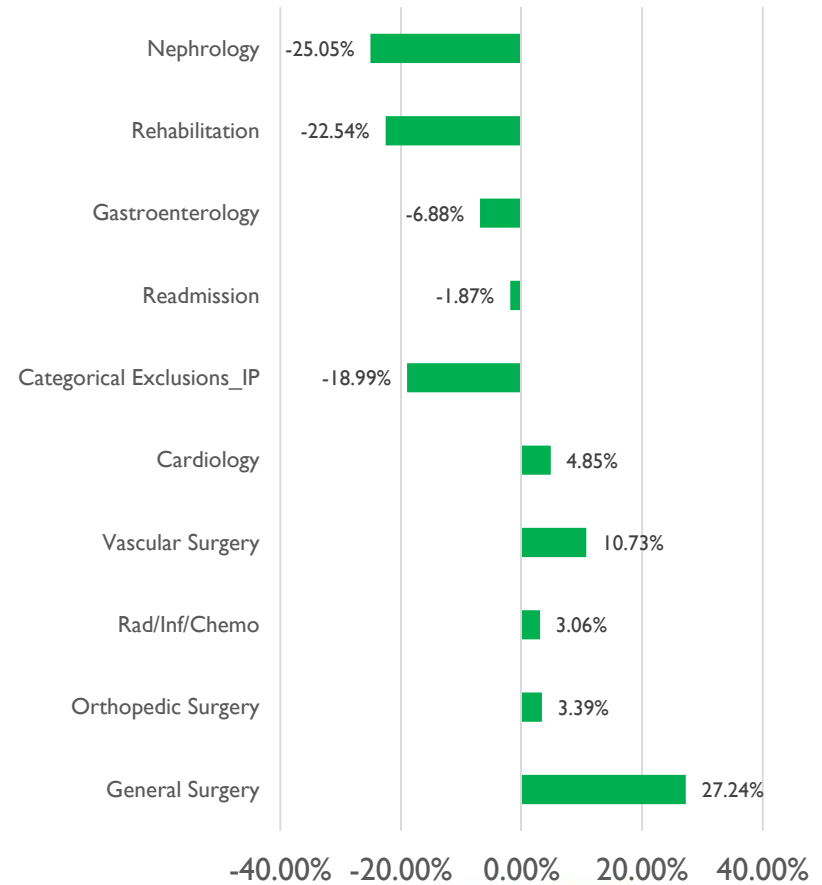


Medicare MD Resident Top 5 Service Line Changes (Total ECMAD Increase = 101)

Medicare Resident Top 5 Service Lines
Changes
(CYTD 16 vs CYTD 15)



Medicare Resident Top 5 Service Lines
% Changes (CYTD 16 vs CYTD 15)



Note: General Surgery surge due to transition from ICD 9 to ICD 10 Coding

Utilization Analytics – Data Notes

- Utilization as measured by Equivalent Case-mix Adjusted Discharges (ECMAD)
 - 1 ECMAD Inpatient discharge=1 ECMAD Outpatient Visit
- Observation stays with more than 23 hour are included in the inpatient counts
 - $IP = IP + \text{Observation cases } >23 \text{ hrs.}$
 - $OP = OP - \text{Observation cases } >23 \text{ hrs.}$
- Preliminary data, not yet reconciled with financial data
- Careful review of outpatient service line trends is needed

Service Line Definitions

- ▶ **Inpatient service lines:**

- ▶ APR DRG (All Patient Refined Diagnostic Related Groups) to service line mapping
- ▶ Readmissions and PQIs (Prevention Quality Indicators) are top level service lines (include different service lines)

- ▶ **Outpatient service lines:**

- ▶ Highest EAPG (Enhanced Ambulatory Patient Grouping System) to service line mapping
- ▶ Hierarchical classifications (Emergency Department, major surgery etc)

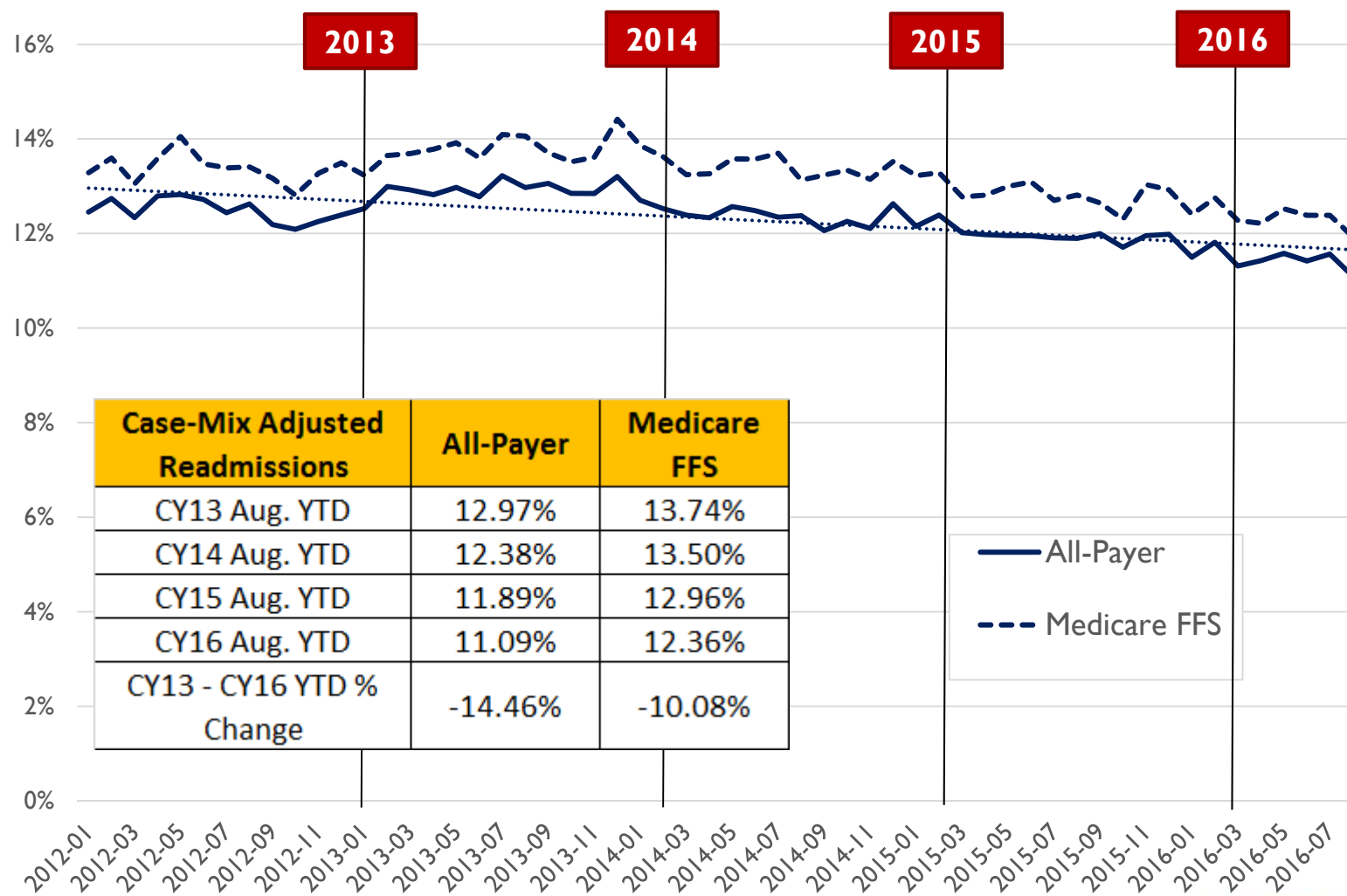
- ▶ **Market Shift technical documentation**



Monitoring Maryland Performance Quality Data

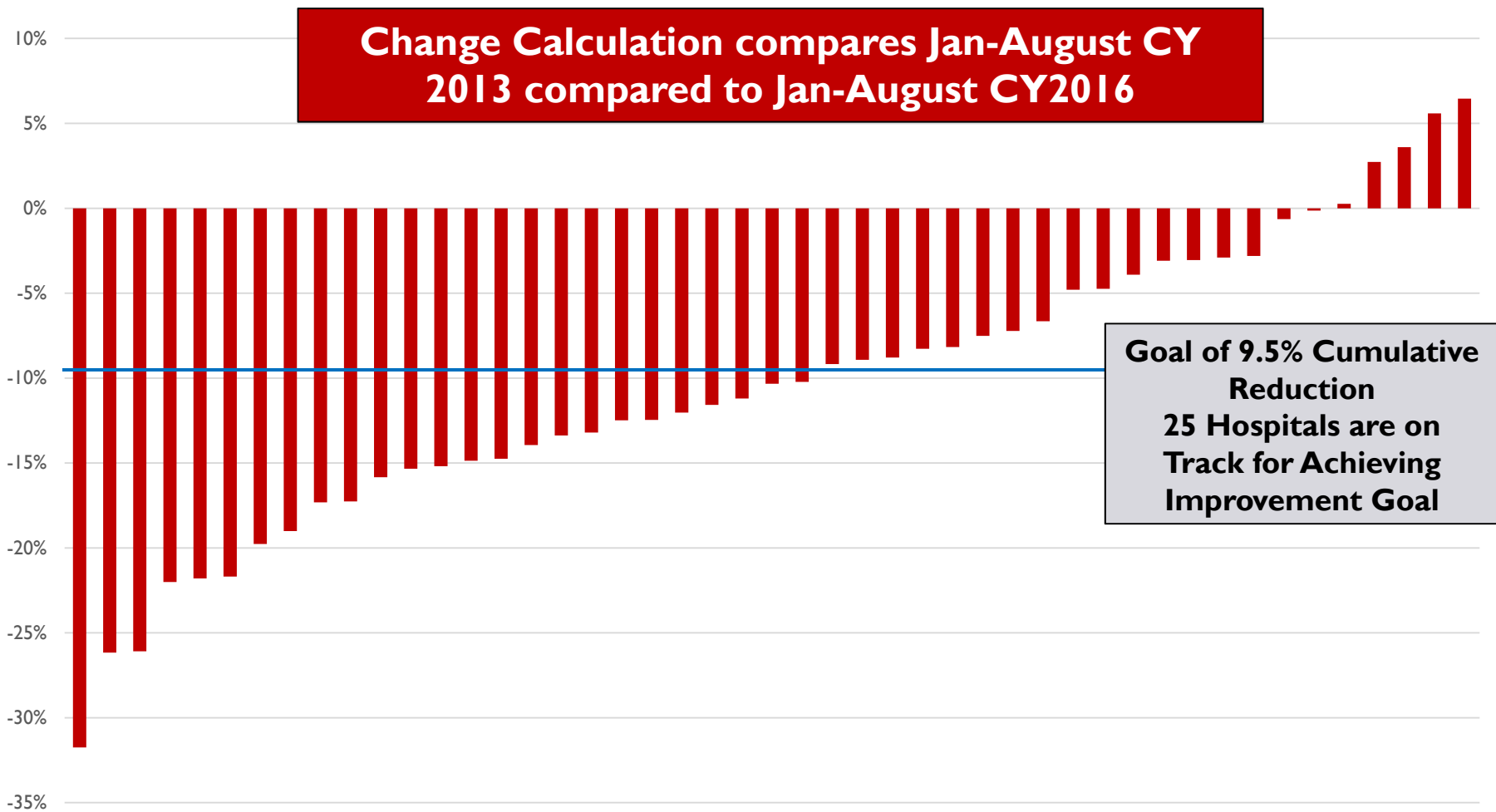
November 2016 Commission Meeting Update

Monthly Case-Mix Adjusted Readmission Rates



36 Note: Based on final data for January 2012 – June 2016, and preliminary data through September 2016.

Change in All-Payer Case-Mix Adjusted Readmission Rates by Hospital

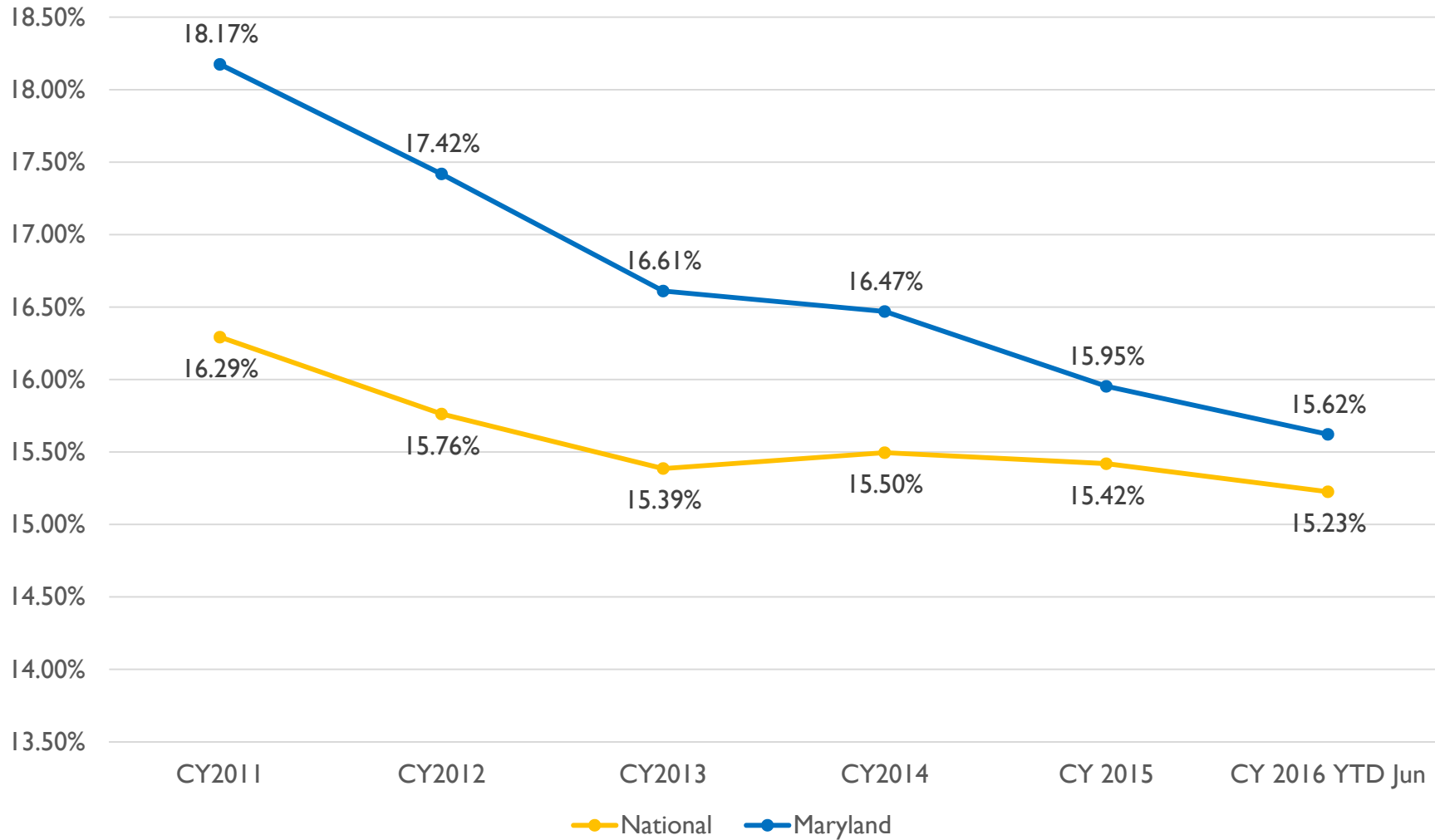


37 Note: Based on final data for January 2012 – June 2016, and preliminary data through September 2016

Medicare Readmission All-Payer Model Test

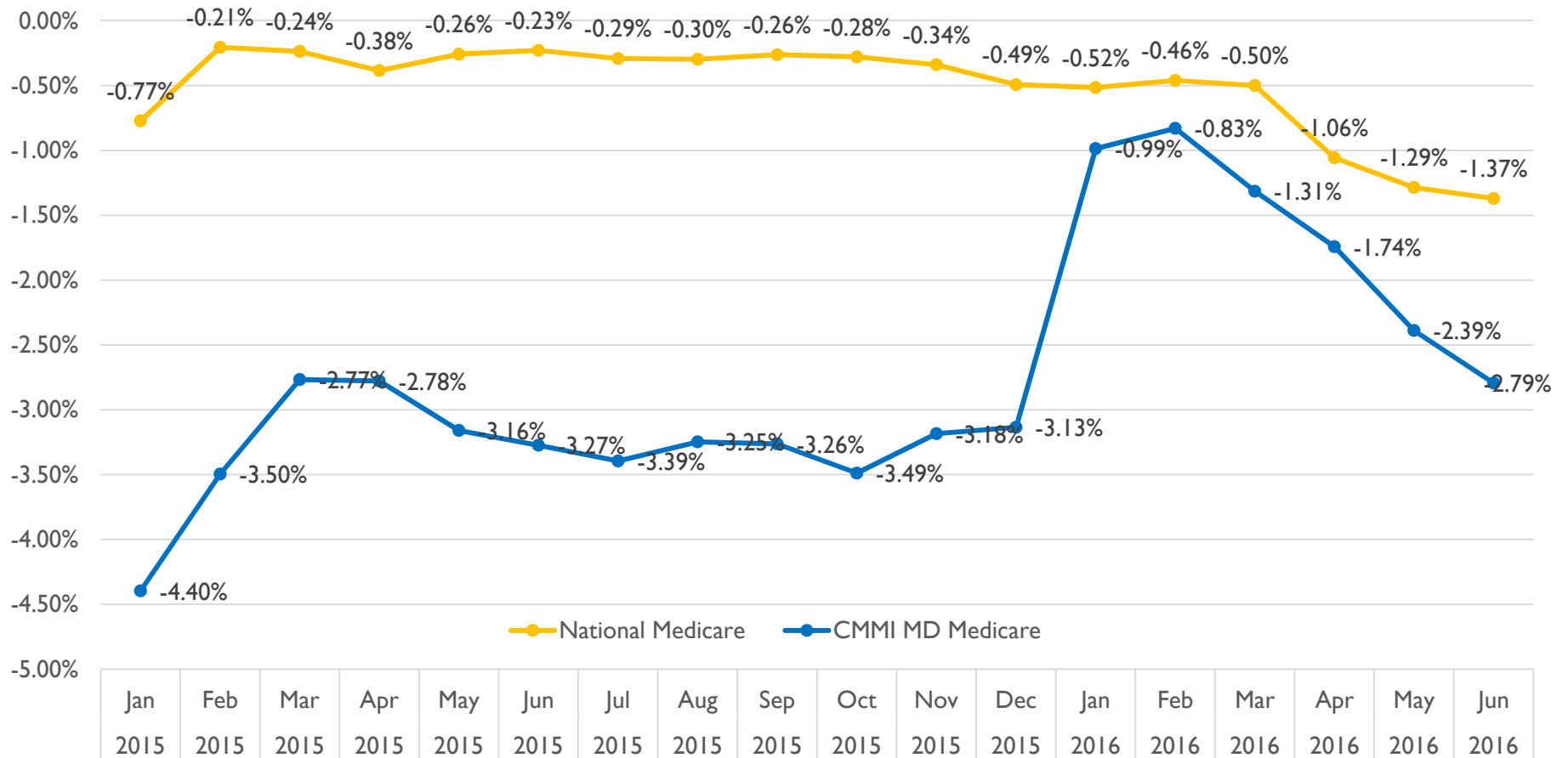


Maryland is reducing readmission rate but only slightly faster than the nation



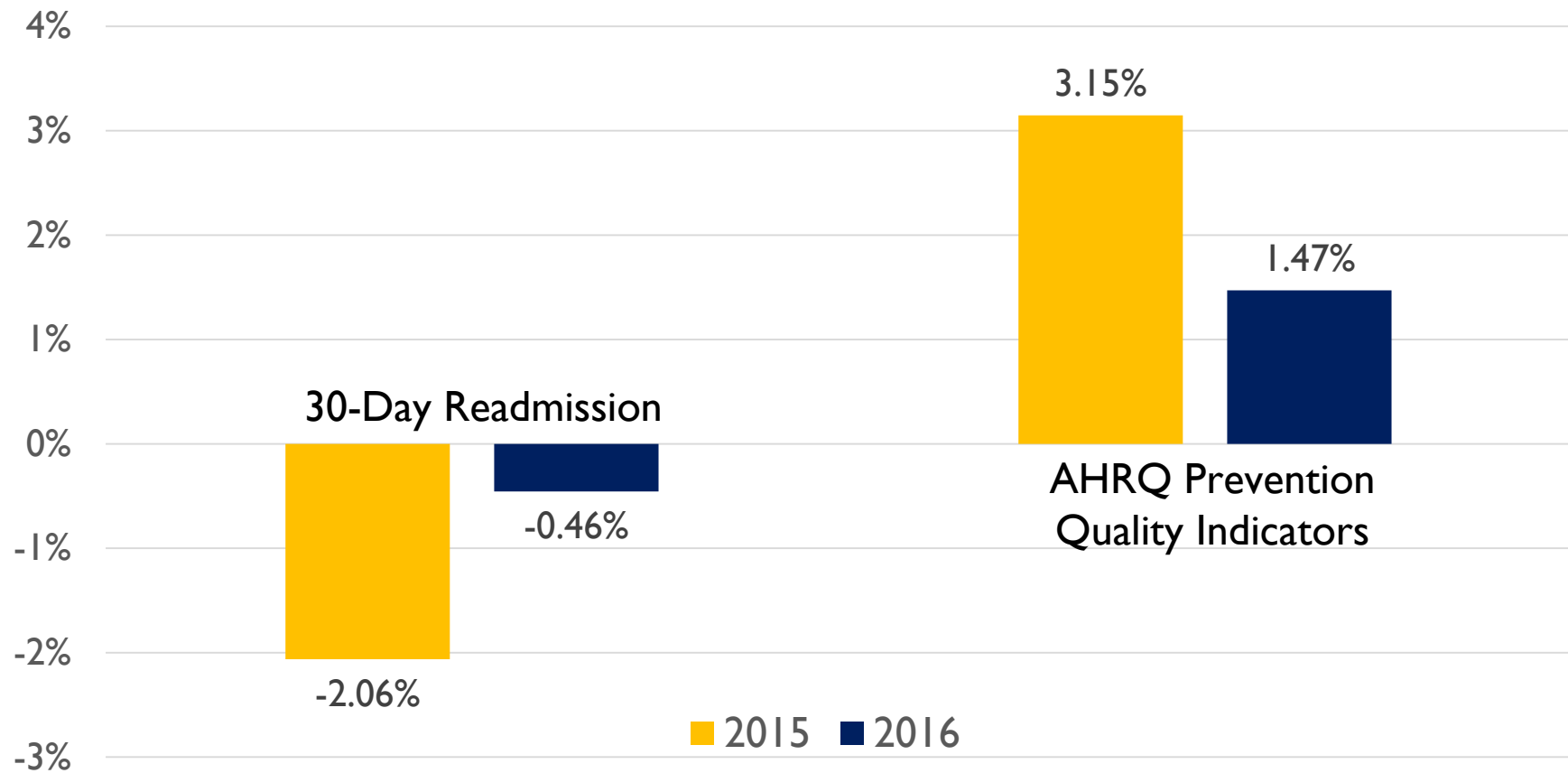
Cumulative Readmission Rate Change by Month (year over year): Maryland vs Nation

Reduction in the National Readmission Rate has increased in CY 2016

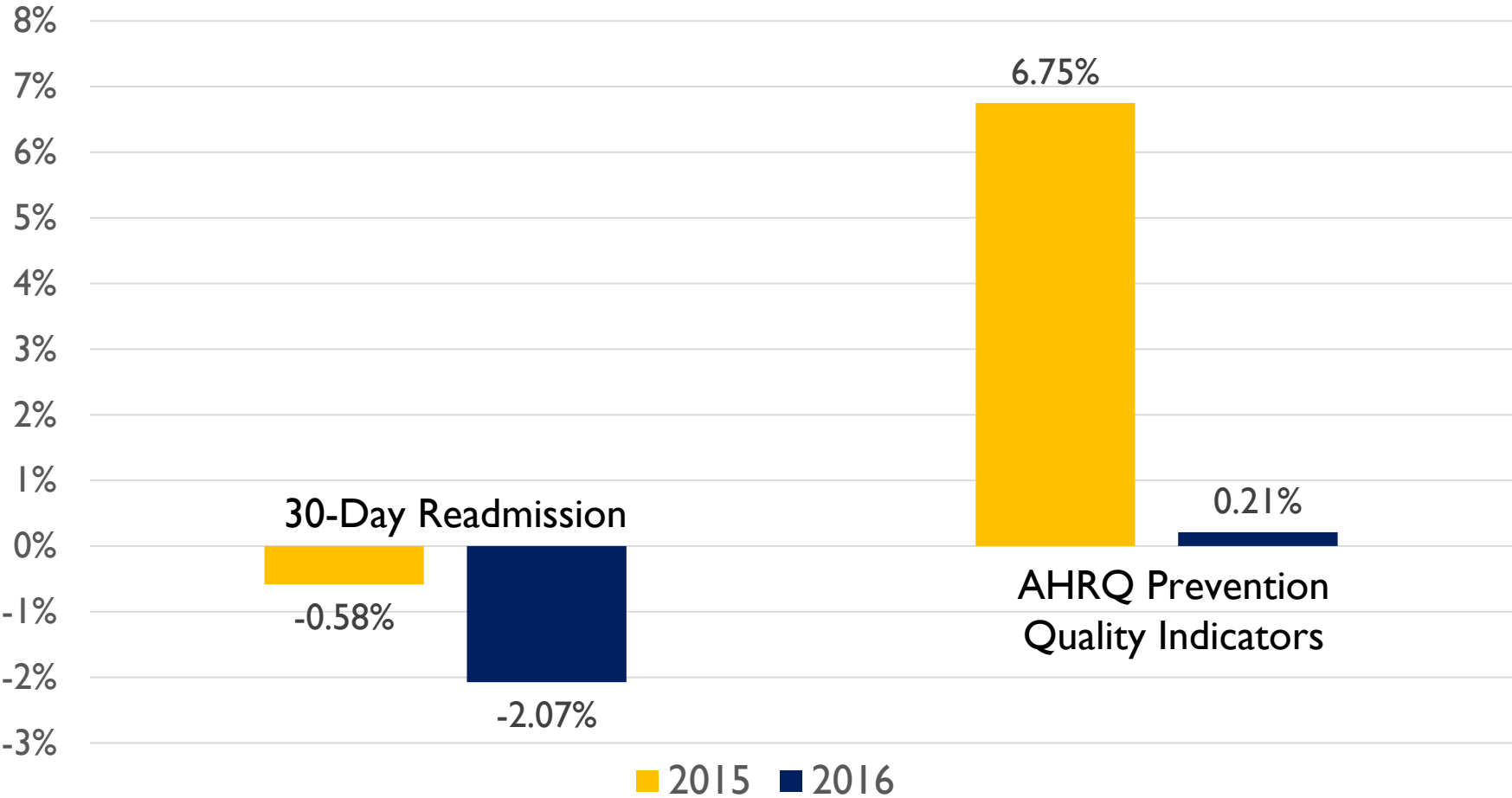


Potentially Avoidable Utilization Update

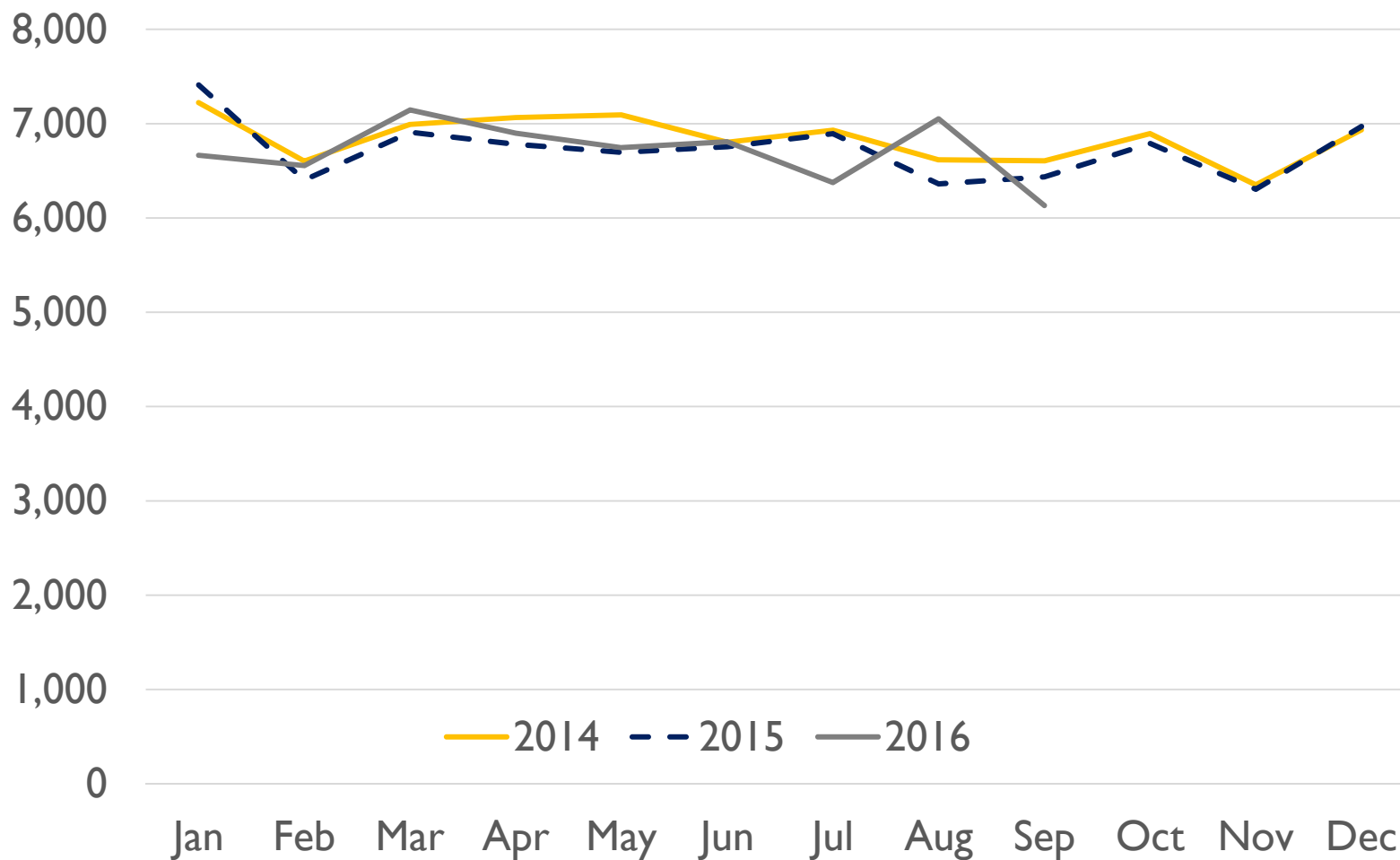
All Payer Readmission and Prevention Quality Indicator ECMAD Annual Growth – CYTD Sept.



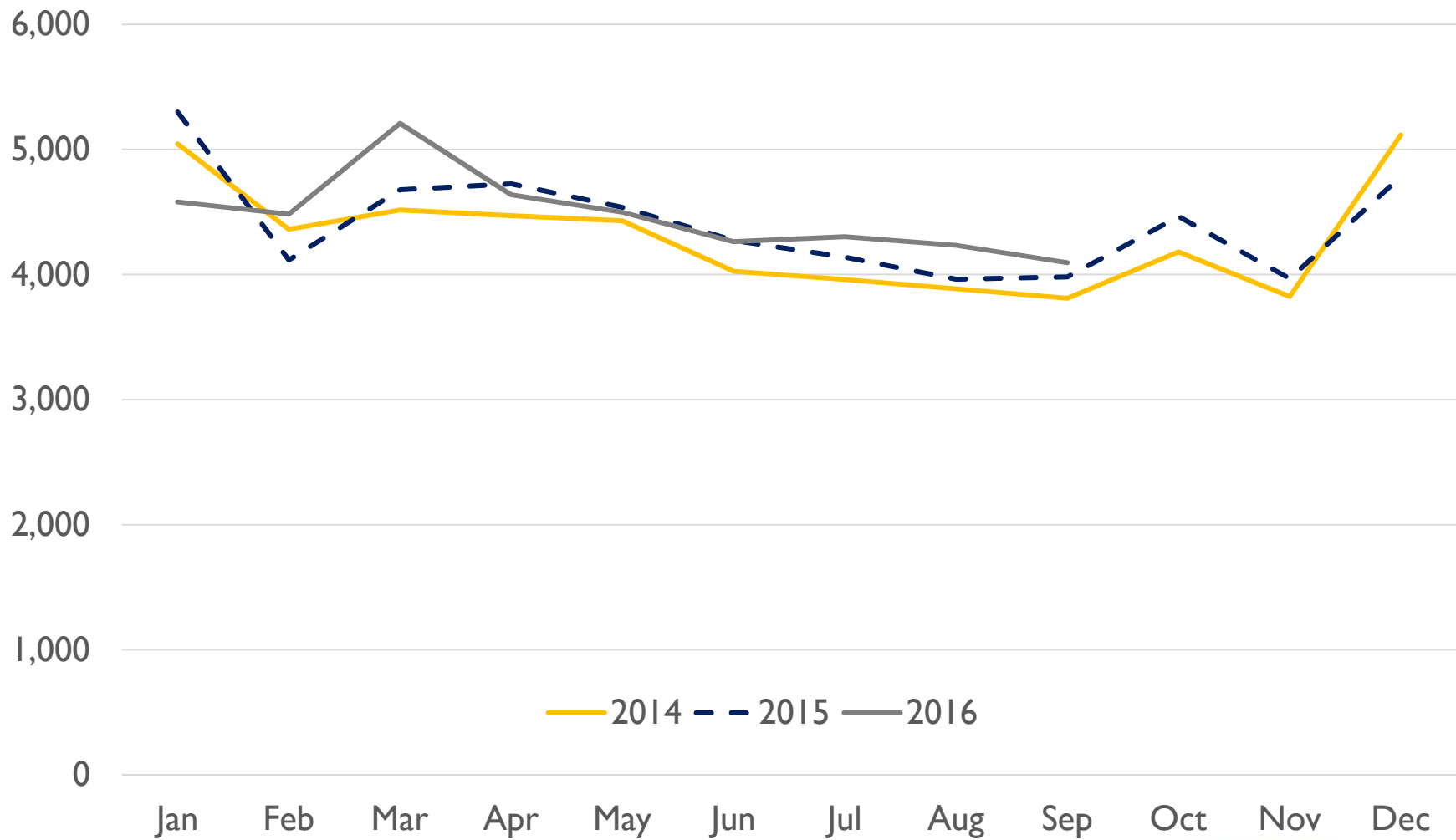
Medicare FFS Readmission and Prevention Quality Indicator ECMAD Annual Growth – CYTD Sept.



All-Payer Readmission ECMAD Growth by Month



All-Payer PQI ECMAD Growth by Month



Final Recommendation for Final Round of Transformation Implementation Grants

November 9, 2016

HSCRC

Health Services Cost
Review Commission

Recommendations

Partnership Group Name	Award Request	Award Recommendation	Hospital(s) in Proposal - Purpose of Award
Calvert Memorial	\$ 361,927.00	\$ 360,424.00	Calvert Memorial Hospital
Lifebridge Health System	\$ 6,751,982.00	\$ 1,350,396.00	Carroll Hospital Northwest Hospital Sinai Hospital - 24-hour call center/care coordination hub - Efforts to enable seniors to age in place - Tele-psychiatry capability expansion
Peninsula Regional	\$ 3,926,412.00	\$ 1,570,565.00	Atlantic General Hospital McCready Memorial Hospital Peninsula Regional Medical Center - Inter-Hospital Care Coordination Efforts - Patient Engagement and Activation Efforts - Crisfield Clinic - Wagner Van
Totally Linking Care – Southern MD	\$ 6,211,906.00	\$ 1,200,000.00	Calvert Memorial Hospital Doctor's Community Hospital Fort Washington Medical Center Laurel Regional Hospital MedStar Southern Maryland Hospital MedStar St. Mary's Hospital Prince George's Hospital Center - Support the continuation of the regional partnership - Reinforce care coordination with special focus on medication management - Support physician practices providing care to high-needs patients
West Baltimore Collaborative	\$ 9,902,774.00	\$ 1,980,555.00	Bon Secours Hospital St. Agnes Hospital University of Maryland Medical Center UMMC – Midtown Campus - Patient-related expenditures - Care Management Teams, particularly focused on primary care - Collaboration and sharing resources with community providers
	\$27,154,371.00	\$ 6,461,940.00	

Next Steps

- ▶ The Review Committee has recommended the five additional proposals be approved based on the revised review criteria totaling \$6.46 million.
- ▶ HSCRC will monitor the implementation of the awarded grants through reporting requirements.
- ▶ HSCRC is also recommending that a portion of the ROI be used to reduce hospital global budgets on the following schedule.
 - ▶ (Savings represent the below percentage of the award amount)

FY2018	FY2019	FY2020
10%	20%	30%

- ▶ The revised RFPs and summaries of the awardees will be posted on the HSCRC website.