



Maryland
Hospital Association

May 30, 2019

William Hoff
Chief, Audit and Compliance
Health Services Cost Review Commission
4160 Patterson Avenue
Baltimore, MD 21215

Dear William:

On behalf of the state's 61-member hospitals and health systems, the Maryland Hospital Association appreciates the opportunity to comment on the commission staff's draft recommendation to revise relative value units (RVUs) for Emergency Department (EMG) services.

The draft recommendation assigns service level Current Procedural Terminology (CPT) codes to EMG visit levels. This assignment is not explicit under the current scale. It changes the basis of level assignment from clinical care time (CCT) to a generic definition of resource consumption and requires each hospital to develop and maintain internal guidelines for service level assignment. While hospitals appreciate and support the flexibility, it is not clear how the proposed change accomplishes an intended goal to "standardize RVUs at national levels."

The proposed revisions reset the RVU scale for EMG services in a revenue neutral manner. While the proposal does not change EMG gross revenues, it is not clear how the proposed changes will affect *net* revenues due to payer denials. Many hospitals speculate that denials may increase, reducing net revenues. We respectfully ask commission staff to study this impact in rate year 2020.

Maryland's hospitals appreciate the commission staff's efforts on behalf of the Maryland Total Cost of Care model. In this instance, following several meetings, the underlying purpose of the EMG RVU conversion and prioritization of hospital resources to accomplish this purpose, remains unclear. Concurrent with consideration of this proposed change, hospitals are also addressing several key commission policies, including volume, capital funding, care redesign, Medicare Performance Adjustment and others. We also understand that commission staff intend to propose a Clinic RVU conversion in rate year 2020. This is expected to be a large, resource-intensive conversion. Hospitals would appreciate recognition of this new demand on hospital resources. We respectfully request that the commission define the need to prioritize this conversion and better understand how the proposed conversion will align with the goals of the Total Cost of Care Model.

Thank you again for your careful consideration of these matters. If you need additional insights, please contact me.

Sincerely,

Brett McCone
Senior Vice President, Health Care Payment

cc: Katie Wunderlich, Executive Director

Dennis Phelps, Associate Director