Maryland
Hospital Association

December 18, 2020

Dr. Alyson Schuster
Deputy Director, Quality Methodologies
Health Services Cost Review Commission
4160 Patterson Avenue
Baltimore, Maryland 21215

Dear Dr. Schuster:

On behalf of the Maryland Hospital Association's 60 member hospitals and health systems, we appreciate the opportunity to comment on the Health Services Cost Review Commission's (HSCRC) *Draft Recommendations for the Maryland Readmissions Reduction Incentive Program (RRIP) for Rate Year 2023.*

We support the staff's recommendation to continue the readmissions program largely unchanged from the existing policy. The impact of the COVID public health emergency (PHE) needs to be considered when evaluating hospitals' performance year 2021. The improvement target was set based on a 2018 base period and assumed a linear change through 2023.

COVID severely impacted access to care, exacerbated chronic illnesses, and forced hospitals to employ non-traditional staffing models. These disruptions fundamentally changed the types and numbers of admissions at hospitals. Changes have been highly variable across hospitals, including a decline in typical caseloads and high numbers of COVID patients at some hospitals. **The improvement target should be lowered**, as hospitals may not experience the expected improvements in 2020 that the long-term improvement trend anticipated. Hospitals that experienced the most disruption due to COVID are disadvantaged and should not be expected to continue previous performance trends.

The maximum reward should be raised to 2%. Increased incentives and resources are necessary to improve at this mature stage of the program and would align with maximum rewards of other policies in the quality program.

The state PHE has disrupted every aspect of care delivery and care transformation in Maryland. The Centers for Medicare & Medicaid already declared that they would not use January through June 2020 data to make revenue adjustments. Considering current COVID cases and the projected mid-winter peak, no data from 2020 will accurately assess hospitals' performance. No global budget revenue adjustments should be made for fiscal 2022. It has been suggested that previous period adjustments could be reapplied in the absence of performance period data, effectively doubling hospitals' penalties and rewards. A fairer approach is to **forego performance-based revenue adjustments for rate year 2022.**

We look forward to continuing to work with the commission on this and future policies.

Sincerely,

Brian Sims, Director, Quality & Health Improvement

cc: Adam Kane, Esq. Chairman
Joseph Antos, Ph.D., Vice Chairman
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