



Maryland
Hospital Association

February 19, 2020

Alyson Schuster, Ph.D.
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's) *Draft Recommendation for the Readmissions Reduction Incentive Program for Rate Year 2022*.

While we support most of the staff's recommendations, we have significant concerns about including a disparity measure in payment policy until it can be further evaluated. Similarly, we oppose including a specific disparity reduction target in the Statewide Integrated Health Improvement Strategy (SIHIS). We appreciate the importance of addressing racial and socioeconomic disparities in health outcomes and commend HSCRC staff for their considerable work to create this measure. More time is needed to adequately understand the levers that lessen disparities and how much improvement in the disparity gap represents meaningful change.

It is premature to include a specific disparity reduction target in the SIHIS. SIHIS measures and changes to measures must be mutually approved by Maryland and the Centers for Medicare & Medicaid Services (CMS). CMS will evaluate Maryland's performance on SIHIS measures when considering whether the Total Cost of Care Model should be permanent. The future of the Maryland Model is too much to risk when so much is unknown about what it takes to meaningfully reduce disparities. Further complicating the adoption of this measure and any expected rate of improvement, is the lack of data that can help quantify the projected impact of interventions. We recommend monitoring this measure for at least a year to better determine a meaningful percent of improvement and whether an additional incentive would speed the rate of improvement.

The five-year, 7.5% statewide improvement target appears to be reasonable based on staff's modeling and benchmarking. However, statewide improvement will not be evenly distributed across hospitals. Some hospitals had very low rates for several years, and it would be unfair to penalize them. Therefore, in setting the attainment target, the threshold percentile to begin earning rewards may need to be eased.

We support staff's other recommendations, including continuing to measure attainment and improvement, to exclude patients who left "against medical advice," and to include select oncology discharges using the NQF-adapted logic. We recommend evaluating the new oncology provision

after one year to ensure there are no unintended consequences impacting hospitals' readmissions performance.

Readmissions are a key indicator of success in hospitals' commitment to patients post-discharge and in managing chronic conditions cost-effectively. It's well recognized that social determinants of health affect readmissions rates, and this is not adequately accounted for in the Maryland or national policy. The commission's plan to continue to modernize and revise the policy is important and necessary.

We look forward to continuing to work with the commission on the readmissions policy for performance year 2020 and beyond.

Sincerely,



Traci La Valle
Senior Vice President, Quality & Health Improvement

cc: Nelson J. Sabatini, Chairman
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