



Maryland
Hospital Association

October 22, 2019

Katie Wunderlich
Executive Director
Health Services Cost Review Commission
4160 Patterson Avenue
Baltimore, MD 21215

Dear Katie:

On behalf of Maryland's 61 member hospitals and health systems, the Maryland Hospital Association appreciates the opportunity to comment on the commission's proposed Medicare Performance Adjustment (MPA) changes for rate year 2022.

MHA supports the HSCRC staff's proposal

Maryland's hospitals support HSCRC staff's recommendation. The revenue at risk should remain unchanged and only minor technical adjustments should apply. The traditional MPA is an important vehicle that allows Maryland's Total Cost of Care Model to qualify as an Advanced Alternative Payment Model—making participating physicians eligible for MACRA payments.

An assessment of the attributed spend per beneficiary is needed in a comprehensive review

A main component of HSCRC staff's planned review should be an assessment of the payment per beneficiary attributed to hospitals. This assessment should include analyzing spending per beneficiary for:

- Changes in service use for beneficiaries attributed to the same hospital
- Changes for lost and new beneficiaries
- Changes for beneficiaries attributed to different hospitals in different years
- Service use at the attributed hospitals relative to service use at other hospitals
- Magnitude of payments and beneficiaries assigned to a hospital relative to its overall Medicare charges

It would be beneficial to assess the statistical validity of the measure to ensure the best and most appropriate attribution method is used and that hospitals can affect total spending per beneficiary from management's actions. If HSCRC staff propose an attainment benchmark, the methodology would require appropriate risk adjustments, including socio-economic factors that may not be present in claims data.

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Thank you again for your careful consideration of these matters. If you have any questions, please contact me.

Sincerely,



Brett McCone
Senior Vice President, Health Care Payment

cc: Nelson J. Sabatini, Chairman
Joseph Antos, Ph.D., Vice Chairman
Victoria W. Bayless
Stacia Cohen, RN
John M. Colmers
James N. Elliott, M.D.
Adam Kane
Will Daniel, Deputy Director