



Waiver Glossary

1. **MHA** — *Maryland Hospital Association*, the advocate for Maryland’s hospitals, health systems, and patients before legislative and regulatory bodies. Its membership is composed of community and teaching hospitals, health systems, specialty hospitals, veterans hospitals, and long-term care facilities.
2. **CMMI** — *Center for Medicare and Medicaid Innovation*, charged with developing new payment and service delivery models in accordance with the requirements of section 1115A of the Social Security Act. Additionally, Congress has defined – both through the Affordable Care Act and previous legislation – a number of specific demonstrations to be conducted by the Centers for Medicare & Medicaid Services.
3. **CMS** — *Centers for Medicare & Medicaid Services*, the federal agency whose programs cover 100 million people through Medicare, Medicaid, the Children's Health Insurance Program, and the Health Insurance Marketplace. In addition to health coverage, CMS aims to provide a high quality health care system at lower costs.
4. **DHMH** — *Maryland’s Department of Health and Mental Hygiene*, which works to protect and promote the health of the public by creating healthy people in healthy communities; to strengthen partnerships between state and local governments, the business community and all health care providers in Maryland; and to build a world class organization grounded in the principles of quality and learning, accountability, cultural sensitivity and efficiency.
5. **HSCRC** — *Maryland’s Health Services Cost Review Commission*, which sets hospital rates for all payers, including Medicare and Medicaid. In recent years, the HSCRC has devoted considerable resources toward the development and implementation of payment-related initiatives designed to promote the overall quality of care in Maryland’s hospitals.
6. **MHCC** — *Maryland Health Care Commission*, an independent regulatory agency whose mission is to plan for health system needs, promote informed decision-making, increase accountability, and improve access by providing timely and accurate information on availability, cost, and quality of services to policy makers, purchasers, providers and the public.
7. **All-payer** — A hospital payment model unique to Maryland in which all payers — insurers, Medicare, Medicaid, individuals, and others — pay the same price for the same service at the same hospital. This system brings Maryland an estimated \$1.5 billion more each year in federal dollars.
8. **Medicare Waiver** — A five-year demonstration agreement with CMS, signed in January 2014, that aims to reduce health care costs, improve quality, and enhance patients’ experiences. The agreement modernized a unique, nearly 40-year-old system that regulates hospital prices through a statewide commission. That system provides a level of transparency and accountability unseen in other states and has saved the state more than \$45 billion since its inception 40 years ago.
9. **Population health** — Population health management is the future of modern health care. Its goal is simple: to keep people as healthy as possible to minimize the need for expensive

interventions like emergency department visits, hospitalizations, and diagnostic procedures. In successful population health models, hospitals and other care providers make a greater investment in, and take greater responsibility for, their patients' well-being, rather than focusing on just their illnesses; and patients understand the outsize impact they have on their own lives.

10. **Triple aim** — In 2008, Don Berwick, former administrator of the Centers for Medicare & Medicaid Services, first described the Triple Aim of simultaneously improving population health, improving the patient experience of care, and reducing per capita cost. The Triple Aim is now a universally-embraced goal for health care organizations.
11. **Readmissions** — An admission to a hospital within 30 days of discharge from a hospital. Readmissions are often used as a barometer to test the quality of a hospital's care and reducing Maryland's readmissions to the national average is one of the metrics of Maryland's five-year demonstration agreement with CMS (the Medicare waiver).
12. **HAI** — *Health care-associated infections*, which people acquire while they are receiving treatment for another condition in a health care setting. HAIs can be acquired anywhere health care is delivered and may be caused by any infectious agent, including bacteria, fungi, and viruses, as well as other less common types of pathogens.
13. **MHAC** — *Maryland Hospital Acquired Conditions* program, an initiative that began in 2009 (revised in 2014) that links payments to hospital performance based on a list of 65 Potentially Preventable Complications (PPCs). The MHAC program provides incentives to meet the targets established in the five-year demonstration contract that began on January 1, 2014, which includes a reduction in PPC rates of 30 percent over the contract term.
14. **Per capita spending** — One of the key financial metrics in the five-year demonstration agreement with CMS. Under the terms of the agreement, Maryland must limit hospital spending to an annual growth cap of 3.58 percent per person for the state's entire population.
15. **Global budget** — A key incentive to drive down health care costs under the Medicare waiver. Each hospital in Maryland is provided a fixed annual budget to care for all its patients, as well as the people in the communities it serves. Revenue for global budgets is still derived from traditional hospital billing practices, and hospitals regularly adjust their rates to remain under the annual cap. Global budgets, without qualification, incentivize hospitals to reduce waste and engage in population health management, so that high-cost, acute care services are reserved for those who truly need them.
16. **Medicaid assessment/provider tax** — A \$390 million tax (3 percent added to all hospital bills) that the state of Maryland collects each year. Passed in 2009 as a temporary measure to shore up a deficit in the state's Medicaid program, the tax was \$19 million that first year. Reducing the tax would give Maryland a greater chance of meeting the new requirements of the agreement with the federal government. If the new requirements are not met, Maryland could lose its unique, all-payer health care system and the \$1.5 billion it brings into the state each year.