To: Chief Financial Officers

From: Karen Teague, Associate Director, Medical Economics & Data Analytics

Date: January 31, 2024

Re: Upcoming Annual Filing Modernization Feasibility Surveys

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As described in the [memo](https://hscrc.maryland.gov/Documents/Strong%20als%20Folder/1%20-%20Policy%20Clarifications%20-%20Memos/2023%20Memorandums/2023.11.30_Annual%20Filing%20Modernization%20Memorandum%20-%2011.30.23.docx) sent on November 30, 2023, the HSCRC is undertaking a 3-year Annual Filing Modernization project to accomplish the following goals:

1. Modernize policies and templates used for gathering data on provider costs, population health resources, and various cost centers.
2. Revise the cost allocation framework to enable centralized application of consistent allocation algorithms across all Maryland hospitals.
3. Perform a complete review and update of the Accounting and Budget Manual to reflect current policy and practice and achieve greater user utility.
4. Assemble a set of comprehensive web-based tools for Maryland hospitals to utilize in completing and submitting their future Annual Filings.

The HSCRC has designed a series of surveys in order to understand current reporting structures and initial conceptual considerations for the revisions. The goal of the surveys is to understand the current status of cost and revenue reporting focusing on clinicians, overhead cost centers, allocation methods, and population health initiatives.

The first survey will be sent to hospitals on **February 8, 2024**. It will be specifically focused on providing a deeper understanding of the roles and arrangements of services by clinicians and exploring how these roles influence the financial aspects of hospitals. The results of this survey will be used in the creation of the Annual Filing Physician Costs Supplemental Schedule.

Hospitals will have two weeks to respond to the survey to provide their feedback and input to the process. Survey responses will be due on **February 23, 2024**. The HSCRC will be hosting a virtual Q&A regarding the survey for hospitals on Tuesday, February 13, 2024, from 12p – 1p, please register [here](https://hscrc.maryland.gov/Pages/Subgroup-annual-filing-modernization.aspx). The HSCRC will also be providing a FAQ document which will accompany the survey. More information will be sent with the survey link on February 8, 2024.