



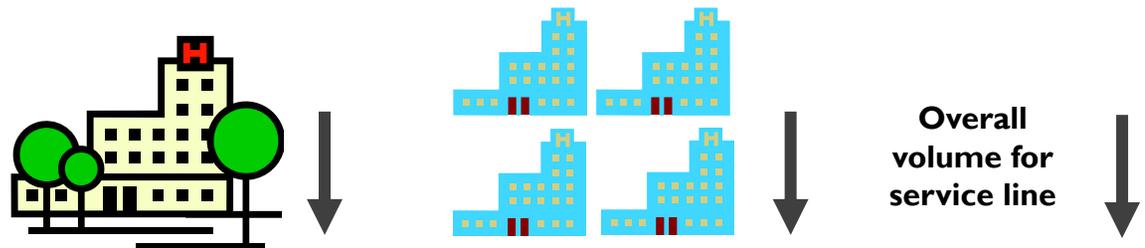
Maryland Health Services Cost Review Commission

Market Share Adjustment Example Scenarios

October 29, 2014

Example 1: Overall Volume Decline - No Market Shift

Scenario: Volume in “oncology” at Hospital A decreases while volume decreases. Overall volume decreases.

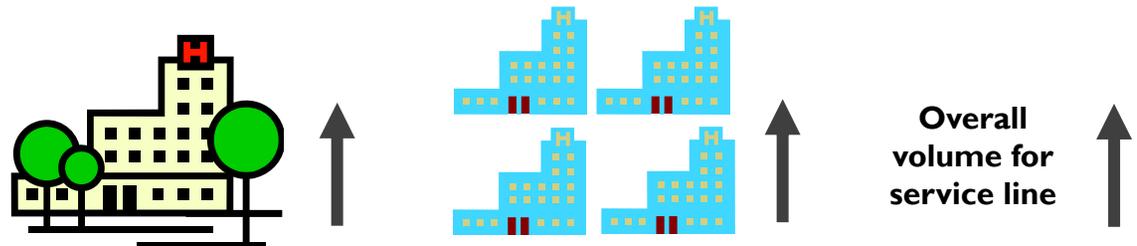


	Hospital A	Other Hospitals	Total
Base Year: Oncology	1000	4000	5000
Current Year: Oncology	500	3000	3500
Change	-500	-1000	-1500

Result: This change in utilization is not recognized as a market share shift

Example 2: Overall Volume Increase -No Market Shift

Scenario: Volume in “Oncology” at Hospital A increases while volume at other hospitals increases. Overall volume increases.

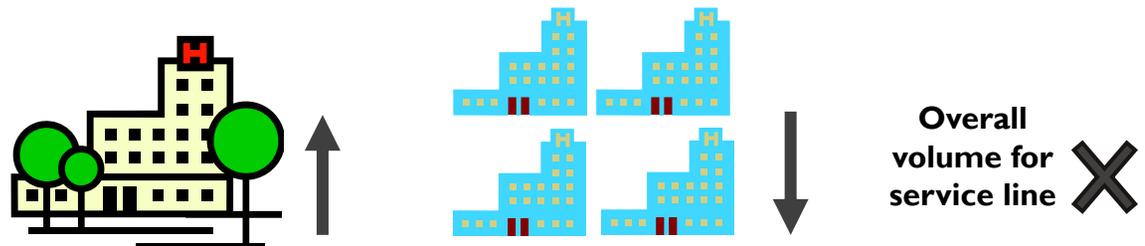


	Hospital A	Other Hospitals	Total
Base Year: Oncology	1000	4000	5000
Current Year: Oncology	1500	5000	5500
Change	+500	+1000	+1500

Result: This change in utilization is not recognized as a market share shift.

Example 3: Hospital A Volume Increase, Other Hospital Decline. Overall Volume Unchanged.

Scenario: Volume in “oncology” at Hospital A increases while volume in “oncology” at other hospitals decreases. Overall volume remains unchanged.

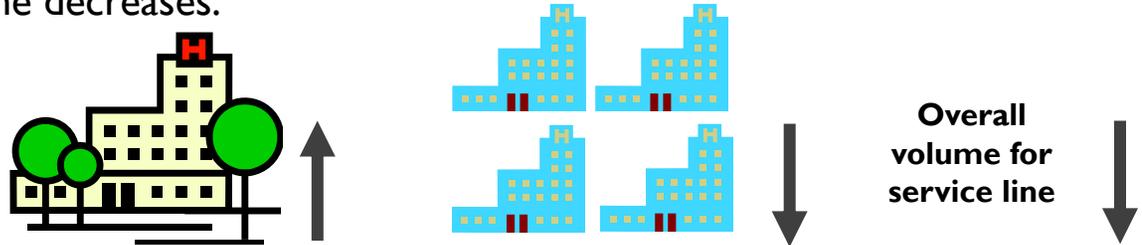


	Hospital A	Other Hospitals	Total
Base Year: Oncology	1000	4000	5000
Current Year: Oncology	1500	3500	5000
Change	+500	-500	0

Result: Market Shift for Hospital A = + 500

Example 4: Hospital A Volume Increases, Other Hospital Volume Decreases, Overall Volume Decreases

Scenario: Volume in “oncology” at Hospital A increases while volume in “oncology” at other hospitals decreases. Overall volume decreases.



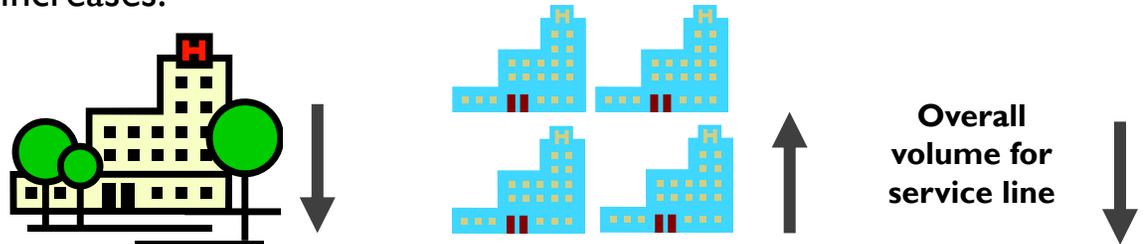
	Hospital A	Other Hospitals	Total
Base Year: Oncology	1000	4000	5000
Current Year: Oncology	1500	3200	4700
Change	+500	-800	-300

Result: Market Shift for Hospital A is the lesser of absolute change in Hospital A or Other Hospitals
 $|\text{Change in Hospital A}| = 500$ $|\text{Change in Other Hospitals}| = 800$

800 > 500 so Market Shift for Hospital A = +500

Example 6: Hospital A Volume Decreases, Other Hospital Volume Increases, Overall Volume Decreases

Scenario: Volume in “oncology” at Hospital A increases while volume in “oncology” at other hospitals decreases. Overall volume increases.



	Hospital A	Other Hospitals	Total
Base Year: Oncology	1000	4000	5000
Current Year: Oncology	200	4300	4500
Change	-800	+300	-500

Result: Market Shift for Hospital A is the lesser of absolute change in Hospital A or Other Hospitals
 |Change in Hospital A| = 800 |Change in Other Hospitals| = 300

800 > 300 so Market Shift for Hospital A = - 300