

Potential Considerations and Principles for an Off Cycle Adjustment

When should an off cycle statewide adjustment be considered?

- If the model is not meeting its targets and prompt action is important to meet the targets
- If there is an external event that creates a significant shortfall or windfall in revenues

What factors should be considered in evaluating the potential adjustment?

- The economy in Maryland
- Comparative growth in hospital rates outside of Maryland
- Hospital profitability
- The impact on the All Payer Model and Medicare savings
- Medicare DSH adjustment under consideration
- Cause/need for the adjustment
- Progress on the Triple Aim
- The impact on:
 - Consumers and purchasers
 - Hospitals
 - Commission staff

What additional factors should we look at now?

- UCC changes
- Medicaid use
- Factor cost changes relative to the provision