

IN RE: THE PARTIAL RATE	*	BEFORE THE HEALTH SERVICES
APPLICATION OF	*	COST REVIEW COMMISSION
SUBURBAN HOSPITAL	*	DOCKET: 2011
BETHESDA, MARYLAND	*	FOLIO: 1940
	*	PROCEEDING: 2130N



Staff Recommendation

September 14, 2011

This recommendation was unanimously approved by the Commission on September 14, 2011. The Chairman, John M. Colmers, recused himself from participation in this proceeding.

Introduction

On August 8, 2011, Suburban Hospital (the "Hospital") submitted a partial rate application to the Commission requesting a rate for Operating Room Clinic (ORC) services. The Hospital is requesting the lower of a per minute rate based on its costs and volumes, or a per minute rate based on the statewide median for this service.

Staff Evaluation

To determine if the Hospital's ORC rate should be set at the statewide median or at a rate based on its own cost experience, the staff requested that the Hospital submit to the Commission all cost and statistical data for ORC services for FY 2011. Based on information received, it was determined that the ORC rate based on the Hospital's actual data would be \$15.64 per minute, while the statewide median rate for ORC services is \$12.51 per minute.

Recommendation

After reviewing the Hospital's application, the staff recommends as follows:

1. That COMAR 10.37.10.07 requiring that rate applications be filed 60 days before the opening of a new service be waived;
2. That an ORC rate of \$12.51 per minute be approved effective September 1, 2011;
3. That no change be made to the Hospital's charge per case standard for ORC services; and
4. That the ORC rate not be rate realigned until a full year's cost experience data have been reported to the Commission.