

TO: Hospital CFOs

FROM: Jerry Schmith – Director, Revenue and Regulation Compliance

DATE: January 14, 2025

RE: Funding for AHEAD Preparation

At the Commission meeting on December 11, 2024, the Commissioners approved the staff recommendation to implement a permanent rate increase of \$50 million annually, effective January 1, 2025.

This memorandum clarifies the implementation of this funding. The allocated funding is based on hospital permanent revenue as of December 31, 2024. A detailed allocation breakdown is attached to this memorandum. To minimize the impact on both payers and the public during Calendar Year 2025, the funding will be distributed as follows:

- **\$25 million statewide adjustment:** A one-time adjustment in RY 2025, effective July 1, 2024, which will be reversed on July 1, 2025.
- **\$50 million statewide adjustment:** A permanent adjustment in RY 2026, implemented as a permanent rate adjustment prior to inflation, effective July 1, 2025.

Additionally, a separate \$25 million will be allocated to hospitals for the establishment of a population health trust fund. Further details on this adjustment, expected to take effect on July 1, 2025, will be provided at a later date.

If you have any questions about the funding implementation, please reach out to Jerry Schmith (jerry.schmith@maryland.gov) or Cait Cooksey (cait.cooksey@maryland.gov).

Joshua Sharfstein, MD
Chairman

James N. Elliott, MD
Vice-Chairman

Ricardo R. Johnson

Maulik Joshi, DrPH

Adam Kane, Esq

Nicki McCann, JD

Farzaneh Sabi, MD

Jonathan Kromm, PhD
Executive Director

William Henderson
Director
Medical Economics & Data Analytics

Allan Pack
Director
Population-Based Methodologies

Gerard J. Schmith
Director
Revenue & Regulation Compliance

Claudine Williams
Director
Healthcare Data Management & Integrity

Maryland Hospital Funding for AHEAD Participation

				RY2025 Input One-Time		RY2026 Input Permanent	
				\$25,000,000		\$50,000,000	
1	Meritus	\$	501,451,655	\$	576,873	\$	1,153,747
2	University Medical Center	\$	1,937,897,535	\$	2,229,370	\$	4,458,740
3	Capital Region Medical Center	\$	424,939,609	\$	488,853	\$	977,707
4	Holy Cross	\$	622,740,761	\$	716,405	\$	1,432,810
5	Frederick Health	\$	438,640,104	\$	504,614	\$	1,009,229
6	Aberdeen FMF	\$	32,705,079	\$	37,624	\$	75,248
8	Mercy	\$	695,269,324	\$	799,842	\$	1,599,685
9	Johns Hopkins Hospital	\$	3,119,466,981	\$	3,588,655	\$	7,177,311
10	Shore Medical Dorchester	\$	17,050,265	\$	19,615	\$	39,229
11	St. Agnes	\$	526,761,372	\$	605,990	\$	1,211,980
12	Sinai	\$	967,913,190	\$	1,113,494	\$	2,226,987
13	Grace Medical Center	\$	33,894,414	\$	38,992	\$	77,985
15	Franklin Square	\$	685,422,173	\$	788,514	\$	1,577,028
16	Adventist White Oak	\$	369,697,791	\$	425,303	\$	850,606
17	Garrett County	\$	94,381,494	\$	108,577	\$	217,154
18	Montgomery General	\$	224,150,171	\$	257,864	\$	515,728
19	Peninsula Regional	\$	617,293,873	\$	710,139	\$	1,420,278
22	Suburban	\$	436,309,726	\$	501,934	\$	1,003,867
23	Anne Arundel	\$	759,632,118	\$	873,886	\$	1,747,772
24	Union Memorial	\$	503,273,045	\$	578,969	\$	1,157,937
27	Western Maryland Health System	\$	394,454,070	\$	453,783	\$	907,565
28	St. Mary's	\$	235,989,481	\$	271,484	\$	542,968
29	JH Bayview Medical Center	\$	833,806,071	\$	959,216	\$	1,918,432
30	Shore Medical Chestertown	\$	56,077,498	\$	64,512	\$	129,024
32	ChristianaCare, Union	\$	206,665,253	\$	237,749	\$	475,498
33	Carroll County	\$	281,119,532	\$	323,402	\$	646,804
34	Harbor Hospital	\$	222,240,452	\$	255,667	\$	511,334
35	Charles Regional	\$	190,176,896	\$	218,781	\$	437,562
37	Shore Medical Easton	\$	293,432,981	\$	337,567	\$	675,134
38	UMMC Midtown	\$	276,434,196	\$	318,012	\$	636,023
39	Calvert	\$	188,668,756	\$	217,046	\$	434,092
40	Northwest	\$	311,214,883	\$	358,024	\$	716,047
43	Baltimore Washington	\$	538,981,038	\$	620,047	\$	1,240,095
44	Greater Baltimore Medical Center	\$	521,809,818	\$	600,293	\$	1,200,587
45	McCready*	\$		\$	-	\$	-
48	Howard County	\$	373,507,596	\$	429,686	\$	859,371
49	Upper Chesapeake	\$	455,852,167	\$	524,415	\$	1,048,831
51	Doctors Community	\$	311,840,538	\$	358,743	\$	717,487
55	Laurel Medical	\$	42,739,998	\$	49,168	\$	98,337
2004	Good Samaritan	\$	319,821,275	\$	367,925	\$	735,849
5050	Shady Grove	\$	534,674,486	\$	615,093	\$	1,230,186
2001	Rehab & Ortho Institue	\$	149,257,353	\$	171,707	\$	343,413
60	Fort Washington	\$	69,622,049	\$	80,094	\$	160,187
61	Atlantic General	\$	137,273,096	\$	157,920	\$	315,840
62	Southern Maryland	\$	342,167,019	\$	393,631	\$	787,262
63	St. Joseph	\$	490,470,090	\$	564,240	\$	1,128,480
87	Germantown FSE	\$	19,090,972	\$	21,962	\$	43,925
88	Queen Anne FSE	\$	9,235,941	\$	10,625	\$	21,250
333	Bowie FSE	\$	24,851,627	\$	28,589	\$	57,179
5033	Levindale	\$	73,711,477	\$	84,798	\$	169,596
8992	Shock Trauma	\$	277,745,982	\$	319,521	\$	639,042
65	Germantown	\$	176,606,940	\$	203,170	\$	406,340
4000	Sheppard Pratt	\$	226,770,296	\$	260,878	\$	521,756
4003	Brook Lane	\$	29,654,265	\$	34,114	\$	68,229
5034	Mt. Washington Pediatric	\$	71,759,313	\$	82,552	\$	165,105
4020	J. Kent McNew	\$	9,688,419	\$	11,146	\$	22,291
4022	BHP	\$	25,144,434	\$	28,926	\$	57,853
		\$	21,731,446,940	\$	25,000,000	\$	50,000,000

Permanent Revenue Derived from Summary All Hospital File as of 12/31/24

*included with PRMC