maryland
health services
cost review commission

To: Chief Financial Officers

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

Date: June 18, 2025

Re: FY2025 Annual Filing - Information & Updates

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As described in the memo sent on November 30, 2023 and the memo sent on January 31, 2024, the HSCRC undertook 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.

As part of this process, Staff collaborated with hospitals and other industry stakeholders to test and refine each part of the project through a series of workgroups, surveys, provisional schedules, and beta testing. This memo serves to provide an overview of changes and important dates and to outline next steps.

Modernize policies and templates used for gathering data on provider costs.
After feedback from hospitals regarding the timing of the new Clinician Cost Schedule (Schedule CCS) and the transition to an eFiling Tool, Staff has agreed to extend the due date of Schedule CCS by 45 days. The FY 2025 Schedule CCS will be due to the HSCRC by **December 12, 2025** for hospitals with a June 30 fiscal year end and by June 15, 2026 for hospitals with a December 31 fiscal year end.

As a result of this extension, Schedule CCS will be completed in Excel for FY 2025. The template will be made available to hospitals by September 1, 2025. Please submit completed schedules to hscrc.annual@maryland.gov.

Please note that the HSCRC will be hosting a workgroup to discuss the results of the FY 2024 submissions as well as proposed changes to the upcoming FY 2025 submission. The meeting will be held

on Wednesday, July 16, 2025 from 10 am to 12 pm at HSCRC offices. If you are interested in participating virtually, please register here.

Perform a complete review and update of the Accounting and Budget Manual to reflect current policy and practice and achieve greater user utility.

Staff is continuing to revise the Accounting and Budget Manual as part of an iterative process. As part of this process, Staff is transitioning to the use of a Data Dictionary to supplement the eFiling Tool (eF2). The Data Dictionary will be posted on the HSCRC website and will be available within the eFiling Tool. It will contain detailed instructions for completing field level information within the Annual Filing. More information to be forthcoming.

Assemble a set of comprehensive web-based tools for Maryland hospitals to utilize in completing and submitting their future Annual Filings.

FY 2025 Annual Filing must be submitted electronically in DAVE using the eFiling Tool. The eFiling Tool will be available to hospitals on August 5, 2025. The Annual Filing template will be made available to hospitals on July 21, 2025.

Trainings and Information Session:

In preparation for this upcoming transition, the HSCRC will be hosting a series of two virtual trainings and one information session. Both the trainings and the information session will be recorded and posted to our website along with a list of FAQs and meeting materials. The dates and times of the sessions are as follows, please note that registration is required to access the zoom link.

Information Session:
1. **Friday, June 27, 2025** – 12:00 pm to 1:00 pm

Trainings:
2. **Tuesday, August 5, 2025** – 9:30 am to 11:00 am
3. **Thursday, August 14, 2025** – 11:00 am to 12:30 pm

DAVE Access:

Users will access the eFiling Tool via hMetrix's Data Accuracy Verification Engine (DAVE). Hospitals will receive a communication from hMetrix to their Casemix Liaison containing a workbook. This workbook contains a list of DAVE users, for each system, and their required access. Hospitals should update and submit this workbook for users who will be submitting Annual Filing data to the HSCRC by **Tuesday, July 8, 2025**. Please have your Casemix Liaison send your list to hMetrix who will follow up with any additional information needed. Please see below for a list of information to provide:

1. Names and Contact Information
    a. For new users, please provide their name, phone number, and email address. For existing users, please review their name and contact information to ensure that it is up to date. Please do this for all users who will be requesting access to submit the Annual Filing.

2. Facility Access
    a. Please review the list of hospitals for which the user needs access and update accordingly.

3. IP Address
    a. Please provide the user's IP address. As an added layer of security, users will need to provide their IP address to hMetrix to be able to submit data. If a user works in a hybrid work environment, Staff recommends providing a user's IP address from both their home and work locations.

    b. To find your IP address, search 'what is my IP address' in google and scroll until you see a box that says 'Your public IP address' with a series of numbers.

4. Please add a 'Y' under 'eF2 Hospital Submitter'.

Modernize policies and templates used for gathering data on population health resources and various cost centers. Revise the cost allocation framework to enable centralized application of consistent allocation algorithms across all Maryland hospitals.

Through a series of hospital surveys and extensive data analysis, Staff has carefully reviewed the cost allocation framework used across Maryland hospitals. To maintain stability and ensure clarity in the face of other structural changes to the FY2025 filing, Staff has chosen to limit allocation and cost center modifications. For the FY2025 Annual Filing, Staff is making the following changes related to the cost allocation framework:

1. Data Processing will be allocated based on FTEs on the OADP Schedule.

2. Enhanced Ambulatory definition - related to the J-schedule for allocation of Hospital Administration, Nursing Administration, Patient Accounting, General Accounting, and Medical Records - to include the following rate centers:
    a. CL, CL-340, EMG, OBV, OCL, ORC, PDC, SDS, TRM

3. Added an annual attestation that square footage allocations have been updated or reviewed with no changes.

Additional Changes to FY2025 Annual Filing

1. Removed Schedule G, GR, GRR (and any references to them within other schedules).

2. Added input schedules to the annual filing template to more closely align with other standard industry templates. These have replaced the historic HSCRC input schedules from the Excel model.

    a. The Annual Filing Template now collects information at the reclassed Trial Balance level. This will be collected on Schedule EXP.

    b. The Annual Filing Template now collects different statistical information on one schedule (Schedule STI) which includes information such as: hospital experience data, square footage, etc.

        i. Hospital inpatient and outpatient volume data, for direct cost centers, will now be reported in 6 month increments. This allows the tool to apply a conversion factor (if applicable) for hospitals with a December 31 year end.

        ii. Inpatient and outpatient volume and revenue data, for direct cost centers, will be populated via a feed from the experience data.

    c. Residents, Interns, and Fellows will now be reported individually. Please report Residents on P4, Interns on P5, and Fellows on P6.

    d. Changed discount for public payers back to 7.7%.

    e. Within the eFiling Tool itself, there will be the ability for hospitals to upload partial submissions of their data. There will also be the ability to make modifications to data directly within DAVE itself, if desired.

Staff would like to thank hospital staff and other stakeholders for their participation and feedback over the last two years. While we have made every effort to anticipate any questions or concerns related to changes stemming from the Annual Filing Modernization project, we understand there may be additional questions that have not been addressed in this memo. Please email Karen Teague (karen.teague@maryland.gov) with any questions.