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Health Services Cost Review Commission

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To: Regional Partnership, Transformation Grant Recipients

Please find below updates and policy clarifications regarding the Transformation Grants.

Year 3 (FY 2019) Year End Reporting Requirements

A fiscal year-end report will be required from each Regional Partnership. The FY 2019 template builds off the FY 2018 template and includes items such as patients served, utilization measures, quality indicator measures, CRISP key indicators, and return on investment (ROI). Regional Partnerships should submit completed reports to hsrc.rfp-implement@maryland.gov by September 30, 2019.

Funding Beyond FY2020

The purpose of the Regional Partnership Transformation Grant program was to provide initial funding to support the startup and testing of innovative care models that reduce cost, improve quality, and improve healthcare outcomes. To ensure focus on long-term sustainability of successful care models, a cost-sharing schedule was incorporated into the grant program as a means to gradually prepare hospitals to integrate tested care models into operations and alternative funding sources. To facilitate the integration, for fiscal years 2018 through 2020, the Regional Partnership Transformation Grant awards were designed to be reduced each year by 10%, with the participating hospitals contributing to maintain the 100% funding needed for initiatives.

As the FY 2020 grant year begins, Regional Partnerships should be reminded that existing grants will be reduced by 30% of the original award amount. Additionally, these awards have been approved only through June 30, 2020. Given this funding expiration date, Regional Partnerships should continue to identify alternative funding options in order to scale and sustain successful interventions. In particular, Regional Partnerships should collaborate with hospital finance leadership to explore options to use global budget revenue (GBR) for funding permanency and to consider providing HSCRC with proposals from Regional Partnerships to earn shared savings for the total cost of care savings produced by their interventions. Attached to this memo is a copy of the Care Transformation Assessment form that can be used to submit proposals to earn shared savings.

In the coming weeks, the Health Services Cost Review Commission is exploring the possibility of a new Regional Partnership Transformation Grant program that could begin as early as July 1, 2020. This new grant program will be restructured to increase alignment with State priority areas, to better measure impact, and to ensure the scalability and sustainability of successful interventions. The HSCRC staff will preview this new program in a meeting with the Regional Partnerships later this fall contingent on commissioner approval.

Conclusion

We appreciate the Regional Partnership's continued efforts to support patients outside hospital walls and to transform care in Maryland. If you have any questions regarding this letter, please respond to hscrc.rfp-implement@maryland.gov.