

**576<sup>th</sup> Meeting of the Health Services Cost Review Commission  
September 9, 2020**

(The Commission will begin public session at 11:30 am for the purpose of, upon motion and approval, adjourning into closed session. The open session will resume at 1:00pm)

**EXECUTIVE SESSION  
11:30 am**

1. Discussion on Planning for Model Progression – Authority General Provisions Article, §3-103 and §3-104
2. Update on Administration of Model - Authority General Provisions Article, §3-103 and §3-104
3. Update on Commission Response to COVID-19 Pandemic - Authority General Provisions Article, §3-103 and §3-104

**PUBLIC MEETING  
1:00 pm**

1. Review of Minutes from the Public and Closed Meetings on June 10, 2020
2. Docket Status – Cases Closed  
2524A – Johns Hopkins Health System 2525A – Johns Hopkins Health System  
2564A – Johns Hopkins Health System 2574A – Johns Hopkins Health System
3. Docket Status – Cases Open  
2523N – McNew Family Health Center 2528A – Johns Hopkins Health System  
2529A – Johns Hopkins Health System 2530N – McNew Family Health Center
4. Medicare Performance Adjustment RY 2022 Executive Summary
5. Policy Update and Discussion
  - a. Model Monitoring
  - b. FY 2020 GBR Considerations
  - c. COVID-19 Surge Policy Report
6. Long-Term Care Partnership Grant Program (Informational Only)
7. Legal Update
8. Hearing and Meeting Schedule

## Cases Closed

The closed cases from last month are listed in the agenda

H.S.C.R.C's CURRENT LEGAL DOCKET STATUS (OPEN)

AS OF AUGUST 31, 2020

A: PENDING LEGAL ACTION : NONE  
 B: AWAITING FURTHER COMMISSION ACTION: NONE  
 C: CURRENT CASES:

Docket Number	Hospital Name	Date Docketed	Decision Required by:	Rate Order Must be Issued by:	Purpose	Analyst's Initials
2523N	McNew Family Health Center	6/1/2020	9/9/2020	12/29/2020	PTH & STH	WH
2528A	Johns Hopkins Health System	8/19/2020	N/A	N/A	ARM	DNP
2529A	Johns Hopkins Health System	8/24/2020	N/A	N/A	ARM	DNP
2530N	McNew Family Health Center	8/26/2020	9/25/2020	1/23/2021	AMB & ANCILARIES	WH

PROCEEDINGS REQUIRING COMMISSION ACTION - NOT ON OPEN DOCKET

None

File  
Status

OPEN

OPEN

OPEN

OPEN

<b>IN RE: THE PARTIAL RATE</b>	*	<b>BEFORE THE HEALTH SERVICES</b>
<b>APPLICATION OF THE</b>	*	<b>COST REVIEW COMMISSION</b>
<b>J. KENT McNEW</b>	*	<b>DOCKET: 2020</b>
<b>FAMILY MEDICAL CENTER</b>	*	<b>FOLIO: 2333</b>
<b>ANNAPOLIS, MARYLAND</b>	*	<b>PROCEEDING: 2523N</b>

**Staff Recommendation**  
**September 9, 2020**

## **Introduction**

On June 1, 2020, J. Kent McNew Family Medical Center (“the Hospital”) submitted a partial rate application to establish both a new Physical Therapy (PTH) rate and a new Speech Therapy (STH) rates. The Hospital requested that the rates be set at the statewide median per RVU and be effective July 1, 2020. The J. Kent McNew Family Medical Center was opened by Anne Arundel Medical Center in the spring of this year as a stand-alone mental health facility that provides both inpatient and outpatient mental health services. It includes an acute inpatient mental health unit, a psychiatric day hospital (also referred to as a partial hospitalization program), and intensive outpatient treatment.

## **Staff Evaluation**

HSCRC policy is to set the rates for new services at the lower of the statewide median or at a rate based on its projections. Therefore, staff requested that the Hospital submit to the Commission projected cost and statistical data for the requested new PTH and STH services. Based on the information received, it was determined that the PTH rate based on the Hospital projection data would be \$14.05 per RVU, while the statewide median rate for PTH services is \$14.23 per RVU. The STH rate based on the Hospital projection data would be \$12.28, while the statewide median rate for STH services is \$11.72.

	Estimated Annual Volume (RVUs)	FY20 Statewide Median Rate	Estimated Revenue at FY20 Rates
Physical Therapy	425	\$14.05	\$5,971
Speech Therapy	155	\$11.72	\$1,816

## **Recommendation**

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

1. That the Commission waive its requirement (COMAR 10.37.10.07) that a hospital file a rate application at least 60 days before the operational opening of a new hospital, a revenue center, or a new service;
2. That the PTH rate of \$14.05 per RVU be approved effective July 1, 2020;
3. That the STH rate of \$11.72 per RVU be approved effective July 1, 2020; and
4. That the PTH and STH rate centers not be rate realigned until a full year of cost data have been reported to the Commission.

## **Policy Update Report and Discussion**

Staff will present materials at the Commission Meeting.





**TO:** HSCRC Commissioners  
**FROM:** HSCRC Staff  
**DATE:** September 9, 2020  
**RE:** Hearing and Meeting Schedule

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October 14, 2020 To be determined - 4160 Patterson Avenue  
HSCRC/MHCC Conference Room

November 12, 2020 To be determined – 4160 Patterson Avenue  
HSCRC/MHCC Conference Room

The Agenda for the Executive and Public Sessions will be available for your review on the Thursday before the Commission meeting on the Commission’s website at <http://hscrc.maryland.gov/Pages/commission-meetings.aspx>.

Post-meeting documents will be available on the Commission’s website following the Commission meeting.

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