maryland
health services
cost review commission

Total Cost of Care Workgroup Meeting

May 28, 2025

Agenda

- AHEAD Update
- High Value Care Plans Update
- MPA Update
- Benchmarking Process Update
- Next Steps & Upcoming Meetings

AHEAD Update

High Value Care Plans (HVCP)

RY26 Draft Recommendation

- Requires hospitals to report on their improvement targets and outcomes as part of their high value care plans aimed at reducing statewide potentially avoidable utilization.
- Failure to report on targets and outcomes will result in a take back of 0.27 percent of inflation removed in the RY 2026 rate orders.

Primary Clinical Focus Areas

Sepsis Management

- Frequently paired with **CHF (heart failure)**
- Related to both readmission reduction and transitional care

Congestive Heart Failure (CHF)

- Regularly tracked alongside **sepsis**, **COPD**, **diabetes**, and **palliative consults**

Diabetes, CHF, and Obesity

- Repeated emphasis, often linked with **avoidable ED utilization**
- Suggests a population health management approach

Chronic Conditions & Readmissions

- COPD, psychiatric conditions, opioid use, acute kidney injury (AKI)
- Special attention to **Medicaid**, **high-risk**, **psych**, and **socially deprived** populations

End of Life (EOL) Care/Hospice/ Palliative Care

- Highlighted alongside **OPAT** and **MVP**

Transitional Care

- Focus on reducing SNF readmissions, especially with infections (e.g., **UTI**, **CDI**)

Health Disparities Focus

- African American (AA) Medicare members, maternal care, deprived areas

Primary Performance Metrics

Readmission Rate (esp. 30-day all-cause)	• Most frequently mentioned metric • Includes behavioral health and medical readmissions
Total Cost of Care (TCOC)	• Often paired with reductions in ED visits and readmissions • Includes post-acute utilization (PAU)
Emergency Department (ED) Visit Rate	• Focus on reduction in ED use
Length of Stay (LOS)	• Including SNF (Skilled Nursing Facility) days
Per Beneficiary Per Year (PBPY) Cost	• Often tied to LOS and readmission reduction
Mortality Rates	• Especially for sepsis and end-of-life (EOL) care
Referral and Follow-Up Metrics	• Timely follow-up after discharge • Increased referrals and consult completions
Social Determinants of Health (SDOH)	• Interventions tracked for impact on outcomes
Patient Engagement	• E.g., diabetes education participation, long-term treatment opt-in

Next Steps

- Hospitals are required to report on an interim and annual basis. Reporting templates will be sent out at a later date
  - Interim Report Due Date: December 31, 2025
  - Annual Report Due Date: Summer 2026
- For additional questions please reach out to hscrc.tcoc@maryland.gov

VBCI Tool Updates

May 2025 Release Pages

- Surgical Site of Care (Facility-Based OP Surgery / Office Surgery)
  - Many procedures can be performed in both inpatient and outpatient settings, with significant cost differentials between sites of care. Explore relevant procedures, unit cost, provider, and hospital details to identify opportunities for site-of-care savings.
- High-Cost Imaging (OP High-Tech Imaging – CT / MRI / PET)
  - Imaging services are often over-utilized and represent a significant cost for many populations. Explore procedures, providers, sites of care, unit costs, and patient lists to identify opportunities to reduce unnecessary imaging spend appropriately.
- Therapy Services (PT / OT / ST / Chiro)
  - Physical therapy, occupational therapy, speech therapy, and chiropractic care can serve as both preventative investments and potentially over-utilized services. Explore providers and patients using these services to ensure appropriate use, improve patient outcomes, and address potential over-utilization.

Fall 2025 Release Pages

- Leakage Profiling
  - For ACOs, reducing total cost of care depends on managing patients within the ACO's provider network. This analysis identifies services commonly performed outside of the ACO to highlight opportunities to bring care under ACO management.
- Care Management
  - Engaging patients with specific needs through care management is a key ACO strategy. The Care Management dashboard helps identify patients meeting program criteria, such as high-risk scores or the presence of chronic conditions.
- Pharmacy
  - Drug costs represent a significant portion of spending for most populations. This analysis helps evaluate pharmacy utilization by reviewing spend on different drugs, identifying patients receiving categories of medications, and assessing unit cost differences.

Medicare Performance Adjustment Update

MPA Update

- CY2024 (Y7) Adjustment
  - Worksheet distributed. Comments due by 6/2/25
  - Final calculation update including all non-claims-based payments released 5/23. Only change from the prior release was change to the national target to reflect NCBP
- CY2025 (Y8) Report
  - Initial report to be released 6/6
- MATT
  - New option to allow approvals at a system level

Benchmarking Process Update

Benchmarking placeholder

- Preliminary decision was to maintain current approach
- Issue raised that adding RPP may improve outcomes
  - Tested and eliminated a method to use RPP to directly adjust median income
  - Using RPP as a term in the regression improves performance of Medicare regression although has no impact on commercial
    - Little impact on ranking at county level
    - Simpler to maintain current approach and consistency between Commercial and Medicare
    - See detail on next two slides
- Next Steps:
  - Implementing revised PSAP definitions
  - 2023 ECMADs
  - Commercial based on Commercial rather than All Payer ECMADS
  - Running two versions, with and without RPP, will likely keep current approach in less there is a marked difference
  - Final Medicare within next 2 week or so, Commercial to follow

Final Model Considerations: Regional Price Parity

	Medicare		Commercial	
	Refresh	With RPP	Refresh	With RPP
Intercept	6,139.1***	2,184.1*	317.43*	384.58*
Percentage deep poverty	38,512.6***	26,423.4***	785.97	1154.5
Median household income	0.045***	0.018**	0.001*	0.002*
Regional price parity		68.8***		-1.41
Adjusted R2	0.17	0.19	0.15	0.15
TCOC Above (Below) Benchmark %	10.9%	11.6%	(23.4%)	(20.4%)

Adding RPP affected small number of counties.

Medicare TCOC		Change in Rankings Compared to Refresh
County	Refresh	Refresh + RPP in regression
Montgomery	1	0
Howard	2	1
Garrett	3	-1
Calvert	4	0
Charles	5	0
St. Mary's	6	5
Frederick	7	-1
Anne Arundel	8	1
Prince George's	9	-1
Washington	10	-3
Cecil	11	2
Somerset	12	-2
Talbot	13	1
Queen Anne's	14	-2
Wicomico	15	0
Carroll	16	0
Harford	17	0
Dorchester	18	0
Baltimore	19	1
Kent	20	3
Worcester	21	0
Allegany	22	-3
Baltimore City	23	-1
Caroline	24	0

Commercial TCOC		Change in Rankings Compared to Refresh
County	Refresh	Refresh + RPP in regression
Calvert	1	0
Anne Arundel	2	0
Queen Anne's	3	1
Howard	4	-1
Worcester	5	-1
Somerset	6	0
Wicomico	7	0
Prince Georges	8	2
Charles	9	-1
Carroll	10	-1
Frederick	11	0
Harford	12	1
Montgomery	13	2
Saint Mary's	13	-1
Cecil	15	-1
Baltimore	16	0
Washington	17	0
Talbot	18	0
Allegany	19	0
Dorchester	20	0
Kent	21	1
Caroline	22	-1
Baltimore City	23	0
Garrett	24	0

Next Steps

TCOC Workplan for Upcoming Months

- Upcoming TCOC Workgroup Dates
  - June 25
  - 2025 Meeting Dates (Tentative) posted on TCOC Workgroup Webpage
- Future Meetings Topics
  - June
    - Semi-Annual TCOC Update

Upcoming Important CTI and EQIP Dates

- CTI
  - CTI Enrollment
    - Enrollment Webinar: March 19th – Recording posted on CRISP Learning System
    - Open Enrollment: March 31st
    - CTI Learning Collaborative: May 2nd at 12PM – Registration Link
    - Enrollment Close Date: June 13th (Extended from May 30th)
    - CRISP Reports Migration – June 30th (EQIP & CTI users migrating to CRISP HIE Portal)
  - 2027 Program Change Discussion – August 2025
- EQIP
  - EQIP Enrollment
    - Enrollment Webinar: June 18th at 12pm – Registration Link
    - Open Enrollment Begins: July 1st
    - Enrollment Close Date: August 29th
  - EQIP Subgroup Meetings
    - May 16th, Jul 18th, Sep 19th, Nov 21st

Thank You
Next Meeting June 25, 8-10 am