



maryland  
**health services**  
cost review commission

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## Total Cost of Care Workgroup Meeting

September 3, 2025

# Agenda

- AHEAD Update
- 2026 MPA Planning
- High Value Care Plans & New Paradigms in Care Delivery Update
- Next Steps & Upcoming Meetings

# AHEAD Update

# 2026 MPA Planning

# Recap of current traditional MPA

## 1. Attribute Medicare FFS beneficiaries to hospitals on a geographic basis

1. AMCs have extra layer focused on high-acuity individuals

## 2. MPA penalizes or rewards hospitals based on a subtracting:

1. The cumulative growth since 2019 in their attributed per capita TCOC from
2. Cumulative national growth in per capita TCOC, including non-claims based payments into savings targets calculation, less a hospital specific growth rate adjustment

## 3. Each hospital's growth rate adjustment is set based on their position versus target in 2019.

Hospital Performance vs. Benchmark	TCOC Growth Rate Adjustment
1 <sup>st</sup> Quintile (-15% to + 1% Relative to Benchmark)	0.00%
2 <sup>nd</sup> Quintile (+1% to +10% Relative to Benchmark)	-0.25%
3 <sup>rd</sup> Quintile (+10% to +15% Relative to Benchmark)	-0.50%
4 <sup>th</sup> Quintile (+15% to +21% Relative to Benchmark)	-0.75%
5 <sup>th</sup> Quintile (+21% to +28% Relative to Benchmark)	-1.00%

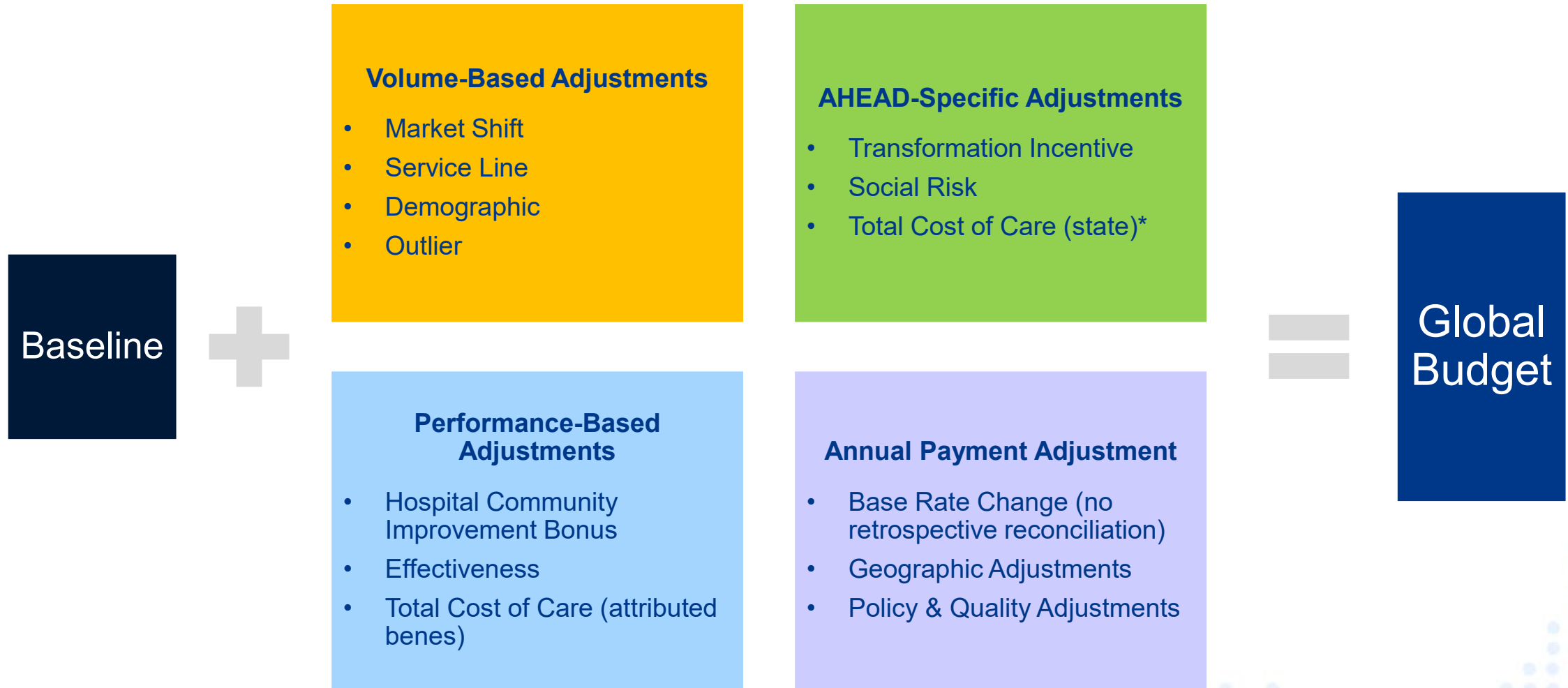
## 4. The result is then divided by 3 and capped at 2% of Medicare revenue (per current recommendation) then adjusted for quality to derive the final value.



# MPA Update

- MPA is still in contract for the next 2 years
  - HSCRC Staff Bias: Not to make any changes for upcoming years.
- 2% of revenue at risk
- *“The State may propose and CMS may consider an MPA attribution algorithm that does not result in the attribution to one or more Participant Hospitals of at least 95 percent of Medicare FFS Beneficiaries who are enrolled in both Part A and Part B and reside in the State but does result in attribution to Participant Hospitals of 99% of costs for Medicare FFS Beneficiaries who are enrolled in both Part A and Part B and reside in the State.”*

# CMS-Designed Medicare Global Budget Overview



\*Only applied once certain conditions are met

# Hospital Total Cost of Care Performance Adjustment

Intended to align hospital incentives with those of the model overall, which are to reduce state TCOC while improving population health.

1. **Risk Adjusted Attributed PBPM TCOC** is calculated based on the weighted share of IP and OP services the hospital provides to each geographic area (same Hospital Specific Market Areas used in the MSA) it serves.
2. Risk Adjusted Attributed PBPM TCOC from the prior performance year is trended forward using the State Growth Benchmark to calculate the **Target PBPM TCOC** for the next performance year
3. The percentage difference between the Risk Adjusted Attributed PBPM TCOC and Target PBPM TCOC determines the **value of the TCOC Adjustment**.

Percentage difference is **less than** +/-2%

No TCOC adjustment is made



Percentage difference is **greater than** +/-2%

20% of the percentage difference adjustment



## Timing

**Standard:** First applied in PY4 – upside only in PY4, then becomes bi-directional in PY5.

**Maryland:** Accelerated to Year 1



# High Value Care Plans & New Paradigms in Care Delivery

# Update

- High Value Care Plans
  - Interim reporting will be sent out in October with a December 31, 2025 deadline.
    - Narrative update with preliminary data, if available.
- New Paradigms in Care Delivery
  - All awardees have been notified.
  - Staff are working with awardees to evaluate and plan out projects.

# Next Steps

# TCOC Workplan for Upcoming Months

- Upcoming TCOC Workgroup Dates
  - September 24
  - October 22
  - November 26
  - 2025 Meeting Dates (Tentative) posted on [TCOC Workgroup Webpage](#)
- Future Meetings Topics
  - September and October
    - Further discussion on MPA
    - CTI Next Steps

# Upcoming Important CTI and EQIP Dates

- CTI
  - 2027 Program Change Discussion – TBD (*This discussion is pending until the structure of the new AHEAD model is finalized*)
- EQIP
  - EQIP Enrollment
    - Enrollment Close Date: August 29<sup>th</sup>
  - EQIP Subgroup Meetings
    - Sep 19th, Nov 21st



Thank You  
Next Meeting September 24, 8-10 am