



Monitoring Maryland Performance Medicare TCOC Data

Through April 2016



HSCRC

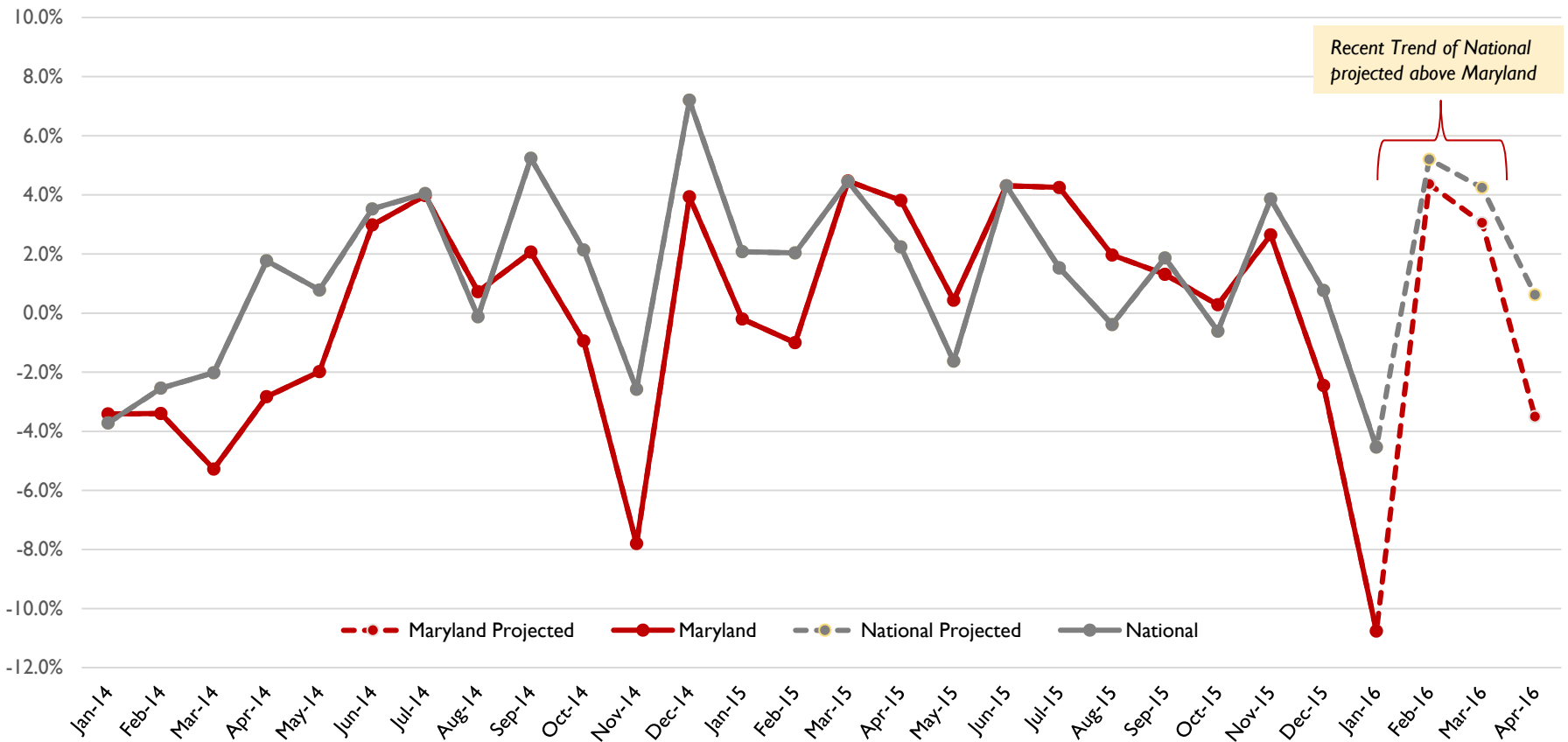
Health Services Cost
Review Commission

Disclaimer

Data contained in this presentation represent analyses prepared by MHA and HSCRC staff based on data summaries provided by the Federal Government. The intent is to provide early indications of the spending trends in Maryland for Medicare patients, relative to national trends. HSCRC staff has added some projections to the summaries. This data has not yet been audited or verified. Claims lag times may change, making the comparisons inaccurate. ICD-10 implementation could have an impact on claims lags. These analyses should be used with caution and do not represent official guidance on performance or spending trends. These analyses may not be quoted until public release.

Monthly Total Hospital Spending per Medicare Beneficiary

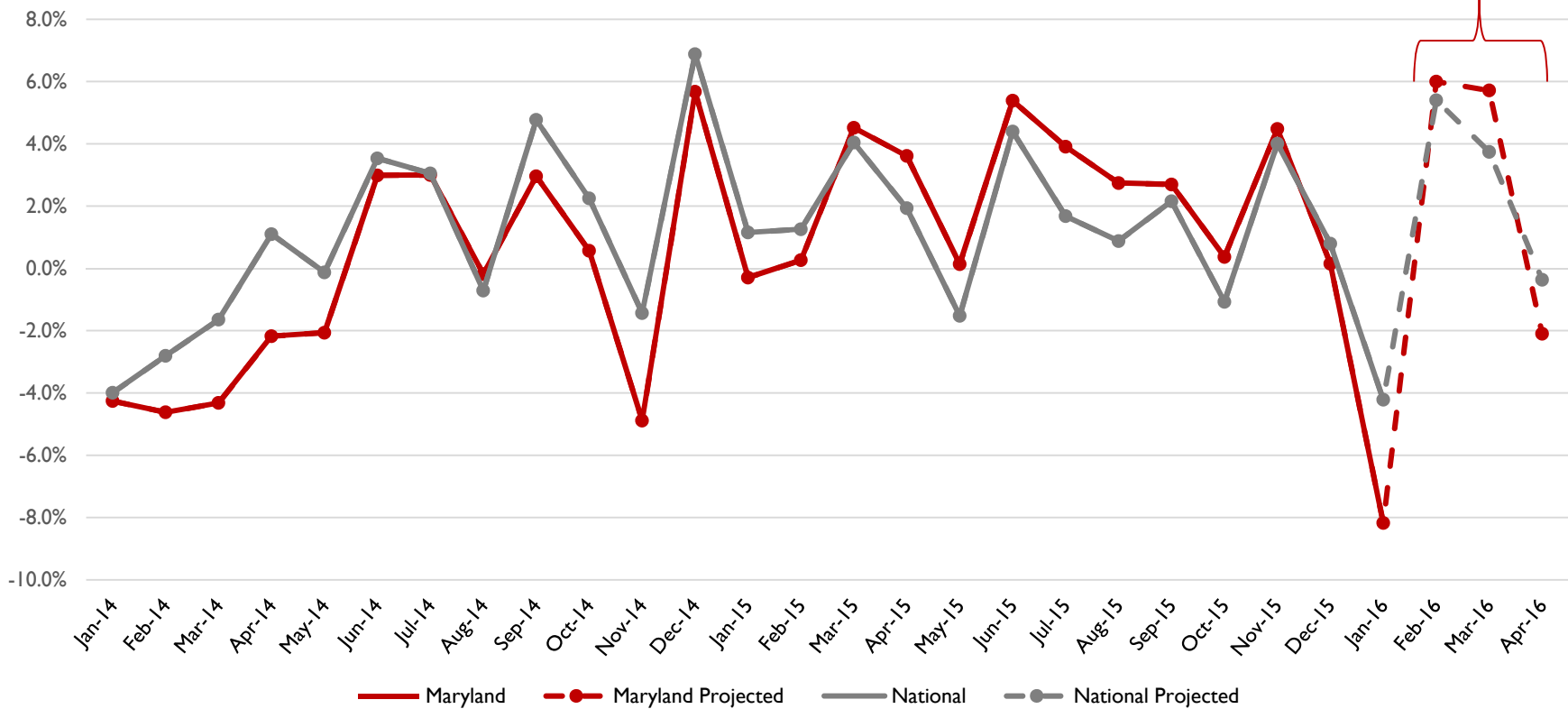
Actual Growth Trend (CY month vs. prior CY month)



Monthly Total Spending per Medicare Beneficiary

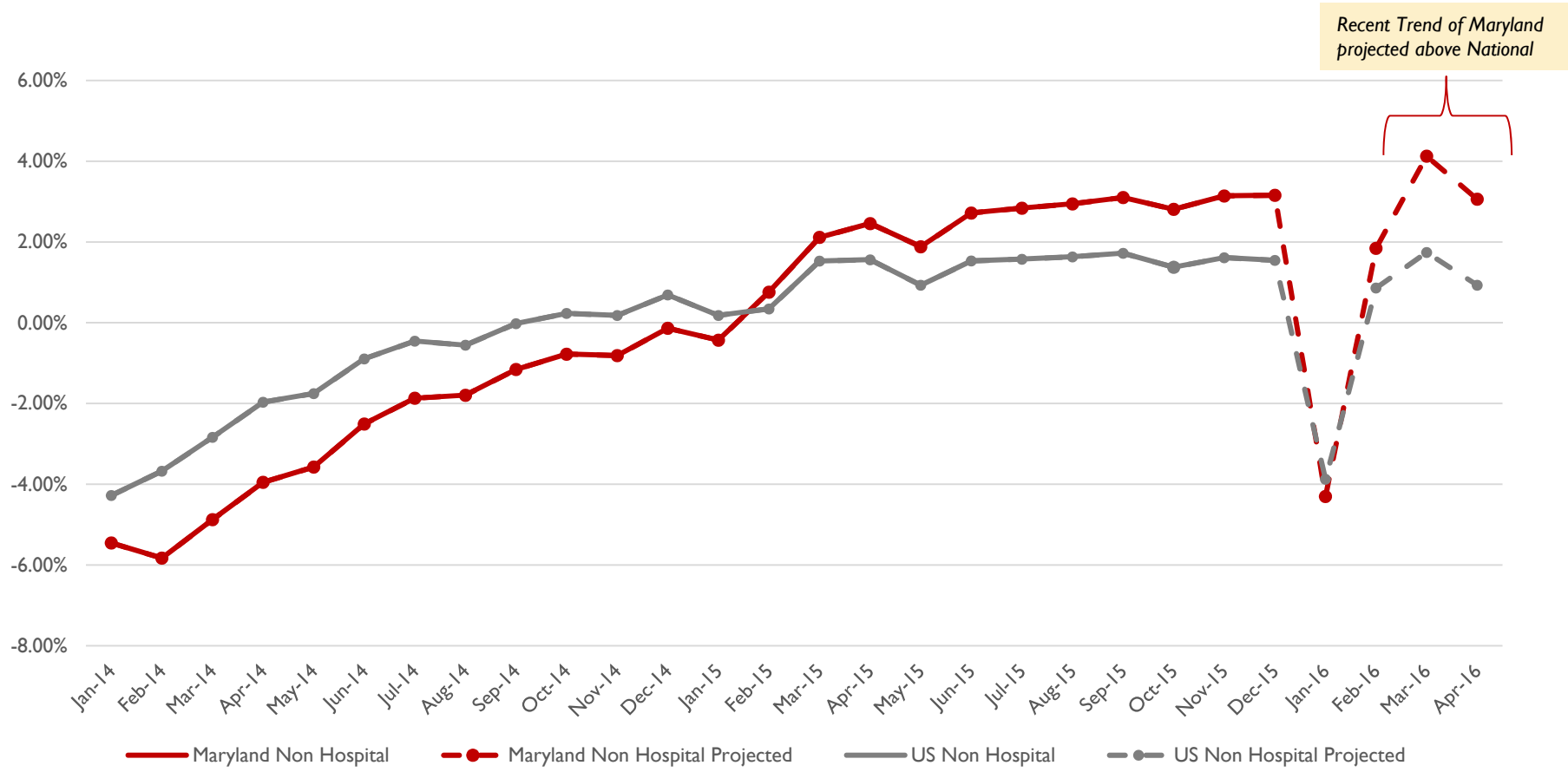
Actual Growth Trend (CY month vs. prior CY month)

Recent Trend of Maryland projected above National in February and March. April is projected to be below National.



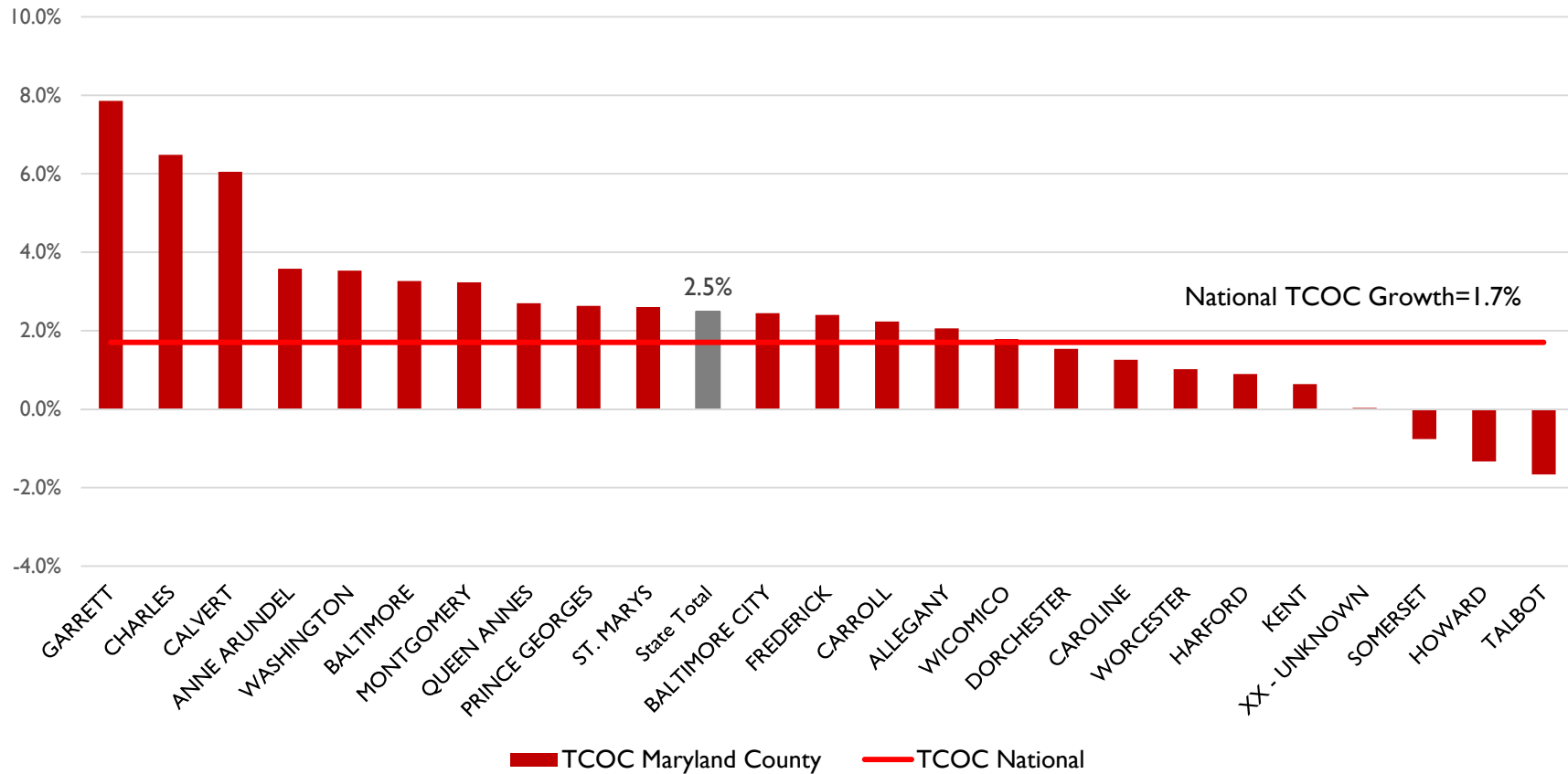
Monthly Non-Hospital Spending per Medicare Beneficiary

Actual Growth Trend (CY month vs. prior CY month)



Medicare Total Spending per Beneficiary Growth

By County: CY 2014 – CY 2015 (Maryland vs National)



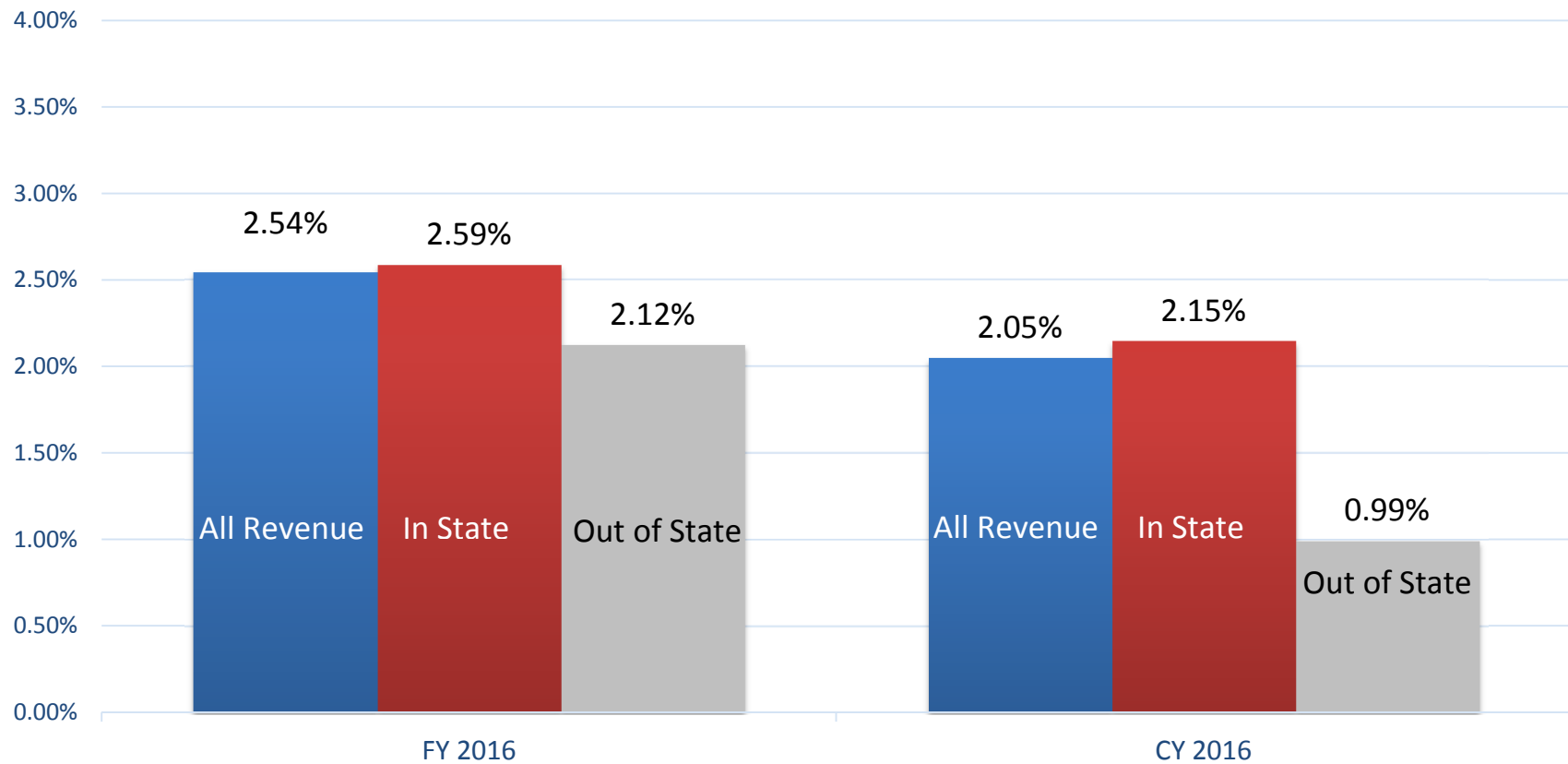
Source: Geographic Variation File, 2011-2015, created by CMS for HSCRC



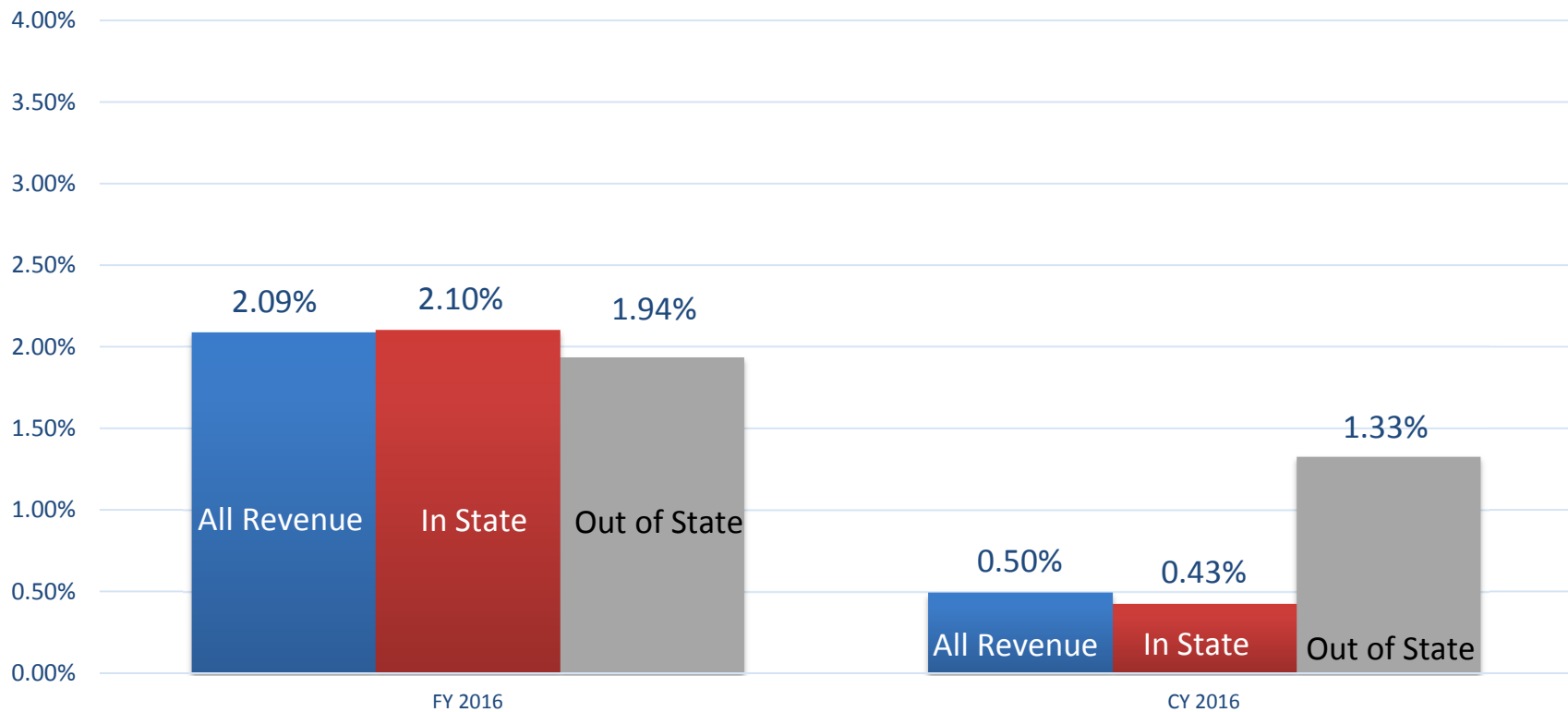
Monitoring Maryland Performance Financial Data

Year to Date thru May 2016

Gross All Payer Revenue Growth Year to Date (thru May 2016) Compared to Same Period in Prior Year

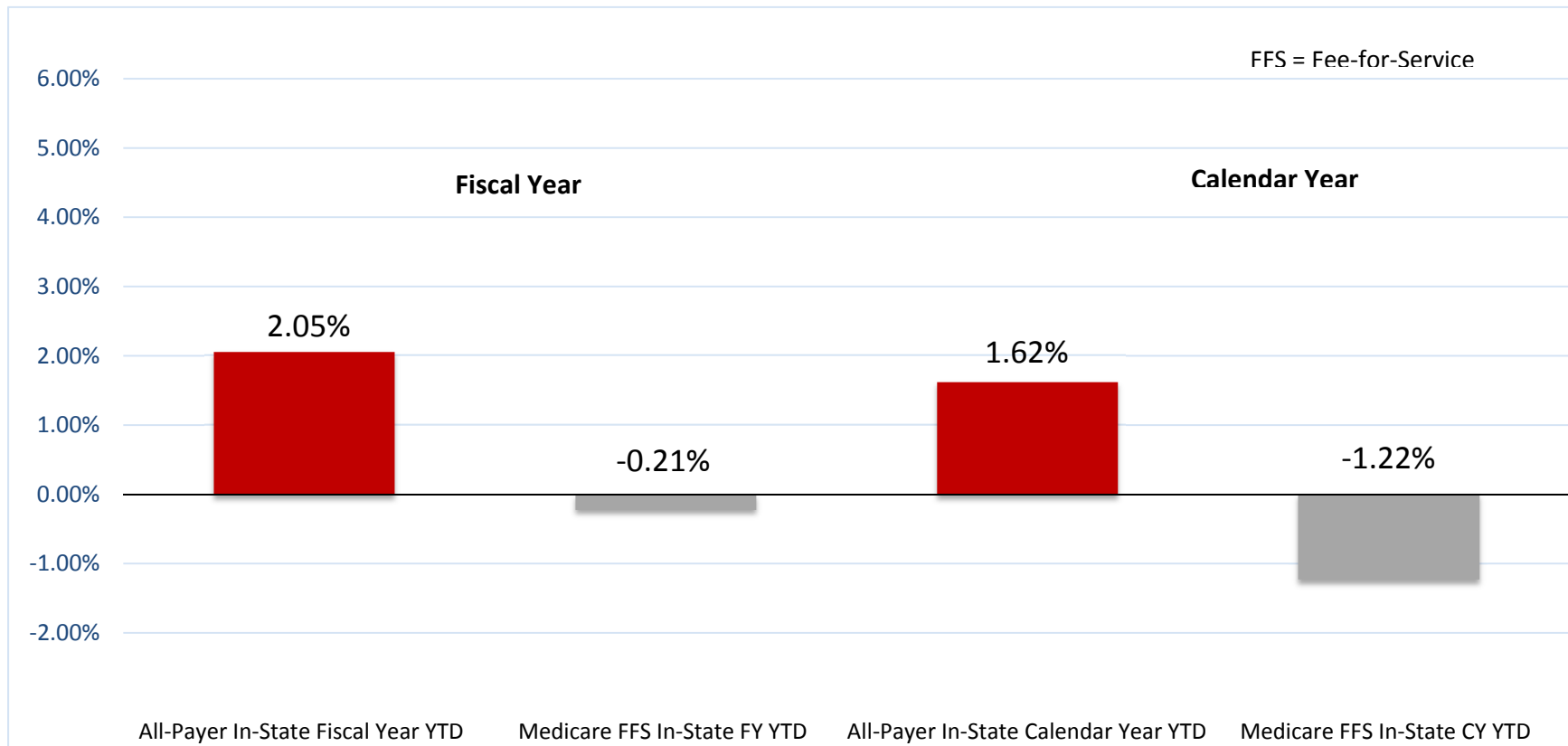


Gross Medicare Fee-for-Service Revenue Growth Year to Date (thru May 2016) Compared to Same Period in Prior Year



Per Capita Growth Rates

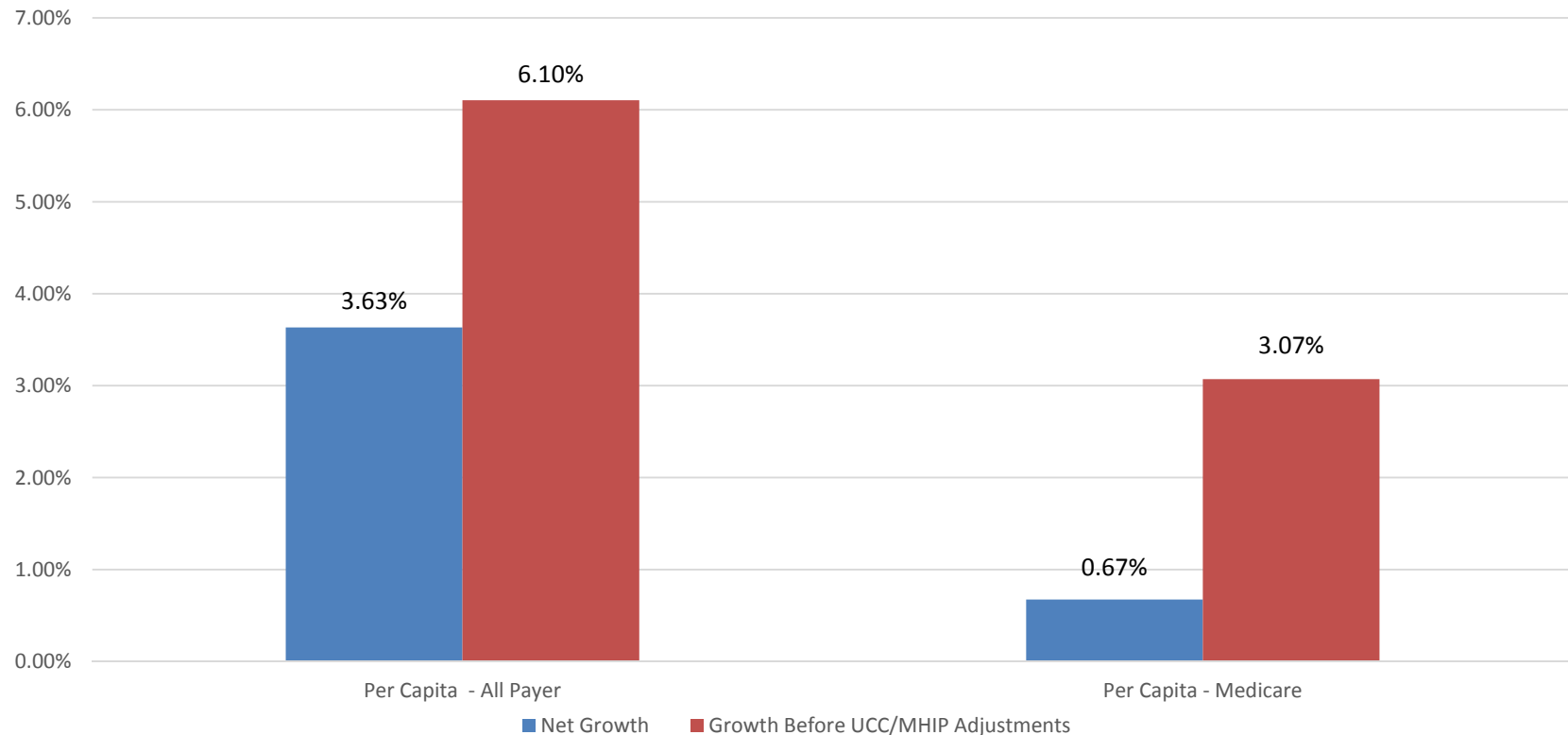
Fiscal Year 2016 and Calendar Year 2016 (2016 over 2015)



Population Data from Estimates Prepared by Maryland Department of Planning

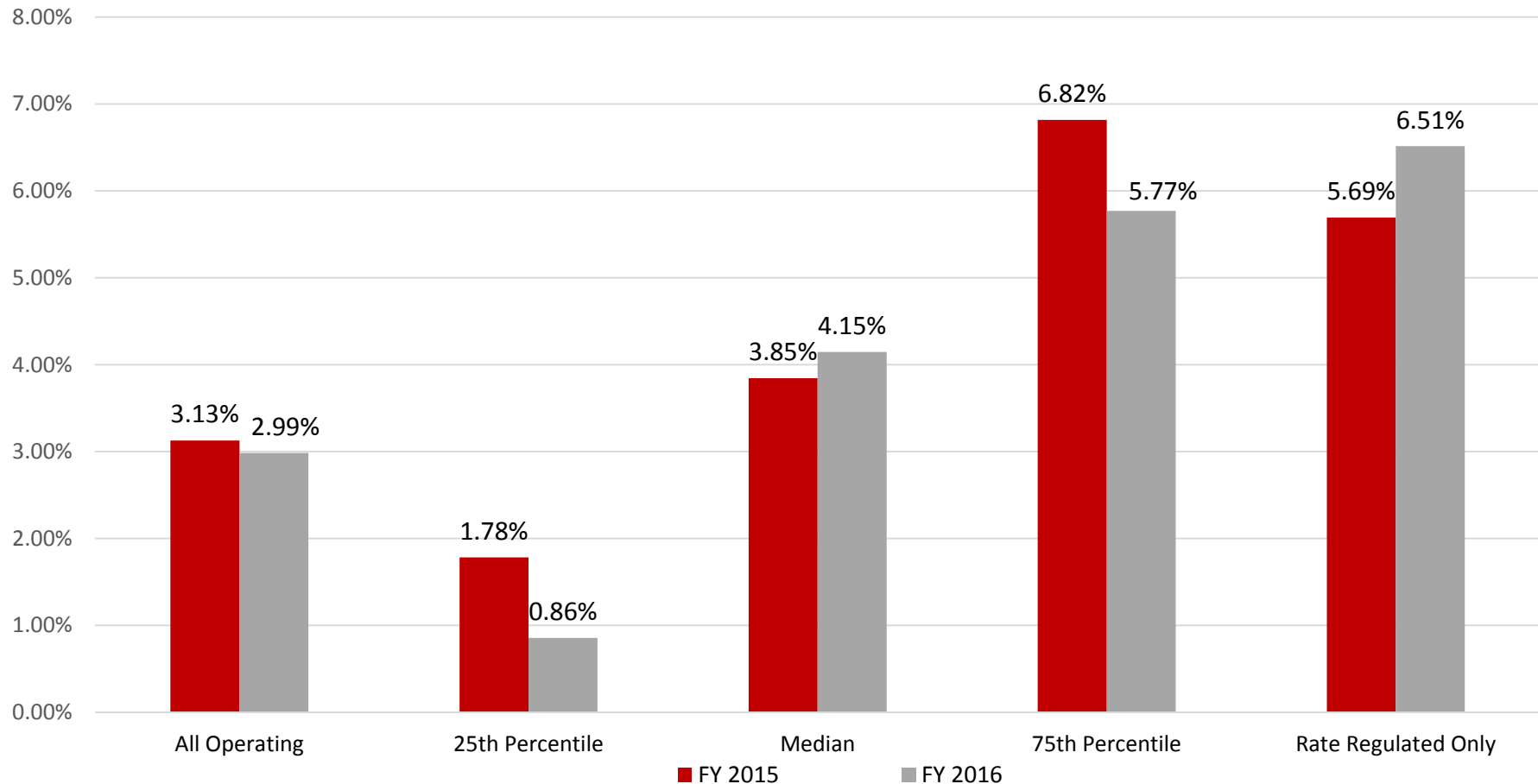
- Calendar and Fiscal Year trends through April are below All-Payer Model Guardrail of 3.58% per year for per capita growth.**

Per Capita Growth – Actual and Underlying Growth CY 2016 Year to Date Compared to Same Period in Base Year (2013)



- ▶ Three year per capita growth rate is well below maximum allowable growth rate of 11.13% (growth of 3.58% per year)
- ▶ Underlying growth reflects adjustment for FY16 revenue decreases that were budget neutral for hospitals. 2.52% hospital bad debts and elimination of MHIP assessment.

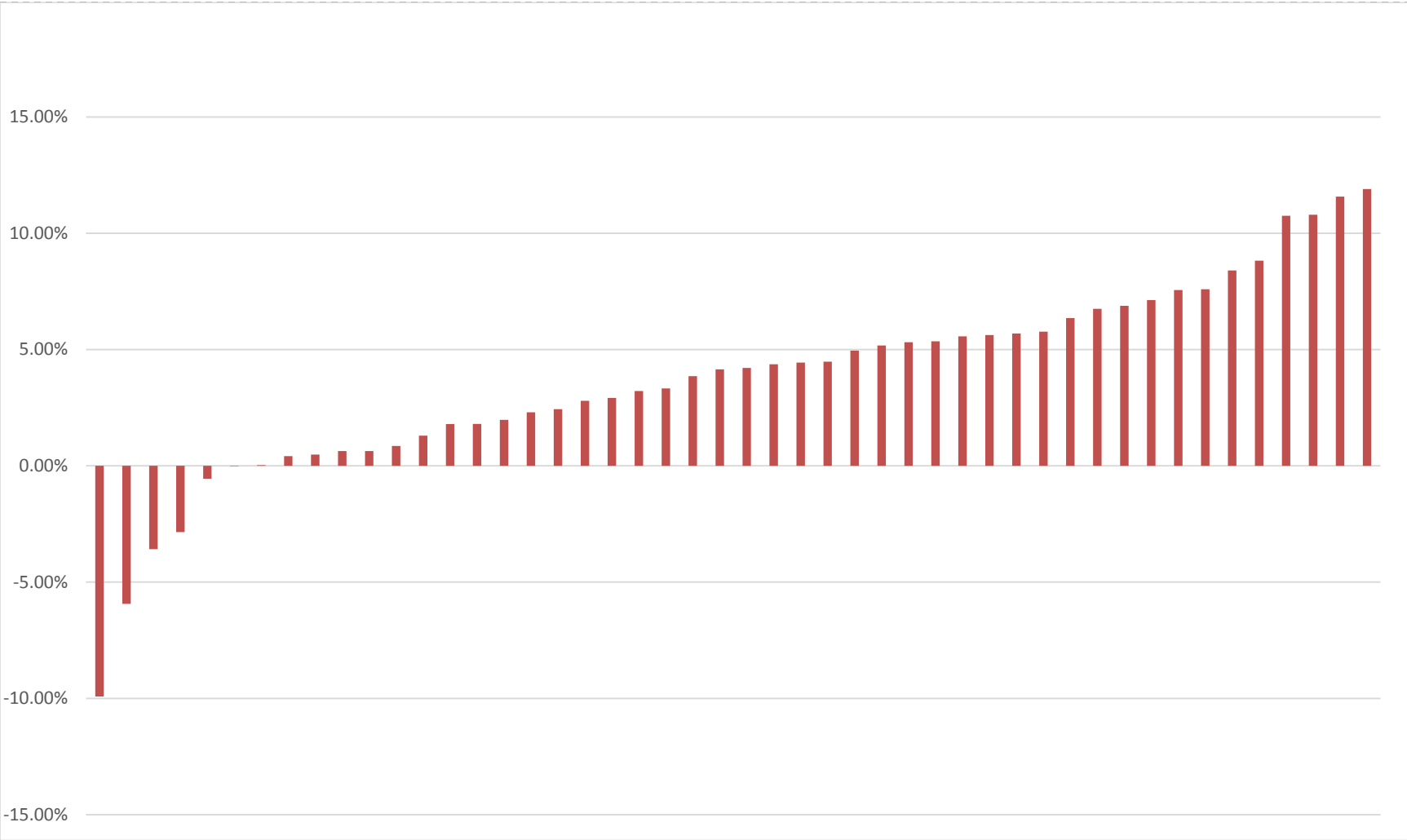
Operating Profits: Fiscal 2016 Year to Date (July-May) Compared to Same Period in FY 2015



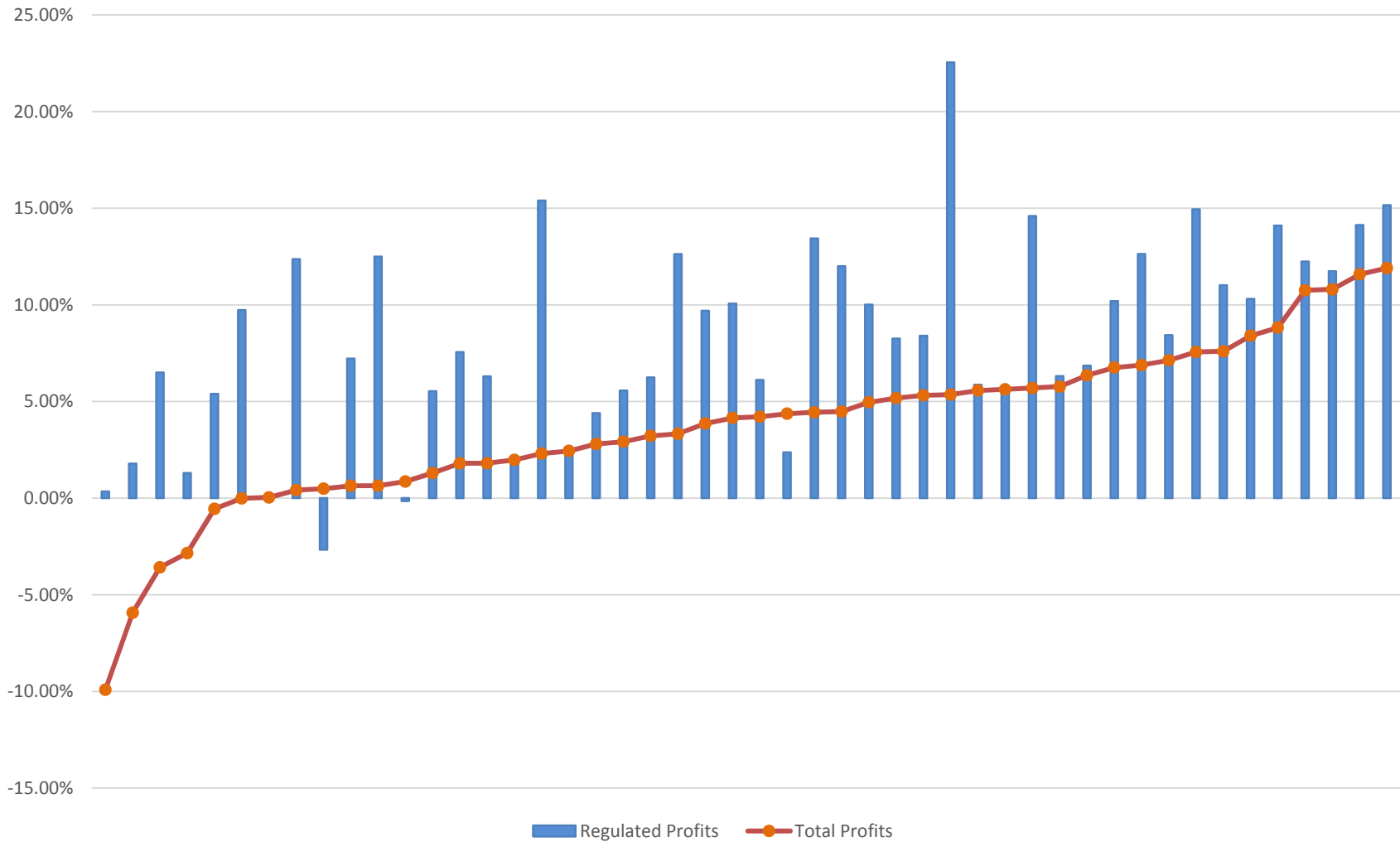
- Year to date FY 2016 unaudited hospital operating profits show a .14% decrease in total profits compared to the same period in FY 2015. Rate regulated profits have increased by .82% compared to the same period in FY 2015.

Total Operating Profits by Hospital

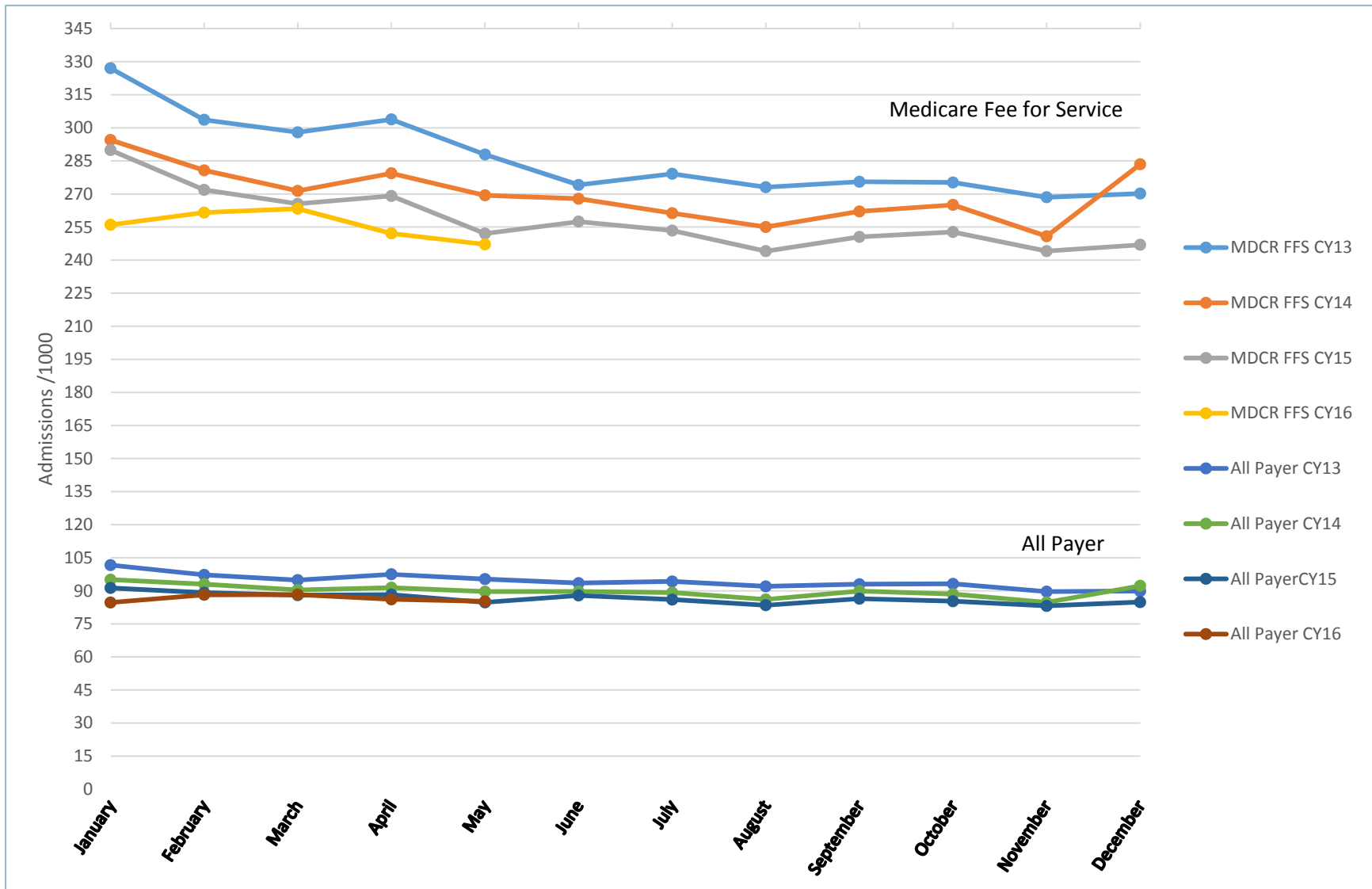
Fiscal Year 2016 to Date (July 2015 – May 2016)



Regulated and Total Operating Profits by Hospital Fiscal Year to Date (July – May 2016)

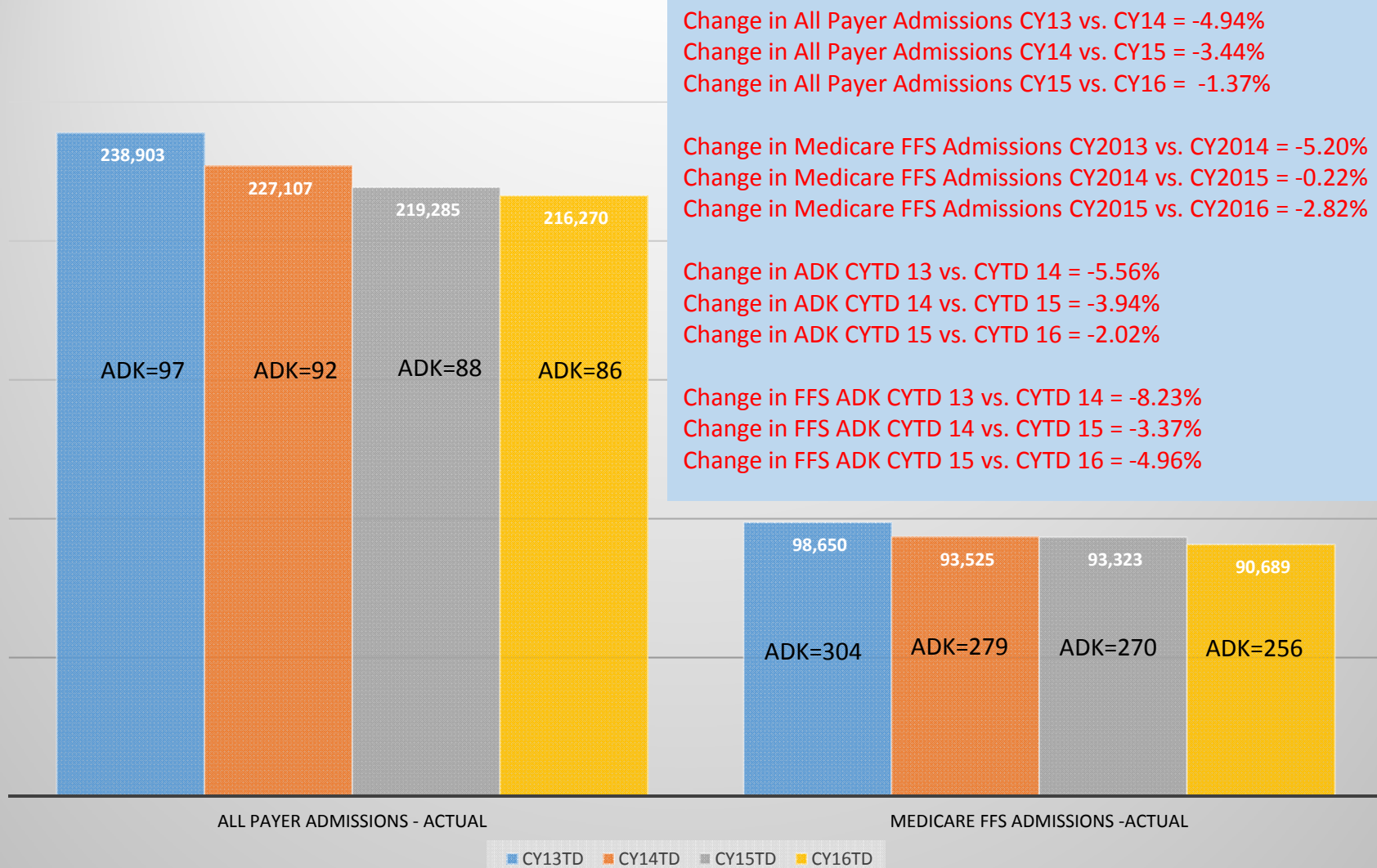


Annual Trends for Admissions/1000 (ADK) Annualized Medicare FFS and All Payer



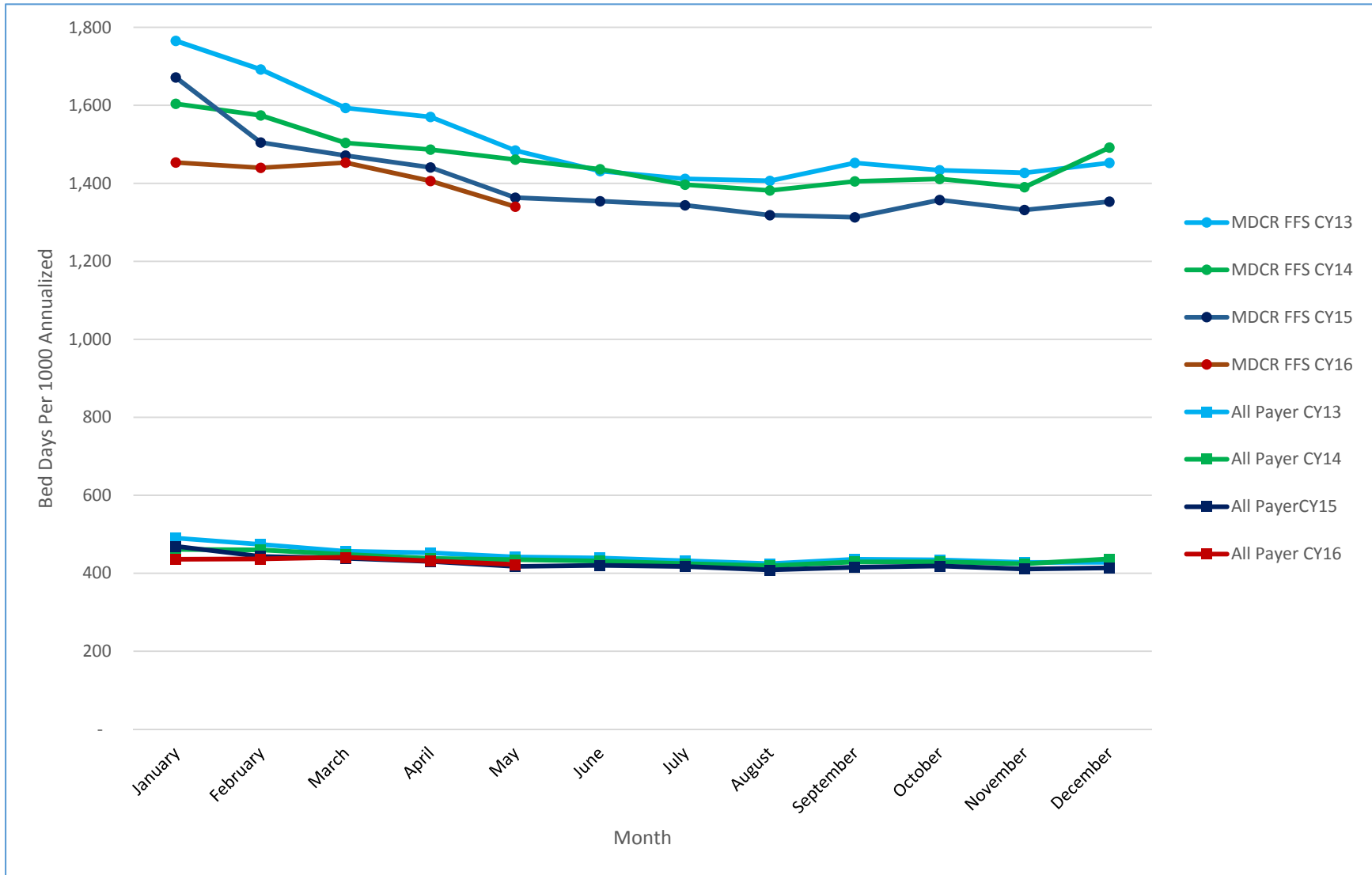
Actual Admissions by Calendar Year to Date through May 2016

FFS = Fee for Service



*Note – The admissions do not include out of state migration or specialty psych and rehab hospitals

Annual Trends for Bed Days/1000 (BDK) Annualized All Payer and Medicare FFS

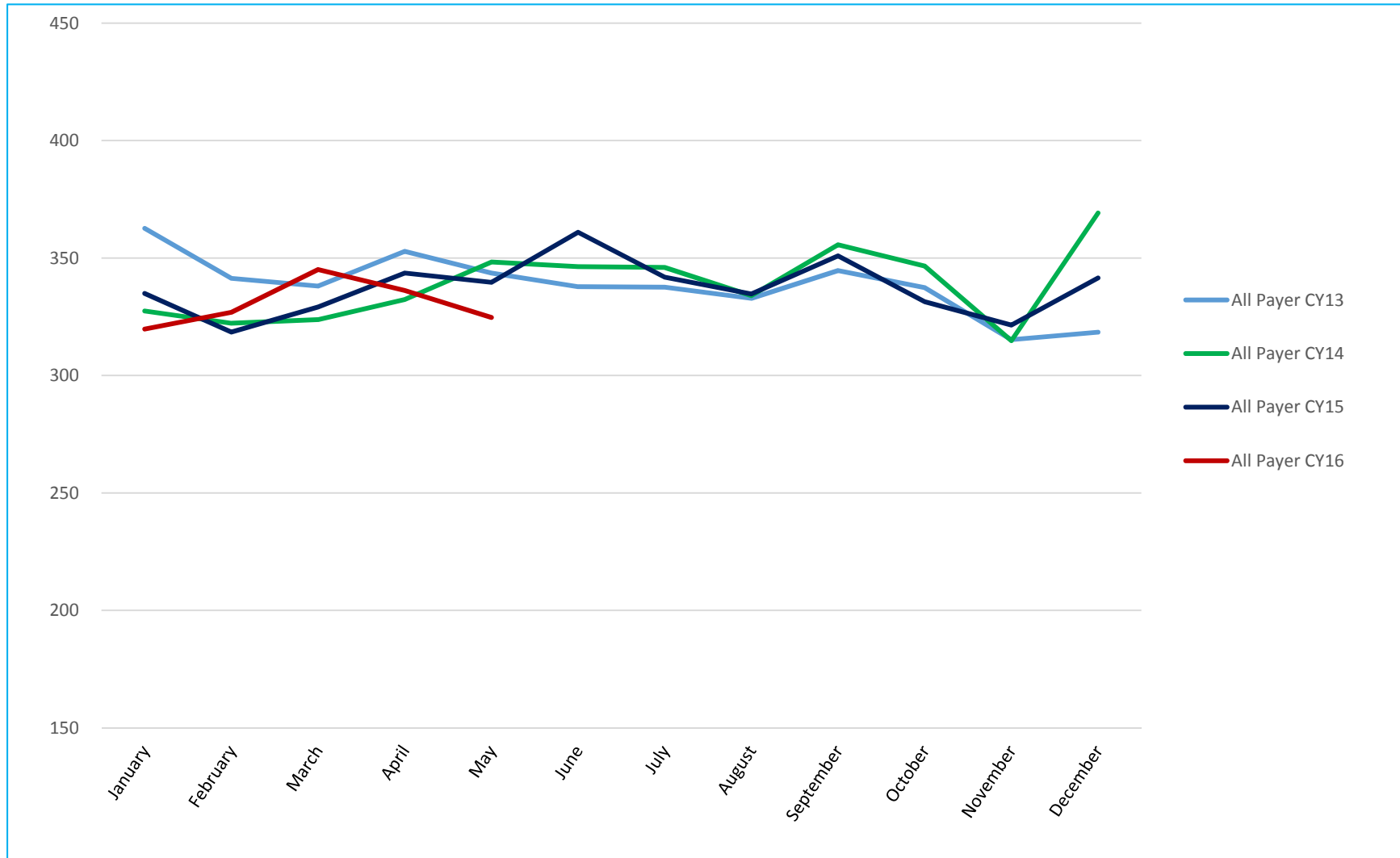


Actual Bed Days by Calendar Year to Date Through May 2016

FFS=Fee for Service

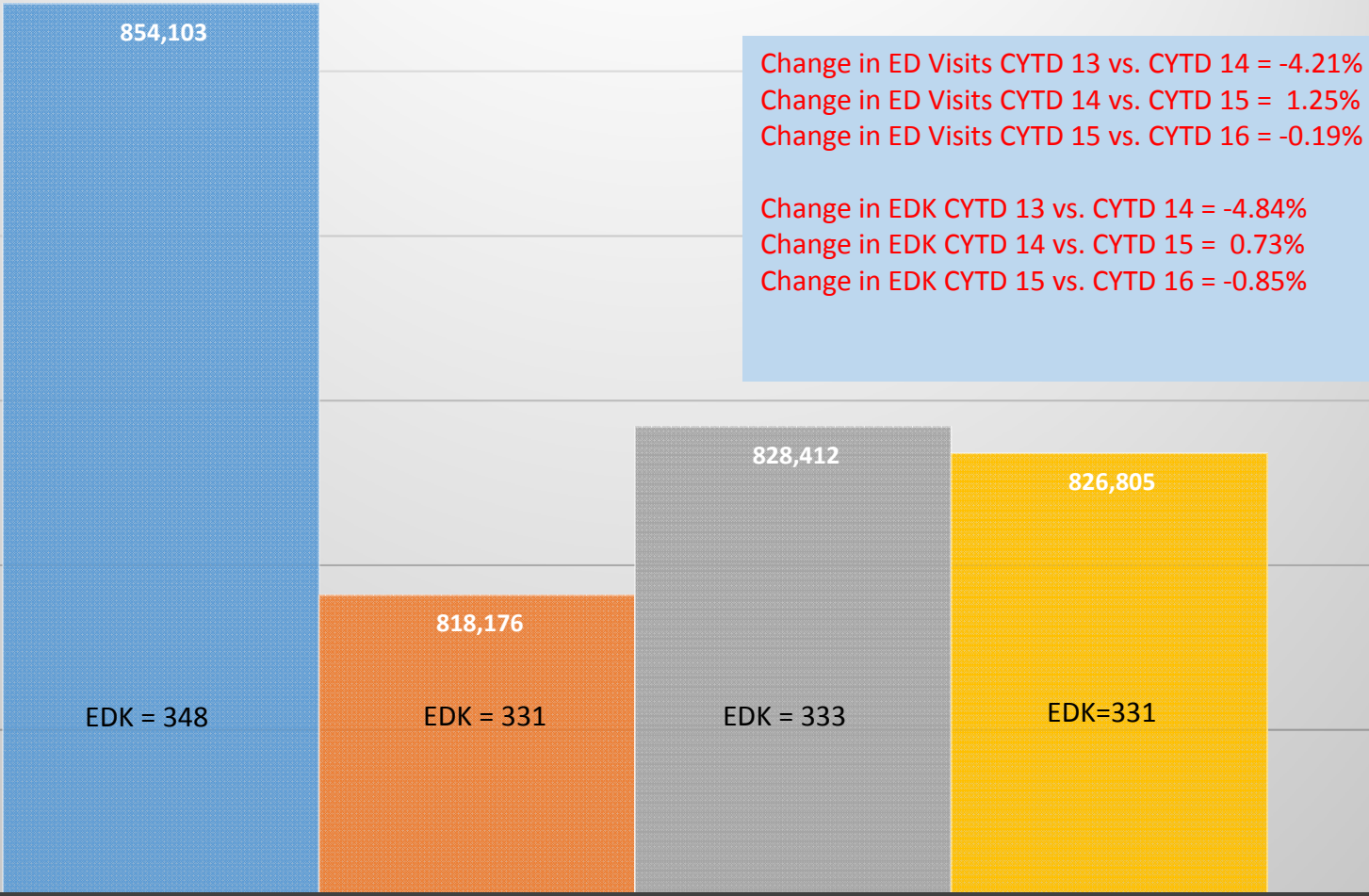


Annual Trends for In State All Payer ED Visits/1000 (EDK) Annualized



*Note - The ED visits do not include out of state migration or specialty psych and rehab hospitals.

Actual ED Visits by Calendar YTD through May 2016



*Note - The ED visits do not include out of state migration or specialty psych and rehab hospitals.

EMERGENCY VISITS ALL PAYER - ACTUAL
 ■ CY13TD ■ CY14TD ■ CY15TD ■ CY16TD

Purpose of Monitoring Maryland Performance

Evaluate Maryland's performance against All-Payer Model requirements:

- **All-Payer total hospital per capita revenue growth ceiling** for Maryland residents tied to long term state economic growth (GSP) per capita
 - 3.58% annual growth rate
- **Medicare payment savings** for Maryland beneficiaries compared to dynamic national trend. Minimum of \$330 million in savings over 5 years
- **Patient and population centered-measures** and targets to promote population health improvement
 - Medicare readmission reductions to national average
 - 30% reduction in preventable conditions under Maryland's Hospital Acquired Condition program (MHAC) over a 5 year period
 - Many other quality improvement targets

Data Caveats

- Data revisions are expected.
- For financial data if residency is unknown, hospitals report this as a Maryland resident. As more data becomes available, there may be shifts from Maryland to out-of-state.
- Many hospitals are converting revenue systems along with implementation of Electronic Health Records. This may cause some instability in the accuracy of reported data. As a result, HSCRC staff will monitor total revenue as well as the split of in state and out of state revenues.
- ▶ All-payer per capita calculations for Calendar Year 2015 and Fiscal 2016 rely on Maryland Department of Planning projections of population growth of .52% for FY 16 and .52% for CY 15. Medicare per capita calculations use actual trends in Maryland Medicare beneficiary counts as reported monthly to the HSCRC by CMMI.

Data Caveats cont.

- ▶ The source data is the monthly volume and revenue statistics.
- ▶ ADK – Calculated using the admissions multiplied by 365 divided by the days in the period and then divided by average population per 1000.
- ▶ BDK – Calculated using the bed days multiplied by 365 divided by the days in the period and then divided by average population per 1000.
- ▶ EDK – Calculated using the ED visits multiplied by 365 divided by the days in the period and then divided by average population per 1000.
- ▶ All admission and bed days calculations exclude births and nursery center.
- ▶ Admissions, bed days, and ED visits do not include out of state migration or specialty psych and rehab hospitals.