

437th MEETING OF THE HEALTH SERVICES COST REVIEW COMMISSION

August 15, 2007

Chairman Young called the meeting to order at 9:18 a.m. Commissioners Joseph R. Antos, PhD., Raymond J. Brusca, J.D., Trudy R. Hall, M.D., James Lowthers, William H. Munn, and Kevin J. Sexton were also present.

ITEM I **INTRODUCTION OF NEWLY APPOINTED COMMISSIONERS**

Robert Murray, Executive Director, introduced new Commissioner James Lowthers. Mr. Murray noted that Mr. Lowthers previously served as a Commissioner for nearly eleven years in the 1980s and 1990s. Mr. Murray commented that Mr. Lowthers brings a vast knowledge of issues related to health care and is a firm believer and strong supporter of the Maryland payment system. Mr. Lowthers has been a member of the United Food Workers Union for 31 years and currently serves as President of Local 400, as well as representing the Union as an International Vice President.

Mr. Murray also introduced Dr. Donald Young as the Commission's new Chairman. Mr. Murray remarked that in addition to being board certified in internal medicine, Dr. Young worked for the Health Care Financing Administration and was later chosen to be the first Executive Director of ProPac serving during the implementation of the Medicare Prospective Payment System. Since then, Dr. Young has held a variety of roles, including President of the Health Insurance Association of America and, most recently, as Acting Assistant Secretary for Health in the Office of Planning and Evaluation at the Department of Health and Human Services.

REPORT OF THE EXECUTIVE SESSION OF AUGUST 15, 2007

Oscar Ibarra, Chief-Information and Program Administration, summarized the minutes of the August 15, 2007 Executive Session.

ITEM II
REVIEW OF THE MINUTES OF THE EXECUTIVE AND PUBLIC SESSIONS
OF JULY 18, 2007

The Commission voted unanimously to approve the minutes of the July 18, 2007 Public Meeting and the minutes of the Executive session.

ITEM III
DOCKET STATUS CASES CLOSED

1950A – Holy Cross Hospital
1952N – University Specialty Hospital

1951A – Johns Hopkins Health System
1955A – University of Maryland Medical Center

ITEM IV
DOCKET STATUS CASES OPEN

There were no cases requiring action by the Commission.

Steve Ports, Principal Deputy Director-Policy and Operations, announced that staff would present draft recommendations for the three provider based Medicaid Managed Care Organizations' alternative rate setting arrangements at next month's public meeting.

ITEM V
APPOINTMENT OF CORRECTIVE ACTION TASK FORCE

The Chairman announced that the Commission, in collaboration with the providers and the payer community, has decided to appoint a Corrective Action Task Force to address issues associated with the status of the Medicare waiver and report back to the Commission. The Task Force will work on an expedited time frame to allow adequate time for thorough discussion, deliberation, and input from interested parties. The goal of the Task Force is to report back to the Commission at the October 10th public meeting.

Robert Murray stated that the first meeting of the Task Force would be held after today's public meeting.

Cal Pierson, President of the Maryland Hospital Association, thanked the Commission for its leadership in creating this group that will examine all the options.

ITEM VI
LEGAL REPORT

Regulations

Final Adoption

Rate Application and Approval Procedures – COMAR 10.37.10.07

The purpose of this regulation is to set forth the process by which a hospital receives a determination from the Commission or its staff as to whether or not an outpatient service is provided at the hospital and, therefore, is subject to regulation.

The Commission voted unanimously to adopt the proposed regulation.

Robert Murray stated that staff recommended that a three month amnesty period be granted to allow hospitals to comply with the new regulation.

The Commission voted unanimously to approve staff's recommendation.

ITEM VIII
HEARING AND MEETING SCHEDULE

September 12, 2007	Time to be determined, 4160 Patterson Avenue, HSCRC Conference Room
October 10, 2007	Time to be determined, 4160 Patterson Avenue, HSCRC Conference Room

There being no further business, the meeting was adjourned at 9:34 a.m.