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NOTICE OF WRITTEN COMMENT PERIOD

Notice is hereby given that the public and interested parties are invited to submit written comments to the Commission on the staff draft recommendations and updates that will be presented at the May 10, 2023 Public Meeting:

1. Draft Recommendation on the Update Factor for RY 2024
2. Draft Recommendation on Ongoing Support of CRISP in FY 2024
3. Draft Recommendation on Revisions and Updates to Clinic Relative Value Units

WRITTEN COMMMENTS ON THE AFOREMENTIONED STAFF DRAFT RECOMMENDATIONS ARE DUE IN THE COMMISSION'S OFFICES ON OR BEFORE MAY 17, 2023, UNLESS OTHERWISE SPECIFIED IN THE RECOMMENDATION.

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608th Meeting of the Health Services Cost Review Commission
May 10, 2023

(The Commission will begin in 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)

CLOSED 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 Public Meeting Minutes of April 12 and April 26, 2023
2. Docket Status – Cases Closed
3. Docket Status – Cases Open

   2608R - Shady Grove Medical Center
   2622N Medstar St. Mary's Hospital
   2623N MedStar St. Mary's Hospital
   2624A – Johns Hopkins Health System
4. Final Recommendation on NSP II Competitive Institutional Grants - FY 2024
5. Draft Recommendation on CRISP Funding - FY 2024
6. Draft Recommendation on the Update Factor - FY 2024
7. Draft Recommendation on Revision and Updates to The Physical Therapy & Occupational Therapy Relative Value Units
8. Policy Update and Discussion
   a. Model Monitoring
   b. HSCRC Reorganization Efforts
   c. Hospital Financial Condition Report for FY 2022

9. Hearing and Meeting Schedule

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MINUTES OF THE 606th MEETING OF THE HEALTH SERVICES COST REVIEW COMMISSION April 12, 2023

Chairman Adam Kane called the public meeting to order at 11:33 am. In addition to Chairman Kane, in attendance were Commissioners Joseph Antos, PhD, James Elliott, M.D., Maulik Joshi. Victoria Bayless and Sam Malhotra participated virtually. Upon motion made by Commissioner Joshi and seconded by Commissioner Elliott, the meeting was moved to Closed Session. Chairman Kane reconvened the public meeting 1:30 p.m.

STAFF UPDATE

Ms. Katie Wunderlich introduced Cameron Whisnand and Curtis Wills as Staff members. Ms. Wisnand will work in Financial Methodologies as a Fellow. Mr. Wills will work in Health Data Management as a Fellow.

ITEM I
REPORT OF APRIL 12, 2023, CLOSED SESSION

Mr. Dennis Phelps, Deputy Director, Audit & Compliance, summarized the minutes of the April 12, 2023, Closed Session.

ITEM II
REVIEW OF THE MINUTES FROM THE MARCH 8, 2023, PUBLIC MEETING, AND MARCH 20, 2023, CLOSED SESSION,

The Commission voted unanimously to approve the minutes of the March 8, 2023, Public Meeting and the March 20,2023, Closed Session.

ITEM III
CLOSED CASES

ITEM IV
OPEN CASES

2603R- Luminis Anne Arundel Medical Center
2608R- Shady Grove Adventist Medical Center

ITEM V
ADOPTION OF PROPOSED REGULATIONS

Mr. Tony DeFranco, Assistant Attorney General, Maryland Department of Health, presented Staff's recommendation for adoption of three amendments to the HSCRC's current COMAR regulations.

Regulations

Final Action

Accounting & Budget Manual; COMAR 10.37.01.02

The purpose of this action is to amend COMAR 10.37.1.02 to update the Accounting and Budget Manual to incorporate changes made in FY 2022.

Staff received no public comments.

The Commission voted unanimously to adopt the proposed regulation, which is scheduled to be effective on May 1, 2023

Rate Application and Approval Procedures 10.37.10.03

The purpose of this action is to amend COMAR 10.37.10.03 to provide a moratorium on the filing of regular rate applications until no later than June 30, 2023.

The Commission voted unanimously to adopt the proposed regulation, which is scheduled to be effective on May 1, 2023

Rate Application and Approval Procedures 10.37.10.04

The purpose of this action is to clarify that upon conducting a review of a hospital full rate review, either through a Commission initiated proceeding or through a full rate application, the Commission will consider the hospital's performance since the implementation of the All-Payer Model Agreement.

The Commission voted unanimously to adopt the proposed regulation, which is scheduled to be effective on May 1, 2023.

Rate Application and Approval Procedures COMAR 10.37.10.05

The purpose of this action was to update the standard for an approved temporary rate and requires the Commission to consider the hospital's financial condition in addition to its relative efficiency and effectiveness in its performance under the TCOC Model, it also prohibits a temporary rate increase which results in regulated revenues exceeding regulated expenses over the most recently completed year.

Mr. Brett McCone, Senior Vice President of Healthcare Payment, Maryland Hospital Association submitted a request to remove the second sentence of the proposed regulation which states, " A temporary rate approved by the Commission may not result in regulated revenue exceeding regulated expenses in the most recently completed fiscal year."

Mr. McCone argued that this sentence would prevent Commissioners from providing a necessary revenue enhancement if the hospital had generated a profit in the most recently completed fiscal year, which may not always be appropriate. It would also cap the amount of funding the Commission could provide at the number of regulated losses from the most recently completed fiscal year.

Ms. Wunderlich and Mr. Allan Pack, Principal Deputy Director, Population Based Methodologies, explained that part of why they believe the sentence should be included is because Staff has such a brief time limit to review and opine on temporary rate requests. By statute, Staff is required to provide a recommendation on a temporary rate request within 12 days of its submission. Staff argued that if the sentence were removed from the regulations, then Staff would be required to complete a review akin to a Full Rate Application within 12 days.

The Commission voted 4-1 in favor of adopting the proposed regulation. Commissioner Bayless was the lone dissenting vote.

ITEM VI
POLICY UPDATE

Legislative Update

Mr. Paul Katz, Analyst, External Affairs presented the Legislative Update (see "Legislative Update" available on the HSCRC website).

Mr. Katz noted that Staff are monitoring the following bills:

- HB 420/SB 234 - Health Services Cost Review Commission- Hospital Rates- All-Payer Model Contract- PASSED
- HB 333/SB404 - Health Services Cost Review Commission- Medical Debt and Financial Reimbursement Process- PASSED
- HB 200/SB 181- Budget Bill for FY2024 (The Governor's Budget)- PASSED
- HB 202/SB 183- Budget Reconciliation and Financing Act of 2023- PASSED
- Creation of a State Debt- Maryland Consolidated Capital Bond Loan 2011 to 2023- PASSED.
- HB 274/SB 387- Task Force on Reducing Emergency Department Wait Times- DID NOT PASSED
- HB 333/SB 404- Hospitals- Financial Assistance- Medical Bill Reimbursement Process- PASSED
- SB 493/HB 675- Commission to Study Trauma Center Funding in Maryland- PASSED
- SB 626 – Health Services Cost Review Commission- Members Appointment- PASSED

HSCRC will be participating in the following task force and studies.

1. Behavioral Health Care- Treatment and Access
2. Commission to Study Trauma Center Funding
3. Commission on Public Health

In addition, Staff will be working on HB 333/SB 404- Hospitals-Financial Assistance- Medical Bill Reimbursement Process.

Model Monitoring

Ms. Deon Joyce, Chief, Hospital Rate Regulation, reported on the Medicare Fee for Service data for the 12 months ending December 2022. Maryland's Medicare Hospital spending per capita growth was favorable when compared to the nation. Ms. Joyce noted that Medicare Nonhospital spending per-capita was trending close to the nation. Ms. Joyce noted that Medicare Total Cost of Care (TCOC) spending per-capita was favorable when compared to the nation. Ms. Joyce noted that the Medicare TCOC guardrail position is 1.24% above the nation through December. Ms. Joyce noted that Maryland Medicare hospital and non-hospital growth through December shows a run rate erosion of $145,641,000.

Efficiency Workgroup Update

Mr. Pack presented an Efficiency Workgroup update (see "Efficiency Workgroup Update" on the HSCRC website).

Mr. Pack reported that Staff convened an Efficiency Workgroup to improve and modernize the HSCRC's existing efficiency policies, which include the Integrated Efficiency Policy, the Full Rate Application Methodology, and the Capital Financing Methodology.

The topics covered by the Efficiency Workgroup in its two meetings so far have included:

1. "Unsticking" hospitals in the current TCOC benchmarking assessment by moving to an MPA approach for Medicare and Commercial TCOC, which would be applied to:
    - Integrated Efficiency Policy
    - Capital Financing Methodology
2. Targeting TCOC rewards in the Full Rate Application Methodology to growth that is slower than the statewide average when hospitals are less expensive than national benchmarking peers.
3. Proposing a Revenue for Reform provision in the Integrated Efficiency Policy to redirect excess revenue to population health and community investments.

Chairman Kane stated that TCOC is primarily geographically determined and that hospitals in the past have complained that some regions are too high in cost versus the benchmarks.

Commissioners Joshi and Bayless expressed concern that hospitals have trouble understanding what actions they can take to improve their ranking in the Integrated Efficiency Policy. They also expressed concerns about the lag between performance and payment under the Policy because it utilizes Commercial and Medicare benchmarks on a 2 – 3+ year delay.

Chairman Kane directed Staff to consider a hospital's price, cost, and operational efficiency in future iterations of the Policy. Currently the policy directly contemplates price efficiency and indirectly accounts for cost and operational efficiency.

Demographic Adjustment Update

Mr. Pack presented a Demographic Adjustment update (see "Demographic Adjustment Update" on the HSCRC website).

The Demographic Adjustment is provided annually to hospitals to recognize utilization growth related to population growth and aging of the population. When first implemented, the Commission elected to use Claritas to estimate population growth by eight age cohorts at the zip code level. This is then age-adjusted based on the cohorts' per capita hospital revenue spend relative to the statewide average. The Commission further scales statewide age-adjusted growth to be equivalent to the annual population growth estimate published by the Maryland Department of Planning (DoP)

From CY 2010 – CY 2020, Maryland's population growth was significantly underestimated by both the DoP (2.01 percent) and Claritas (2.72 percent). Staff attributes the miss to low estimates of immigration. This miss caused hospitals in Maryland to be underfunded substantially.

To provide hospitals with the additional funding, Staff proposes the following next steps:

1. Do not implement the DoP negative population growth estimate of - 0.16 percent in the FY2024 Update Factor Recommendation, and instead assume a 0 percent statewide growth rate.
2. Consider reversing RY 2023 adjustments related to the DoP scaling factor. This would result in a net add to the RY 2024 Update Factor of approximately 0.40 percent, or $80M.
3. Convene a workgroup with industry and stakeholders to correct the RY 2023 Demographic Adjustment, including consideration for when the error occurred and how quickly the change can be implemented.

Chairman Kane urged Staff to reconvene to determine an affordable and equitable plan for distributing the additional funding. Chairman Kane also requested that Staff consider the impacts on the Waiver Tests.

ITEM VII
HEARING AND MEETING SCHEDULE

May 10, 2023, Times to be determined- 4160 Patterson Ave
HSCRC Conference Room

June 14, 2023, Times to be determined- 4160 Patterson Ave.
HSCRC Conference Room

There being no further business, the meeting was adjourned at 4:04 p.m.

MINUTES OF THE
607TH MEETING OF THE
HEALTH SERVICES COST REVIEW COMMISSION
APRIL 26, 2023

Chairman Adam Kane called the public meeting to order at 11:32 a.m. The Chairman and Commissioners Joseph Antos, PhD, Victoria Bayless, James Elliott, M.D., Maulik Joshi, DrPH, and Sam Malhotra participated virtually.

ITEM I
TIDALHEALTH PENINSULA REGIONAL TEMPORARY RATE APPLICATION

Mr. Jerry Schmith, Principal Deputy Director, Revenue and Compliance, presented the Staff's recommendation concerning TidalHealth Peninsula Regional's temporary rate application.

TidalHealth Peninsula Regional ("the Hospital") applied to the Health Services Cost Review Commission ("HSCRC," or "the Commission") for a temporary emergency change in rates pursuant to Section 10.37.10.05 of the Code of Maryland Regulations ("COMAR") to be effective April 11, 2023, the date of the temporary rate request filing.

The Hospital requests funding of $20 million as of April 11, 2023, and that this amount be allowed to be fully charged to patients by June 30, 2023. The adjustment would be reconciled in a full rate application to be filed when the full rate review moratorium expires.

In response to the Temporary Rate Change request filed by the Hospital on April 11, 2023, Staff makes the following recommendations:

Based on the thresholds outlined in COMAR 10.37.10.05, Staff find that the Hospital has not met the requirements for filing a temporary rate application and, therefore, is not eligible for temporary rate relief.

Staff further recommends that Commission initiate a full rate review of the Hospital, which would include a detailed analysis of TidalHealth Medical Partners and TidalHealth Nanticoke Hospital to determine the impact of these entities on the financial integrity of TidalHealth Inc. and the Obligated Group responsible for the financial viability of the System.

Dr. Steven Leonard, President and CEO, Dr. Trudy Hall, Vice President and Chief Medical Officer, and Stephanie Gary, Vice President and CFO presented a rebuttal to Staff's recommendations.

The Commissioners voted unanimously in favor of the Staff's recommendation, except for the initiation of a full rate review. That part of the recommendation was excluded from the motion to deny temporary rate relief as recommended by staff. The Chairman, however, expressed a desire to engage the services of an independent third party to assess TidalHealth's overall financial situation.

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ITEM II

REVIEW OF THE MINUTES FROM THE APRIL 12, 2023, CLOSED SESSION MEETING

The Commission voted unanimously to approve the April 12, 2023, Closed Session Meeting minutes.

The Public Meeting was adjourned at 1:06 p.m.

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

AS OF MAY 2, 2023

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

Docket Number	Hospital Name	Date Docketed	Purpose	Analyst's Initials	File Status
2608R	Shady Grove Adventist Medical Center	7/18/2022	CAPITAL	GS	OPEN
2622N	MedStar St. Mary's Hospital	4/11/2023	OTH	WN	OPEN
2623N	MedStar St. Mary's Hospital	4/11/2023	RAT	WN	OPEN
2624A	Johns Hopkins Health System	4/19/2023	ARM	DNP	OPEN

PROCEEDINGS REQUIRING COMMISSION ACTION - NOT ON OPEN DOCKET

None

IN RE: THE PARTIAL RATE	*	BEFORE THE HEALTH SERVICES
APPLICATION OF	*	COST REVIEW COMMISSION
SHADY GROVE	*	DOCKET: 2023
MEDICAL CENTER	*	FOLIO: 2418
ROCKVILLE, MARYLAND.	*	PROCEEDING: 2608R

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STAFF RECOMMENDATION

May 10, 2023

Introduction

On April 15, 2021, Adventist HealthCare Shady Grove Medical Center (SGMC or the Hospital) received an approved Certificate of Need (CON) from the Maryland Health Care Commission (MHCC) to construct a six-floor patient care tower with 150,352 square feet (SF) of inpatient service space, and renovation of 25,696 SF of existing hospital building space at a then estimated project cost of $180,011,359. The approval was subject to the condition that "any future change to the financing of this project involving adjustments in rates set by the Health Services Cost Review Commission (HSCRC) must exclude $21,226,090, which includes the estimated new construction costs that exceed the Marshall Valuation Service guideline cost and portions of the contingency allowance and inflation allowance that are based on the excess construction cost."

On September 15, 2022, SGMC submitted a written request notifying the MHCC that while the design of the proposed patient tower had not changed, the cost of the proposed project had increased primarily due to inflationary pressures and volatile market conditions which were exacerbated by the COVID-19 pandemic and its impact on the labor market and the global supply chain. SGMC also stated that the project cost also increased as a result of the need to implement extensive upgrades to the central utility plant (CUP). As a result, SGMC states that the cost for the patient tower has increased significantly to $247,657,497, an increase of $67,646,138 (or approximately 37.6 percent) above that approved.

On April 3, 2023, the MHCC advised the HSCRC that if any future change to the financing of this project involving adjustments in rates set by the HSCRC must exclude $49,968,605 which includes the estimated new construction costs that exceed the Marshall Valuation Service (MVS) guideline cost and portions of the contingency allowance and inflation allowance that are based on the excess construction cost. The MVS cost exclusion is approximately 20.2 percent of the revised project cost.

On November 23, 2022, the HSCRC received a request from SGMC to withdraw its Partial Rate Application (PRA) dated March 11, 2022, and to submit a revised PRA for capital reflective of the increased cost of the patient tower project. The Hospital is requesting gross capital funding in the amount of $10,077,575 as part of the Commission's capital funding policy, to be effective August 1, 2026, an approximate 2 percent increase to SGMC's permanent revenue. The rate increase of $10,077,575 requested by SGMC for capital is represented to be all related to regulated services and eligible for financing.

Hospital Capital Request

SGMC did not pursue a revenue adjustment under full rate review standards, but the HSCRC staff did review the hospital's capital request under partial rate application standards. In October 2003, the Commission adopted the staff's recommendation permitting rate increases for major projects approved through a CON under an alternative partial rate application process. The

partial rate application process builds on the Inter-Hospital Cost Comparison (ICC) standard methodology, but with adjustments. HSCRC staff recently updated its approach to capital requests to include evaluations of total cost of care efficiency, current levels of potentially avoidable utilization, and excess capacity, in addition to the historical analyses of capital cost efficiency and cost per case efficiency. This updated methodology was approved at the December 11, 2019 Commission meeting. The focus of the partial rate application is to allow a hospital that has a large capital cost increase associated with a major project to obtain some level of rate support for the capital cost increase to the extent that the Hospital's rates are determined to be reasonable under a Commission-defined methodology.

The Hospital's partial rate application requests that the HSCRC grant a revenue increase equal to the total projected incremental capital costs associated with the regulated portion of the project. SGMC has indicated that all of the project cost is related to the regulated functions of the Hospital. Based upon review of the revised project budget included with the hospital's Request for Project Change after Certification dated September 15, 2022, the projected average annual interest cost per books for debt financing is approximately of $3,794,511 and the projected average annual depreciation cost per books is approximately $9,033,177, for a total of approximately $12,827,688 in annual incremental capital cost per books. Excluding the 21.2 percent MVS adjustment, the balance of the increment capital cost per GAAP for consideration for input in the policy model is approximately $10,239,510.

It is noted that the initial inputs into the capital policy model differ from GAAP approximations per general ledger books. The revised project cost ($247,657,497) less the MVS exclusion ($49,968,605) yields a net project size for consideration in GBR rate adjustments of $203,491,156. Using an average asset life of 25 years yields annual depreciation of $8,139,646. Using a hypothetical loan to finance the entire project size over its 25-year estimated life and using a 4.02 percent interest rate on the loan (which is equal to that of the actual MHHEFA bonds issued September 2021) yields hypothetical annual interest cost of $4,903,110. Bringing the total annual incremental capital cost to $13,042,756. These are the initial Step 1 inputs into the model.

Step 2a of the model, which calculates 50% of the hospital's proposed depreciation and interest and 50% of the state average, yields $ $9,756,021for capital funding (inflated to RY2025 dollars). Step 2b of the model, which accounts for a hospital's cost efficiency and total cost of care effectiveness, yields $6,460,819 for capital funding available as measured with integrated efficiency scaling. Step 3a of the model, which provides additional funding for hospitals that have below average potentially avoidable utilization (PAU) and thus less opportunity to fund capital through averted hospitalizations, yields $8,329,499 for capital funding available. Step 3b of the model yields the same $8,329,499 value, as the hospital has no reductions related to excess capacity. The final output of the model extends the Step 3 result by the hospital's markup factor for uncompensated care and payer differential of 1.1045 to yield the HSCRC capital funding

value available net of PAU and Excess Capacity adjustments and inclusive of markup of $9,199,929

Staff Recommendation

Based on the analysis described in the prior section of this document, staff recommends a permanent adjustment of $9,199,929 be provided to SGMC when the project is completed and the new site is available for use. As per correspondence from SGMC dated March 3, 2023, the opening date of this project following completion of the scope of work is anticipated to be September 2027 (originally August 2026).

IN RE: THE APPLICATION FOR	*	**BEFORE THE MARYLAND HEALTH**	
ALTERNATIVE METHOD OF RATE	*	**SERVICES COST REVIEW**	
DETERMINATION	*	**COMMISSION**	
JOHNS HOPKINS HEALTH	*	**DOCKET:**	**2023**
SYSTEM	*	**FOLIO:**	**2434**
BALTIMORE, MARYLAND	*	**PROCEEDING:**	**2624A**

Staff Recommendation

May 10, 2023

I. INTRODUCTION

On April 19, 2023, Johns Hopkins Health System ("System") filed a renewal application on behalf of its member hospitals, Johns Hopkins Hospital, Johns Hopkins Bayview Medical Center, and Howard County General Hospital (the "Hospitals") requesting approval to continue to participate in a revised global price arrangement with Emerging Therapy Solutions formerly Life Trac (a subsidiary of Allianz Insurance Company of North America) for solid organ and bone marrow transplants and cardiovascular services, plus CAR-T services. The Hospitals request that the Commission approve the arrangement for one year beginning June 1, 2023.

II. OVERVIEW OF APPLICATION

The contract will continue to be held and administered by Johns Hopkins HealthCare, LLC ("JHHC"), which is a subsidiary of the System. JHHC will continue to manage all financial transactions related to the global price contract including payments to the System hospitals and to bear all risk relating to regulated services associated with the contract.

III. FEE DEVELOPMENT

The hospital portion of the global rates, which was originally developed by calculating mean historical charges for patients receiving the procedures for which global rates are to be paid, has been adjusted to reflect recent hospital rate increases. The remainder of the global rate is comprised of physician service costs. Additional per diem payments, calculated for cases that exceeded a specific length of stay outlier threshold, were similarly adjusted.

IV. IDENTIFICATION AND ASSESSMENT RISK

The Hospitals will continue to submit bills to JHHC for all contracted and covered services. JHHC is responsible for billing the payers, collecting payments, disbursing payments to the Hospitals at their full HSCRC approved rates, and reimbursing the physicians. The System

contends that the arrangement among JHHC, the Hospitals, and the physicians holds the Hospitals harmless from any shortfalls in payment from the global price contract. JHHC maintains that it has been active in similar types of fixed fee contracts for several years, and that JHHC is adequately capitalized to bear the risk of potential losses.

V. STAFF EVALUATION

The staff found that the experience under the arrangement has been favorable for the last year. Staff believes that the Hospitals can continue to achieve a favorable performance under the arrangement.

VI. STAFF RECOMMENDATION

The staff recommends that the Commission approve the Hospitals' application for an alternative method of rate determination for solid organ and bone marrow transplant services, cardiovascular, and CAR-T services for the period beginning June 1, 2023. The Hospitals must file a renewal application annually for continued participation.

Consistent with its policy paper regarding applications for alternative methods of rate determination, the staff recommends that this approval be contingent upon the execution of the standard Memorandum of Understanding ("MOU") with the Hospitals for the approved contract. This document would formalize the understanding between the Commission and the Hospitals and would include provisions for such things as payments of HSCRC-approved rates, treatment of losses that may be attributed to the contract, quarterly and annual reporting, confidentiality of data submitted, penalties for noncompliance, project termination and/or alteration, on-going monitoring, and other issues specific to the proposed contract. The MOU will also stipulate that operating losses under the contract cannot be used to justify future requests for rate increases.

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Nurse Support Program II

Competitive Institutional Grants Program

Final Recommendations for FY 2024

Erin Schurmann, HSCRC
Laura Schenk, MHEC
Kimberly Ford, MHEC

Nurse Support Programs I & II

Nurse Support Program I (NSP I)

- A non-competitive hospital grant to fund projects that address the individual needs of the hospitals as they relate to nurse recruitment and retention.
- Initiated in 2000 and focused on sustaining the number of bedside RNs through educational opportunities, improved working environments, and retention initiatives.

Nurse Support Program II (NSP II)

- A program aimed at increasing the number of nurses in Maryland by focusing on expanding the capacity to educate nurses through increasing faculty and strengthening nursing education programs at Maryland institutions.
- Initiated in 2006 to increase the nursing and nursing faculty workforce with an emphasis on diversity

Both Programs are funded by the Health Services Cost Review Commission (HSCRC)

NSP I is not competitive and is administered by the HSCRC

NSP II is competitive and is administered by the Maryland Higher Education Commission (MHEC).

Nursing Workforce Trends

- Maryland versus Nation
  - There are 49,790 RNs employed in Maryland and data indicates that the state's share of nurses is slightly less than the national average
  - While the annual mean wage for RNs in Maryland is higher than most neighboring states, the cost of living in Maryland is 24.79% higher than the national average
- Entry-to-Practice
  - Maryland exceeds the nation in first time NCLEX-RN licensure exam pass rates
  - Number of graduates taking the licensure exam in FY 2022 was 17% higher than FY 2018
- New Graduate Retention
  - All acute care hospitals in Maryland offer nurse residency programs (NRPs), which are proven to increase the retention rate of new graduates
  - Maryland maintains a retention rate of over 88% compared to 76% nationally

New NSP II Programs

- Transition to Nurse Residency Program (TNRP)
  - A statewide task force convened to develop onboarding strategies based on best practices to restore the skills and competencies of new-to-practice nurses to pre-pandemic levels
  - More than half of Maryland hospitals have implemented the program
- Nurse Resiliency Program
  - Educational initiative to increase nurses' resilience and well-being to sustain the nursing workforce and support a successful transition to practice
  - Participation from five Maryland hospitals and eight Maryland Schools of Nursing
- Universal Onboarding
  - Online universal training system that streamlines the clinical onboarding process for nursing students throughout Maryland
  - Saves money and time and leads to increased clinical opportunities

Program Updates

- "80 Percent BSN by 2025" Goal
  - Streamlined Associate to Bachelor's (ATB) dual enrollment programs
  - Expanded online/hybrid delivery of RN to BSN programs
  - Accelerated second-degree program options
- Nurse Faculty Workforce
  - Maryland's nurse faculty vacancy rate (9.2%) is below national average (10.2%)
  - Majority (61.5%) of nurse faculty in Maryland are doctoral prepared
- Increased Certification of Nurse Faculty
  - Maryland currently has 237 CNE credentialed nurse educators (NLN)
  - The number of faculty holding CNE credentials increased by 50 percent since 2018, exceeding the goal to double the number of faculty in Maryland holding the CNE credential by 2025

Proposal Highlights

- Planning for a PhD in Nursing Education Program at the oldest HBCU in Maryland to increase the number of PhD-prepared nursing faculty teaching in Maryland
- Building a sustainable nurse-managed health center to increase quality clinical opportunities for registered nurses and nurse practitioner students in the state
- Increasing enrollment in nursing programs to produce 234 pre-licensure nursing graduates: 78 LPN to RN students, 96 ADN students, 40 BSN students, and 20 MSN students
- Establishing new nursing programs to produce 130 pre-licensure nursing graduates: 40 ADN students and 90 BSN students
- Developing a certificate program in Real-World Data & Pragmatic Research (RWD-PR), as well as enhance an existing Nurse Educator Certificate (NECO) program

Staff Recommendation

- Staff recommends funding the following eleven proposals, totaling $5.8 million.

School	Title	Total Funding Request
Bowie State University	Planning Grant for New PhD in Nursing Education Program	$150,000
Cecil College	New Accelerated ASN Program	$896,984
Community College of Baltimore County	Expansion of LPN to RN Program	$950,121
Frostburg State University	New BSN Pre-Licensure Program	$1,571,034
Johns Hopkins University	Planning Grant for Nurse Educator Certificate	$147,949
Prince George's Community College	Expansion of RN Program	$1,099,506
University of Maryland	Expansion of BSN & MSN Pre-Licensure Programs	$621,831
University of Maryland	Planning Grant for Nurse-Managed Health Center	$139,706
University of Maryland	Planning Grant for RWD-PR Certificate	$149,902
Notre Dame of Maryland University	Resource Grant for Assessment Software	$19,293
Salisbury University	Resource Grant for Lead Nursing Forward	$100,000
		$5,846,326

For Future Consideration

- There is a demonstrated need to increase funding for the NSP II program to further expand and enhance nursing education in Maryland.
- In future years, staff will propose an increase in funding to expand or create new NSP programs, such as:
  - Utilizing the *Lead Nursing Forward* platform to market nursing as a positive career choice
  - Incorporating virtual reality as a learning tool to complement the existing use of clinical simulations to improve core competencies
  - Increasing second degree programs at universities and funding the additional faculty and clinical educators necessary for growth
  - Interprofessional education opportunities for students to improve communication and collaboration with other clinicians

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Nurse Support Program II
Competitive Institutional Grants Program

Review Panel Recommendations for FY 2024

May 2023

This is a final recommendation for Commission consideration at the May 10, 2023 Public Commission Meeting.

P: 410.764.2605 ● 4160 Patterson Avenue | Baltimore, MD 21215 ● hscrc.maryland.gov

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Table of Contents

Introduction

This report presents recommendations from the Nurse Support Program II (NSP II) Competitive Institutional Grant Review Panel for Fiscal Year (FY) 2024. This report and recommendations are jointly submitted by the staff of the Maryland Higher Education Commission (MHEC) and the Maryland Health Services Cost Review Commission (HSCRC or Commission). The FY 2024 NSP II recommendations align with the overarching goals of NSP I and II to support excellence in nursing practice and education.

Background

The HSCRC established the NSP II on May 4, 2005, to increase Maryland's academic capacity to educate nurses. Provisions included a continuing, non-lapsing fund with a portion of the competitive and statewide grants earmarked for attracting and retaining minorities in nursing and in nurse faculty careers in Maryland. The Commission approved funding of up to 0.10 percent of regulated gross hospital revenue to increase nursing graduates and mitigate barriers to nursing education through institutional and faculty-focused statewide initiatives. MHEC was selected by the HSCRC to administer the NSP II programs as the coordinating board of higher education. After the conclusion of the first ten years of funding, the HSCRC continued to renew the NSP II funding, through June 30, 2025.

Since its inception, the NSP II program has gone through several revisions:

- The Annotated Code of Maryland, Education Article § 11-405 Nurse Support Program Assistance Fund [2006, chs. 221, 222] was amended in 2016 to delete "bedside" to ensure the best nursing skills mix for the workforce was not limited to just bedside nurses.
- In 2012, the NSP II program was modified to include support for development of new and existing nursing faculty through doctoral education grants. Revisions to the Graduate Nurse Faculty Scholarship (GNF) included renaming the nurse educator scholarship in honor of Dr. Hal Cohen and his wife Jo, and sunsetting the living expense grant component.
- In 2012, the NSP I and NSP II initiatives were aligned with the National Academy of Medicine (NAM), formerly the Institute of Medicine, Future of Nursing report recommendations (2010). Recently, the NAM released the Future of Nursing 2020-2030 to chart the path over the next decade. The NSP I and NSP II Advisory Group met to consider how the new recommendations should be incorporated into the NSP programs and agreed that nurse retention should be the critical takeaway item to focus the joint efforts.
- In Spring 2020, the GNF was renamed the Cohen Scholars (CS) program. Additionally, the evaluation responsibility for this program was transitioned from the MHEC Office of Student Financial Assistance to the NSP II staff for future oversight. During the transition, NSP II staff

clarified the NSP II eligible service facilities and standardized the teaching obligation for all GNF/Cohen Scholars.

Nursing Workforce Trends: Maryland vs Nation

The registered nurse (RN) workforce is the single largest group of health professionals, with more than three million nationally and 49,790 RNs employed in Maryland (US Bureau of Labor Statistics, 2022). To better understand whether Maryland's nursing shortage is unique, researchers use a Location Quotient (LQ) to quantify how concentrated the nursing industry is in this region as compared to the nation. A LQ greater than one (1) indicates the occupation has a higher share of employment than average. Maryland's share of nurses (LQ=.91) is slightly less than the national average and LQs for specific specialties (Nurse Practitioners (0.90), and Nurse Anesthetists (0.65) suggest supply shortages in these areas. The Bureau of Labor Statistics most recent data from 2022 indicate the annual mean wage in Maryland was higher than four out of five neighboring states, however, the cost of living (COL) comparison reveals that Maryland is consistently ranked one of the 10 most expensive states to live in and exceeds all neighboring states' COL (insure.com) (Table 1). Maryland's current COL represents a 3.78 percent increase from last year.

Table 1. RN Employment and Wages for Maryland and Neighboring States

	Location Quotient (LQ)	RN Employment	Annual Mean Wage	Cost of Living Compared to U.S.
Maryland	0.91	49,790	$87,990	24.79%
West Virginia	1.50	21,110	$72,230	-7.52%
Delaware	1.21	11,490	$85,020	5.37%
Pennsylvania	1.14	137,970	$80,630	-0.52%
New Jersey	0.92	78,340	$96,670	10.26%
Virginia	0.86	69,510	$81,860	9.80%

Source: U.S. Bureau of Labor Statistics, May 2022 and Insure.com.

Nursing Workforce Trends: Entry-to-Practice in Maryland

According to researchers, caution should be used when the basis of policy modeling and decision making is employment trends, as nursing shortages are highly sensitive to multiple variables and complex to pinpoint beyond regional trends. A better reflection of the state of Maryland's workforce may be trends RN entry-to-practice, as it is the most important factor affecting projections of the nursing workforce supply (Auerbach, et al., 2017, pg. 294). In Maryland, the best indicator of entry-to practice is first-time passing rates for the National Council Licensure Examination – Registered Nurse (NCLEX-RN), available through the Maryland Board of Nursing (MBON).

Maryland continues to exceed the nation in first time NCLEX-RN passing rates (Table 2). Since FY 2018, NCLEX-RN passing rates in Maryland have been comparable to the overall passing rates in the U.S. and

exceeded the nation in FY 2021 and FY 2022. The number of nursing graduates taking the NCLEX-RN licensure exam in FY 2022 (2,772) was 17 percent higher than FY 2018 (2,350). Maryland is well positioned to continue this upward trend due, in part, to funding the expansion of existing programs and the development of new programs which produce additional nursing graduates eligible to take the NCLEX-RN licensure exam.

Starting in Spring 2023, entry-to-practice nursing graduates will be tested using the Next Generation NCLEX (NGN) for registered nursing licensure. This format focuses on clinical judgment and includes a variety of question types with related case studies that go beyond the usual multiple-choice options. NSP II funded free workshops utilizing in-state faculty with expertise to meet the demand for additional resources to prepare faculty and students for this change, with over 11 workshops offered to date. A variety of on-demand resources are also made available to Maryland schools of nursing at no cost on the Maryland Nursing Workforce Center website (MNWC).

Table 2. Maryland's First Time NCLEX-RN Rates, FY 2018 – 2022

Fiscal Year	Maryland BSN Programs		Maryland ADN Programs		Maryland MS Entry Programs		Total For All Maryland Programs		Passing Rates	
	No. Tested	No. Passed	No. Tested	No. Passed	No. Tested	No. Passed	No. Tested	No. Passed	MD	US
2018	773	676	1,316	1,145	261	240	2,350	2,061	87.70%	87.81%
2019	867	743	1,375	1,245	305	275	2,547	2,263	88.85%	88.36%
2020	775	650	1,467	1,299	304	286	2,546	2,235	87.78%	87.93%
2021	926	755	1,376	1,218	362	330	2,664	2,303	86.45%	84.48%
2022	965	747	1,433	1,205	374	324	2,772	2,276	82.11%	80.83%

Source: Maryland Board of Nursing. National Council State Boards of Nursing, and Pearson Vue. All Maryland RN 1st time candidates who graduated from a Maryland nursing program and tested in any US jurisdiction.

Nursing Workforce Trends: Maryland New Graduate Retention

As a nationally recognized leader in nurse residency programs, Maryland became the first state in the US to have all acute care hospitals fund and offer nurse residency programs (NRPs) for new nurse graduates in 2018. The purpose of the residency program is to build upon nursing school's foundational knowledge to smoothly transition new nurses into professionals and retain them in the workforce. Between 2013 and 2016, retention rates for Maryland hospitals offering an NRP ranged between 91 and 93 percent. High retention rates resulted in significant cost savings to participating hospitals; the average cost to replace one RN is $52,350 and each RN hired saves $157,000 (NSI, 2023). Prior to the coronavirus pandemic,

Maryland hospitals overall retained more than 88 percent of their new to practice nurses annually (Table 3) compared to an average of 76 percent nationally (NSI, 2021). Moreover, hospital leaders and nurse residents report they are more confident and competent after completing their 12-month nurse residency program, resulting in better-prepared nurses and significant hospital cost savings.

Not unexpectedly, the retention rate declined in 2020 due to the coronavirus pandemic. Additionally, staff shortages and safety requirements forced more than half the hospitals to stop their residency programs in April 2020. The Collaborative hospitals reinvigorated their programs in 2022 and the retention rate of Maryland new nurse graduates increased to 89 percent. However, persistent staff shortages continue to impact these programs for nurse residents.

Table 3. MNRC Data on Retention of New Nurse Graduates

	2017	2018	2019	2020	2021	2022
Number of Residents Hired	1,573	1,513	1,846	1,995	2,417	2,603
Percent of Residents Terminated	8%	12%	11%	17%	9%	11%
Retention Rate	92%	88%	89%	83%	91%	89%

Source: Vizient/ AACN NRP Data for MONL, Inc. /MNRC, April 20, 2023

Maryland Nursing Workforce Center Registered Nurse Survey Results

Recent surveys have demonstrated, both nationally and in Maryland, that nurse well-being and their intent to remain in the profession were being negatively affected by pandemic-related stress, staffing levels, working conditions, increased violence in the workplace, and day-to-day uncertainties with changing patient acuity. In a three-part longitudinal study, the American Organization for Nursing Leadership (AONL) documented continually worsening job satisfaction, burnout, and intent to leave the profession by nursing leaders. A 2021 Washington Post-Kaiser Family Foundation survey found that 30 percent of healthcare workers were considering leaving their profession altogether. Exacerbating the losses is the imminent retirement of all baby boomers that will reach the traditional retirement age of 65 by 2030, leaving a gap in accumulated skills, knowledge, and experience. Unfortunately, this loss in the RN workforce coincides with the increased healthcare needs of our aging population who have more acute and chronic conditions.

The National Council of State Boards of Nursing recently examined the impact of the COVID-19 pandemic on the nursing workforce in the U.S. and found that 100,000 nurses left during the pandemic and one-fifth intend to leave by 2027 due to stress, burnout, and retirement (NCSBN, 2023). In a report entitled *Analysis of COVID-19 Impact on the Maryland Nursing Workforce* Survey, the Maryland Nursing Workforce Center (MNWC) wrote:

> *"As of December 2021, several Maryland hospitals had enacted crisis standards of care, a framework for the gradual degradation of health care services when there are not enough*

> *resources available to meet the demand for care. Maryland hospitals have plenty of beds but not enough available nurses to cover them. Nurses have become a scarce resource during the pandemic, putting patients at risk. As the Omicron variant pushes the nation into year three of the pandemic, nurses are physically, mentally, and morally exhausted and are leaving the employment situations in large numbers. Hospitals in Maryland are facing a severe shortage of RNs and many have had to contract with nursing staffing agencies for temporary contractual "travel" nurses"* (Excerpt, MNWC 2021, pg. 9).

For the report, MNWC surveyed nearly 2,000 nursing staff and the results are alarming, many respondents reporting that they were physically exhausted:

- 48 percent had experienced sleep disturbances,
- 40 percent experienced moderate to severe stress,
- 48 percent felt anxious,
- 43 percent were unable to control worrying, felt hopeless, and had little pleasure in usual things, and
- 49 percent had symptoms of burnout.

Additionally, about 62 percent of nurses felt their physical health and safety were compromised without their consent, and more than 60 percent indicated an intent to leave their current nursing job.

When asked what would make them more willing to remain in the Maryland nursing workforce, 83 percent said that financial incentives with salary increases, annual bonuses, hazard pay, and/or increased retirement contributions, while 74 percent indicated improved staffing and nurse to patient ratios, the ability to self-schedule and flexibility in shift work would make a difference. Other motivators were acknowledgements, wellness resources, and personal protection during large-scale emergencies. The NSP I and NSP II Advisory Group have reviewed and incorporated this information into their continued statewide efforts to strengthen the nursing workforce. Hospital executives and nursing leaders are encouraged to review and consider its recommendations for staff retention strategies.

New NSP II Programs

Transition to Nurse Residency Program (TNRP)

Safety concerns and the strain on hospital resources due to the pandemic necessitated halting on-site student clinical experiences in March 2020. In response, a statewide taskforce of Maryland hospital and academic leaders was formed to develop onboarding strategies for new nurses transitioning into practice (Warren, et al., in press). Members used data from an environmental scan, as well as national and local best practices, to build an innovative curriculum to help hospitals onboard new nurses graduates who had their education disrupted by this unprecedented healthcare crisis.

The goal of the Transition to Nurse Residency Program (TNRP) is to restore the skills and competencies of new-to-practice nurses to pre-pandemic levels. The TNRP does not duplicate nor replace NRP; rather, it is a precursor to the NRP offered at onboarding and before new-to-practice nurses assume patient assignments. Since its creation, more than half of Maryland hospitals have implemented the program, and most are using NSP I funding to support it.

Nurse Resiliency Programs

The Maryland Organization of Nurse Leaders, Inc. /Maryland Nurse Residency Collaborative (MONL Inc. /MNRC) is also partnering on the NSP II R^3 – Renewal, Resilience, and Retention of Maryland Nurses Program. The program engaged 50 Faculty Champions in three cohorts from eight Maryland Schools of Nursing to participate in the 2021-2022 R^3 faculty training workshops. The first workshop provided opportunities for nurse faculty to practice a variety of self-stewardship tools and skills, fostering a renewed commitment to the profession and their roles. In early 2022, a second workshop offered the Champions access to 20 modules (developed by the R^3 team and available on their website) to integrate resilience, integrity, and ethical practice content into existing curricula for pre-licensure nursing students.

Through this NSP II-funded program, NRP coordinators participated in immersion workshops and were trained using evidence-based resilience tools, practices, and resources. Ultimately, this program will enhance the residency curriculum and equip residents with successful strategies to strengthen their resiliency and well-being. At the annual R^3 Conference in April 2022, participants representing Maryland hospitals, schools of nursing, the Maryland Nurses Association (MNA), MHEC, National League for Nursing (NLN), and the Department of Defense were in attendance.

Universal Onboarding

MONL, Inc. /MNRC is also partnering on a second NSP II grant to offer nursing students an online universal onboarding training system. Learning Management System (LMS) platform will enable students from nursing schools throughout Maryland to access the modules, and administrative and instructional design support. MNWC developed the content through hospital practice and nursing education RN volunteers.

The Maryland Deans and Directors of Nursing Programs requested the platform to streamline the nursing student onboarding process that would address any individual hospital's requirements; saving money and time for hospitals, students, and programs. By July 1, 2022, hospitals completed their final review of the seven Joint Commission-required modules that were to be used by students enrolled in the Fall 2022 semester. The goal is to have all Maryland nursing school students complete this training annually, reducing redundant work and increasing opportunities for clinical experiences.

NSP II Program Updates

Progress on "80 Percent BSN by 2025" Goal

In 2021, the proportion of BSN or higher prepared nurses increased to 67 percent (RWJF, 2021), making steady progress towards achieving the 80 percent goal of nurses holding a BSN by 2025. To reach this goal, NSP II funded Associate to Bachelor's (ATB) programs to streamline entry-level education options for nursing students, combining pre-licensure completion at the community college and dual enrollment and curriculum alignments at the university. This program has significant benefits to students by saving both money and the time to complete the Bachelor of Science in Nursing (BSN) degree. In addition, RN-BSN programs expanded online and hybrid delivery options. Finally, second-degree students who successfully completed a BS degree in a different career path were offered an accelerated individualized program to complete their BSN in 12 to 15 months and enter nursing. Ongoing research findings confirm a hospital's proportion of BSN nurses, regardless of educational pathway, are associated with lower odds of 30-day inpatient surgical mortality (Porat-Dahlerbruch, et al., 2022). Different educational pathways to the BSN are noted to increase accessibility and promote greater RN diversity.

Nurse Faculty Workforce

Overall, the outlook for Maryland faculty is outpacing the nation and has remained stable. According to data collected for the NSP II program, Maryland's nurse faculty vacancy rates increased slightly from an average of 8.1 percent between the 2015-2017 academic years (AY), to an average of 9.2 percent between the AY 2019-2021; still below the average vacancy rate for the U.S (10.2 percent) for AY 2021-2022 (AACN). NSP II program data between AY 2017- AY 2021 demonstrated an increase of 111 full-time faculty at both community colleges and universities (for a total of 629), which tracks along with the MBON figures from a decade ago (Table 4).

Table 4. Changes in Maryland Nurse Faculty Vacancy, AY 2015 - 2021

	FT Faculty	FT Faculty Vacancy	% FT Faculty Vacancy
AY 2015-2017 (N=25)	518	42	8.1%
AY 2019- 2021 (N=26)	629	58	9.2%
Difference (increase/(decrease))	111	16	1.1%
AACN US Faculty Vacancy Rate (AY 2020-2021)			10.2%

Source: NSP II Mandatory Data Tables for Nursing Program Comparison April 13, 2022, AACN faculty vacancy information

The number of nurses with a doctoral degree has a direct impact on faculty vacancy rates. National data indicated in AY 2022-2023 that 85 percent of U.S. schools of nursing had faculty vacancies that required or preferred a doctoral degree (AACN). Insufficient funds to hire new faculty were reported as the top barrier by 63.3 percent of schools of nursing in AY 2022-2023 (AACN). In Maryland nursing programs, the majority (61.5 percent) of faculty were doctoral prepared, compared to national data where only 19 percent of faculty holds a graduate degree, and fewer than 2 percent hold a terminal doctoral degree (HRSA).

Aging of the nursing workforce continues to be a state and national concern. The number of FT faculty aged 60+ increased in Maryland nursing programs. The AONL Guiding Principles for the Aging Workforce outlines how employers can invest in the productivity of the older RNs including:

- Adapting work environments: providing environmental modifications for injury prevention; reducing the physical demands with bedside computers, automated beds, and non-professional staff assistance,
- Re-designing jobs: developing new and emerging roles; promoting a culture that supports older nurses and post-retirement options to avoid leaving gaps in advanced skill levels and years of expertise at the bedside.
- Other incentives: generational motivators in health benefits, and flexible schedules

Older RNs are needed to guide new nurses and maintain patient safety and quality of care.

Increased Certification of Nurse Faculty

Maryland currently has 237 CNE credentialed nurse educators (NLN). According to the NSP II Data (Daw, Ford, & Schenk), the number of faculty holding CNE credentials increased by 50 percent since 2018, exceeding the goal to double the number of faculty in Maryland holding the CNE credential by 2025. This includes first-time credentialed and existing CNEs completing the required continuing education and advancement as an educator to maintain the credential, renewed every 5 years. There is already a NSP II FY 2022 funded project to promote the CNE-Clinical with professional development. Faculty recruitment efforts should include these previously untapped CNE credentialed nurses, who with their proven expertise, would be an excellent resource to institutions, and encourage early career educators to move into full-time roles.

Staff Recommendations for the Competitive Institutional Grants Program

The Competitive Institutional Grants Program builds educational capacity and increases the number of nurse educators to adequately supply hospitals and health systems with well-prepared nurses. The FY 2024 NSP II Review Panel was composed of nine members with backgrounds in healthcare, regulation,

nursing education, and hospital administration, and included former NSP II project directors, NSP I and NSP II staff members.

HSCRC and MHEC staff recommend the following eleven proposals presented in Table 5 for the FY 2024 NSP II Competitive Institutional Grants Program. This final recommendation describes the panel's recommendations for Commission approval.

Table 5. FY 2024 Recommendations for Funded Proposals

Proposal	School	Title	Total Funding Request
NSP II-24-101	Bowie State University	Planning Grant for New PhD in Nursing Education Program	$150,000
NSP II-24-102	Cecil College	New Accelerated ASN Program	$896,984
NSP II-24-103	Community College of Baltimore County	Expansion of LPN to RN Program	$950,121
NSP II-24-104	Frostburg State University	New BSN Pre-Licensure Program	$1,571,034
NSP II-24-105	Johns Hopkins University	Planning Grant for Nurse Educator Certificate	$147,949
NSP II-24-107	Prince George's Community College	Expansion of RN Program	$1,099,506
NSP II-24-110	University of Maryland	Expansion of BSN & MSN Pre-Licensure Programs	$621,831
NSP II-24-111	University of Maryland	Planning Grant for Nurse-Managed Health Center	$139,706
NSP II-24-112	University of Maryland	Planning Grant for RWD-PR Certificate	$149,902
NSP II-24-202	Notre Dame of Maryland University	Resource Grant for Assessment Software	$19,293
NSP II-24-203	Salisbury University	Resource Grant for Lead Nursing Forward	$100,000
TOTAL			**$5,846,326**

These highly recommended proposals include:

- Planning for a PhD in Nursing Education Program at the oldest HBCU in Maryland to increase the number of PhD-prepared nursing faculty teaching in Maryland
- Building a sustainable nurse-managed health center to increase quality clinical opportunities for registered nurses and nurse practitioner students in the state

- Increasing enrollment in nursing programs to produce 234 pre-licensure nursing graduates: 78 LPN to RN students, 96 ADN students, 40 BSN students, and 20 MSN students
    - Meet the needs of LPN to RN program growth and student preference of blended instructional modality
    - Evening/weekend cohort of nursing students in a culturally diverse community that includes a partnership with Luminis Health
    - Achieve additional clinical sites and instructors, with expansion of two of new practice partnerships models, Academy of Clinical Essentials (ACE) and Practicum to Practice Program (P3)
- Establishing new nursing programs to produce 130 pre-licensure nursing graduates: 40 ADN students and 90 BSN students
    - Accelerated 12-month Associate of Science in Nursing Degree program for second-degree non-nursing students
    - Traditional on-campus BSN program in the western Maryland region, which is geographically underserved
- Developing a certificate program in Real-World Data & Pragmatic Research (RWD-PR), as well as enhance an existing Nurse Educator Certificate (NECO) program
    - Assisting a university nursing program with resources (exam software, testing) to prepare pre-licensure and nurse practitioner program students
    - Continuing to support the successful Lead Nursing Forward (LNF) program with resources for website expansion

Future Funding Considerations

Based on the available data presented in this report, there is a demonstrated need to increase funding for the NSP II program. In future years, staff will propose an increase in funding to expand or create new NSP II programs, such as:

- Utilizing the well-established *Lead Nursing Forward* platform to market nursing as a positive career choice, while portraying realistic visuals to motivate young students entering high school to pursue science backgrounds. An estimated $2 million could be used to develop high-quality, personalized videos and tools.
- There are very few resources to teach competencies; however, advancing to virtual reality, in addition to clinical simulation would be forward thinking. While clinical simulation allows for hands-on practice of skills, virtual reality adds the dimension of interactivity with an avatar patient, analysis of presenting patient problems and scenarios for nurses to evaluate and act. The learning occurs in the debriefing and real-time reflection with instant feedback. Another investment option would be to

enhance the existing clinical simulation modules and revisit the baseline assessments for all nursing programs after a four-year pause in clinical simulation equipment. The cost will depend on the licensure fee, equipment, number of users, and number of scenarios to be purchased, plus personnel. A realistic estimate for the virtual reality implementation would be about $7 million and another $7 million for clinical simulation upgrades across the 28 nursing programs.

- Nursing programs require additional faculty and clinical educators to increase the number of full-time positions, expand nursing program capacity, and graduate more RNs. One area of potential expansion is second-degree programs at universities. At present five out of eleven universities have second degree options. These students chose nursing after completing a bachelor's degree in another field and bring more mature and diverse perspectives to the clinical setting. To expand existing programs and add new programs, costs are estimated at $9 million. To double graduates at every nursing program, the cost is estimated at $30 million when considering a 1-to-8 faculty ratio for 2,400 graduates with an average salary of $100K per faculty.
- Another opportunity is to expand interprofessional education (IPE) opportunities for students. IPE provides opportunities for students from various healthcare professions to learn communication and collaboration skills to be effective clinicians. Students would include all members of the new models of care delivery team, including lab techs, EMS, paramedics, nursing, PT, and others. With the top-ranked nursing schools in the country, the faculty expertise exists to develop curriculum and learning modules that can be shared with all 28 programs. A projected estimated cost would be $4 million for these shared resources and be included with the existing repository through the Maryland Clinical Simulation Resource Consortium and available for free to Maryland schools and hospitals.
- The final funding opportunity is focused on an identified pool of nursing educators who have a service commitment to NSP II. These hospital-based educators are critical to the employing hospital to help nurses remain in their roles as bedside nurses or in other key positions. The new grant program would be offered to hospitals who would identify nurse educators to be included in an in-house pool of graduate degree prepared nurse educators, and available to the hospital education departments as preceptor, mentor, or assist with other educational assignments within their current roles. This program could alleviate the burden on hospitals and their long-term nursing staff who demonstrated commitment and worked extra hours to support their organization and would be a win-win for nurses, their employers and hospital educators. The estimated costs may be up to $15 million.

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FY24 HIE Draft Funding Request

May 10, 2023

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HIE Status

- CRISP is funded by hospital and carrier participation fees, state grants, CMS matching through Medicaid, and competitive federal grants, and those ratios are necessarily changing over time:
  - Federal Medicaid dollars moved from HITECH to Medicaid Enterprise System (MES)
  - The allocation methodology changes as new services are certified
- Many of the services built for Covid, the Insights data lake in particular, are now part of the long-term HIE infrastructure
  - MDH is providing general funds to leverage the HIE for Public Health
- CRISP will continue to seek opportunities to reduce burden by reusing data and technology, while surfacing critical health information

HSCRC Staff Funding Recommendation

Direct HIE Operations	$2,400,000
Reporting and Program Administration	$4,100,000
Maryland Total	**$6,500,000**
Reserves	*$1,700,000*
Funding Request	**$4,800,000**

Maryland Revenue	Hospital Rates	Federal Funds	User Fees	MDH	**Total**
HIE Operations	$2.4M	$12.2M	$5.6M	$1.0M	**$21.2M**
Reporting and Program Admin	$4.1M	$10.1M	----	$2.4M	**$16.7M**
Other Non-HSCRC Programs	----	$2.5M	----	*$2.6M*	**$5.0M**
Total Funding	**$6.5M**	**$24.8M**	**$5.6M**	**$6.0M**	**$42.9M**
Percent of Total	*15%*	*58%*	*13%*	*14%*	*100%*

Note: This schedule does not include CRISP projects anticipated to be funded entirely by MDH or federal grants

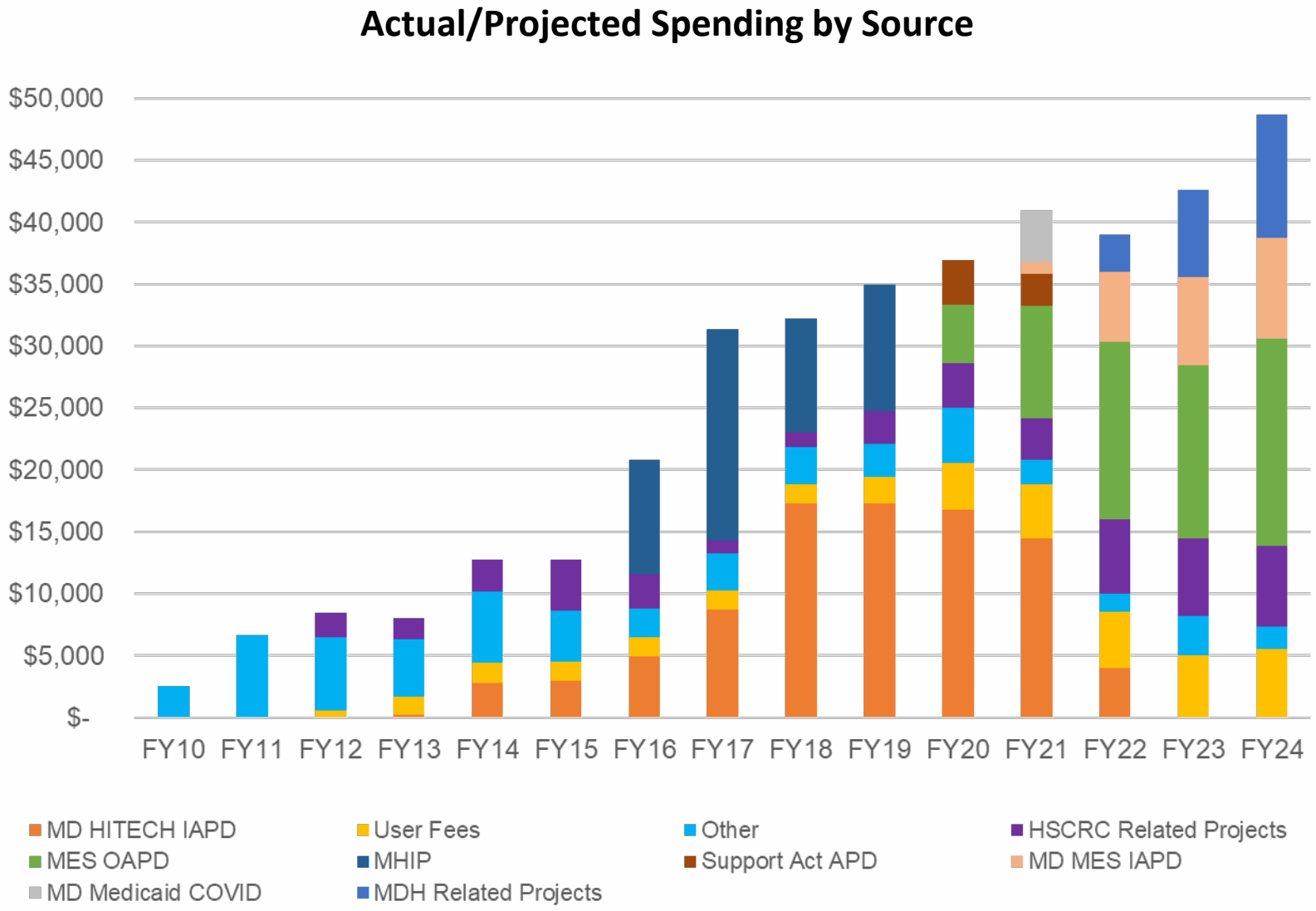
Key Takeaways:

1. Direct HIE Operations funding is consistent with prior years and allows CRISP to build and support infrastructure aligned with the Total Cost of Care Model.
2. The modest increase in Reporting and Program Administration is to expand eClinical Quality Measures and support new programs.
3. Reports and services brought online in prior years for SIHIS, Regional Partnerships, Care Redesign Programs, and CTIs are steady-state operations, meaning that future funding increases will be moderate.
4. MDH programs which were previously state-funded, such as the SNF Connectivity Program and certain public health modernization efforts, are included in this schedule because they now receive federal match dollars.

Long-term Funding Trend

HSCRC CRISP Funding	
FY 2013	$1,313,755
FY 2014	$1,166,278
FY 2015	$1,650,000
FY 2016	$3,250,000
FY 2017	$2,360,000
FY 2018	$2,360,000
FY 2019	$2,500,000
FY 2020	$5,390,000
FY 2021	$5,170,000
FY 2022	$9,240,000
FY 2023*	$6,300,000
FY 2024*	**$6,500,000**

**Requested funding not including $1.7M (24) and $1.5M (23) to be used from reserves*



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Maryland's Statewide Health Information Exchange, the Chesapeake Regional Information System for our Patients: FY 2024 Funding

Draft Recommendation

May 10, 2023

This is a draft recommendation for consideration by the Commission. Public comments must be received by May 17, 2023 to william.henderson@maryland.gov

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Table of Contents

List of Abbreviations

CMS	Centers for Medicare & Medicaid Services
CRISP	Chesapeake Regional Information System for Our Patients
CRS	CRISP Reporting Services
eCQM	Electronic Clinical Quality Measures
FY	Fiscal year
HIE	Health information exchange
HITECH	Health Information Technology for Economic and Clinical Health Act
HSCRC	Health Services Cost Review Commission
IAPD	Implementation Advanced Planning Document
MDH	Maryland Department of Health
MHCC	Maryland Health Care Commission
MHIP	Maryland Health Insurance Plan
MES	Medicaid Enterprise System
TCOC	Total Cost of Care

Policy Overview

Policy Objective	Policy Solution	Effect on Hospitals	Effect on Payers/Consumers	Effect on Health Equity
To fund and sustain a robust Health Information Exchange, CRISP, for activities related to the HSCRC and the Maryland Model.	Include an assessment in hospital rates to generate funding to support CRISP projects and operations to further the goals of the Maryland Model	Hospitals benefit from CRISP programs and pay a separate user fee. This assessment is a pass through and has no impact on hospitals.	CRISP provides vital coordination and reporting that allow hospitals and other Maryland providers to enhance the quality and cost effectiveness of the care provided.	Provider reporting supported by CRISP will collect data on social determinants of health and disparities in health outcomes in order to further the goals of improved health equity under the Model.

Summary of the Recommendation

In accordance with its statutory authority to approve alternative methods of rate determination consistent with the Total Cost of Care Model and the public interest,[1] this recommendation identifies the following amounts of State-supported funding for fiscal year (FY) 2024 to the Chesapeake Regional Information System for our Patients (CRISP):

- Direct funding and matching funds under Medicaid Enterprise System (MES) Federal Programs for Health Information Exchange (HIE) operations and infrastructure ($2.4 million)
- Direct funding and Medicaid Enterprise System (MES) matching funds for reporting and program administration related to population health, the Total Cost of Care Model, and hospital regulatory initiatives ($4.1 million). Staff propose using $1.7 million of accumulated reserves to reduce the revenue generated through rates for FY2023 to $2.3 million for this component.

Therefore, Staff recommends that the HSCRC provide funding to CRISP totaling $4.8 million for FY 2024, consistent with FY 2023. As a result, the HSCRC will be funding approximately 15 percent of CRISP's Maryland funding, compared to budgeted 19 percent in FY 2023. The remainder of CRISP's Maryland funding is derived from user fees, federal matching funds and the Maryland Department of Health (MDH).

[1] MD. CODE ANN., Health-Gen §19-219(c).

This recommendation continues the approach used in prior years of spending down reserve funds accumulated due to a better than anticipated Federal match. Without the use of these reserves, this year's request would have been $6.5 million, reflecting an increase of $0.2 over the approximately $6.3 million anticipated in FY 2023 spending; this increase primarily relates to increased investment in a system to report hospital Electronic Clinical Quality Measures (eCQMs). Currently Staff anticipates accumulated reserves will be used by FY2026 at which time the assessment amount will increase to the full amount.

Background – Past Funding

Over the past ten years, the Commission has approved funding to support the general operations of the CRISP HIE and reporting services through hospital rates as shown in Table 1.

Table 1. HSCRC Funding for CRISP HIE and Reporting Services, Last 10 Years

CRISP Budget: HSCRC Funds Received	
FY 2013	$1,313,755
FY 2014	$1,166,278
FY 2015	$1,650,000
FY 2016	$3,250,000
FY 2017	$2,360,000
FY 2018	$2,360,000
FY 2019	$2,500,000
FY 2020	$5,390,000
FY 2021	$5,170,000
FY 2022	$9,240,000
FY 2023	$4,800,000

User fees generated by payers have historically been a small share of total CRISP revenue and remained unchanged since inception. In FY2022, the CRISP Finance Committee approved an increase of $300,000 in payer fees, which now represents 15% of user fee revenue.

Funding Through Hospital Rates

Beginning in FY 2020, HSCRC assumed full responsibility for managing the CRISP assessment, previously shared with MHCC. CRISP-related hospital rate assessments are paid into an HSCRC fund, and the HSCRC reviews the invoices for approval of appropriate payments to CRISP. This process – which includes bi-weekly update meetings, monthly written reports, and auditing of the expenditures – has created transparency and accountability. Starting in FY 2023, CRISP's reimbursement from the HSCRC will be provided in two tranches: one relating to state match funding of core HIE operational costs and the other related to Reporting and Program Administration. This change is made to allow CRISP to recover operational reimbursement from the HSCRC in a timelier fashion.

Funding Through Federal Matching

HSCRC funding has been used to obtain federal matching funds throughout the history of the program. The federal match is obtained through the program outlined below. The HITECH IAPD program was previously the source of most federal funding, and it was terminated September 30, 2021. Funding has now moved to the MES program described below. The MES program requires 25 percent match for ongoing programs versus the 10 percent in place under IAPD

Medicaid Enterprise System (MES) Matching Funds

MES is a federal program designed to promote effective care for Medicaid beneficiaries through investments in information technology infrastructure. Medicaid benefits from CRISP's data sharing and reporting initiatives through the care management and cost control initiatives facilitated for all Medicaid patients under CRISP all-payer activities and for dual-eligible patients under CRISP's Medicare activities.

Activities funded under this element of the assessment include point-of-care and other provider data sharing initiatives, and CRISP reporting tools utilizing the Medicare claims and the HSCRC's hospital case mix data. Hospitals, the HSCRC, and other stakeholders use CRISP reporting from these datasets to manage and track progress under several HSCRC programs and enable hospitals to identify and pursue care efficiency initiatives.

Under MES, state funds are eligible for either a 90 percent match for new reporting initiatives or a 75 percent match for ongoing reporting. The assessment funding will provide the State's portion of this match as well as the State's Fair Share amount.

Other Funding

CRISP's Maryland activities are also financed through user fees paid by hospitals and payers as well as funding received from MDH (See Table 2). Payer user fees have historically been a small share of total CRISP revenue and remained unchanged since inception. In FY2022, the CRISP Finance Committee approved an increase of $300,000 in payer fees, which now represents 15% of user fee revenue.

Description of Activities Funded

Activities funded directly by this assessment and from earned federal matching fall into the two categories described below. The descriptions below outline, in general terms, the programs for which funds will be used. Staff will direct funding to specific programs within the general parameters described.

Category 1: HIE Operations Funding and Infrastructure

The value of an HIE rests in the premise that more efficient and effective access to health information will improve care delivery while reducing administrative health care costs. The General Assembly charged the MHCC and HSCRC with the designation of a statewide HIE.[2] In the summer of 2009, MHCC conducted a competitive selection process which resulted in awarding state designation to CRISP, and HSCRC approved up to $10 million in startup funding over a four-year period through Maryland's unique all-payer hospital rate setting system. CRISP maintained designation through multiple renewal processes, with the most recent occurring in 2022 HSCRC's annual funding for CRISP is illustrated in Table 1 above.

The use of HIEs is a key component of health care transformation, enabling clinical data sharing among appropriately authorized and authenticated users. The ability to exchange health information electronically in a standardized format is critical to improving health care quality and safety.

Many states, along with federal policy makers, look to Maryland as a leader in HIE implementation. CRISP continues to build the infrastructure necessary to support existing and future use cases and to assist HSCRC in administering per-capita and population-based payment structures under the Total Cost of Care Model. A return on the State's investment is demonstrated through implementation of a robust technical platform that supports innovative use cases to improve care delivery, increase efficiencies in health care, and reduce health care costs. MDH made extensive use of CRISP's capabilities during the COVID crisis.

The total amount of funding recommended by Staff for FY 2023 for the HIE function is $2.4 million.

Category 2: Reporting and Program Administration Related to Population Health, the Total Cost of Care Model, and Hospital Regulatory Initiatives

These initiatives were designed to reduce health care expenditures and improve outcomes for all Marylanders. Many of these programs focus on unmanaged high-needs Medicare patients and patients dually eligible for Medicaid and Medicare, consistent with the goals of Maryland's All-Payer Model. These initiatives encourage collaboration between and among providers, provide a platform for provider and patient engagement, and allows for confidential sharing of information among providers. To succeed under the Total Cost of Care (TCOC) Model, providers will need a variety of tools to manage high-needs and complex patients that CRISP is currently working to develop and deploy.

Based on broad program participation, including non-hospital providers, and the ability to secure federal match funds, these programs will be funded through a combination of assessments and federal matching funds. This recommendation covers three components:

[2] MD. CODE ANN., Health-Gen §19-143(a).

(1) Funding for population health and cost and quality management reporting in support of HSCRC regulations and the TCOC Model;

(2) Funding for program administration related to programs under the TCOC Model; and

(3) Funding for innovative reporting initiatives such as enhanced data on social determinants of health and the integration of electronic health record data into statewide hospital quality measurement

The total amount recommended by Staff for FY 2024 for the activities described above is $4.1 million.

Staff Recommendation

Staff is recommending the Commission approve a total of $4.8 million in funding through hospital rates in FY 2023 to support the HIE and continue the investments made in the TCOC Model initiatives through both direct funding and obtaining federal MES matching funds. Staff anticipates actual CRISP spending of $6.5 million but proposes to use $1.7 million of prior reserves, limiting the actual assessment to $4.8 million.

Table 2 shows the funding through hospital rates and the federal match that will be generated from the MES funding as well as the user fee and MDH funding.

Table 2. FY 2024 Recommended Rate Support for CRISP as a share of estimated total Maryland Funding

FY 2024 Project Name	Hospital Rates	Budgeted Federal Funding	User Fees	Maryland Department of Health	Maryland Total
HIE Operations	$2,400,000	$12,177,000	$5,576,000	$1,015,000	$21,168,000
Reporting and Program Administration	$4,100,000	$10,133,000	$0	$2,245,000	$16,678,000
Other non-HSCRC programs	$0	$2,490,000	$0	$2,540,000	$5,030,000
Total Funding	**$6,500,000***	**$24,800,000**	**$5,576,000**	**$6,000,000**	**$42,876,000**
% Of Total	**15%**	**58%**	**13%**	**14%**	**100%**

*Note: Prior to reduction for use of accumulated reserves to reduce FY2024 assessment.

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Draft Recommendation on the RY 2024 Update Factor

May 10, 2023

FY 2024 Update Factor Model

FY 2024 Update Factor Model

- High level goals:
  - Provide hospital with reasonable increases to Global Budgets and Rates
  - Include adjustments for inflation and other specific adjustments
  - Adjustments affect all payers
  - Ensure that the provisions of the Total Cost of Care (TCOC) model are met
  - Continue to provide incentives to invest in Population Health and Health Equity
- Additional Considerations
  - Medicare FFS proposed IPPS update for FFY 2024 is 2.8%; should the update be materially higher than 2.8% and the State's projected TCOC performance be favorable, the Commission could consider providing a commensurate increase to the all-payer rate update for the second half of the fiscal year.

Update Factor Recommendation for Non-Global Budget Revenue

Rates (prices) paid by non-governmental payers

Sheppard Pratt, Brooklane, and McKnew Hospitals

Mount Washington Pediatric Hospital

	Global Revenue	Psych & Mt. Washington
Proposed Base Update (Gross Inflation)	3.16%	3.16%
Productivity Adjustment	N/A	SUSPENDED
Proposed Inflation Update	3.16%	3.16%

Volume declined during pandemic and has not returned to normal levels

Table 1: Page 7 of Draft Recommendation

Balanced Update Model for RY 2024

Components of Revenue Change Link to Hospital Cost Drivers /Performance

			Weighted Allowance
Adjustment for Inflation (this includes 4.80% for wages and compensation)			3.16%
- Outpatient Oncology Drugs			0.00%
Gross Inflation Allowance	**A**		**3.16%**
Care Coordination/Population Health			
- Reversal of One-Time Grants			-0.22%
- Regional Partnership Grant Funding RY24			0.19%
Total Care Coordination/Population Health	**B**		**-0.03%**
Adjustment for Volume			
-Demographic /Population			0.39%
-Transfers			0.00%
-Drug Population/Utilization			
Total Adjustment for Volume	**C**		**0.39%**
Other adjustments (positive and negative)			
- Set Aside for Unknown Adjustments	D		0.10%
- Low Efficiency Outliers	E		0.00%
- RY 2022 Surge Funding	F		0.20%
- Complexity & Innovation	G		0.10%
-Reversal of one-time adjustments for drugs	H		-0.09%
-Capital Funding & Anticipated Full Rate Application	I		0.41%
Net Other Adjustments	**J=**	**Sum of D thru I**	**0.71%**
Quality and PAU Savings			
-PAU Savings	K		-0.36%
-Reversal of prior year quality incentives -QBR, MHAC, Readmissions	L		-0.32%
-Current Year Quality Incentives	M =		-0.25%
Net Quality and PAU Savings	**N =**	**Sum of K thru L**	**-0.93%**
Total Update First Half of Rate Year 23			
Net increase attributable to hospitals	**O =**	Sum of A + B + C + J + N	**3.31%**
Per Capita First Half of Rate Year (July - December)	**P=**	(1+O)/(1-0.16%)	**3.47%**
Adjustments in Second Half of Rate Year 24			
-Oncology Drug Adjustment	Q		0.00%
-Current Year Quality Incentives	R		0.00%
Total Adjustments in Second Half of Rate Year 24	**S =**	Q+ R	**0.00%**
Total Update Full Fiscal Year 24			
Net increase attributable to hospital for Rate Year	**T =**	O + S	**3.31%**
Per Capita Fiscal Year	**U =**	(1+T)/(1-0.16%)	**3.47%**
Components of Revenue Offsets with Neutral Impact on Hospital Finanical Statements			
-Uncompensated care, net of differential	V		0.05%
-Deficit Assessment	W		0.00%
Net decreases	**X =**	V + W	**0.05%**
Total Update First Half of Rate Year 24			
Revenue growth, net of offsets	**Y =**	O + X	**3.36%**
Per Capita Revenue Growth First Half of Rate Year	**Z =**	(1+Y)/(1-0.16%)	**3.52%**
Total Update Full Rate Year 24			
Revenue growth, net of offsets	**AA =**	T + X	**3.36%**
Per Capita Fiscal Year	**BB =**	(1+Z)/(1-0.16%)	**3.52%**

Table 2: Page 9 of Recommendation

RY24 Update Factor Model

Base Year Revenue ($ Millions) - 33% Medicare FFS		$20,293	$6,697
Item	**% Increase**	**All-payer $ Increase (Millions)**	**Medicare $ Increase (Millions)**
Inflation	3.16%	$641	$212
Drug Inflation	0.00%	$0	$0
Care Coorindation/Population Health	-0.03%	-$6	-$2
Volume (DA, Drugs)	0.39%	$80	$26
Set Aside for Unknown Adjustment	0.10%	$20	$7
Low Efficiency Outliers	0.00%	$0	$0
Surge Funding	0.20%	$40	$13
Complexity & Innovation	0.10%	$19	$6
Capital Funding & Anticipated Full Rate Application	0.41%	$83	$27
Reversal of one-time adjustments for drugs	-0.09%	-$18	-$6
PAU	-0.36%	-$73	-$24
Quality Adjustments (Net of Reversals)	-0.57%	-$116	-$38
2nd half Oncology Drug Adjustment	0.00%	$0	$0
Total Hospital Update Full Rate Year 24	3.31%	$671	$221
Per Capita Fiscal Year	**3.47%**		
Revenue Offsets with no impact to Hospitals	0.05%	$10	$3
Total Revenue Update Full Rate Year 24	3.36%	$681	$225
Per Capita Fiscal Year	**3.52%**		

RY 2023 & 2024 Demographic Adjustment

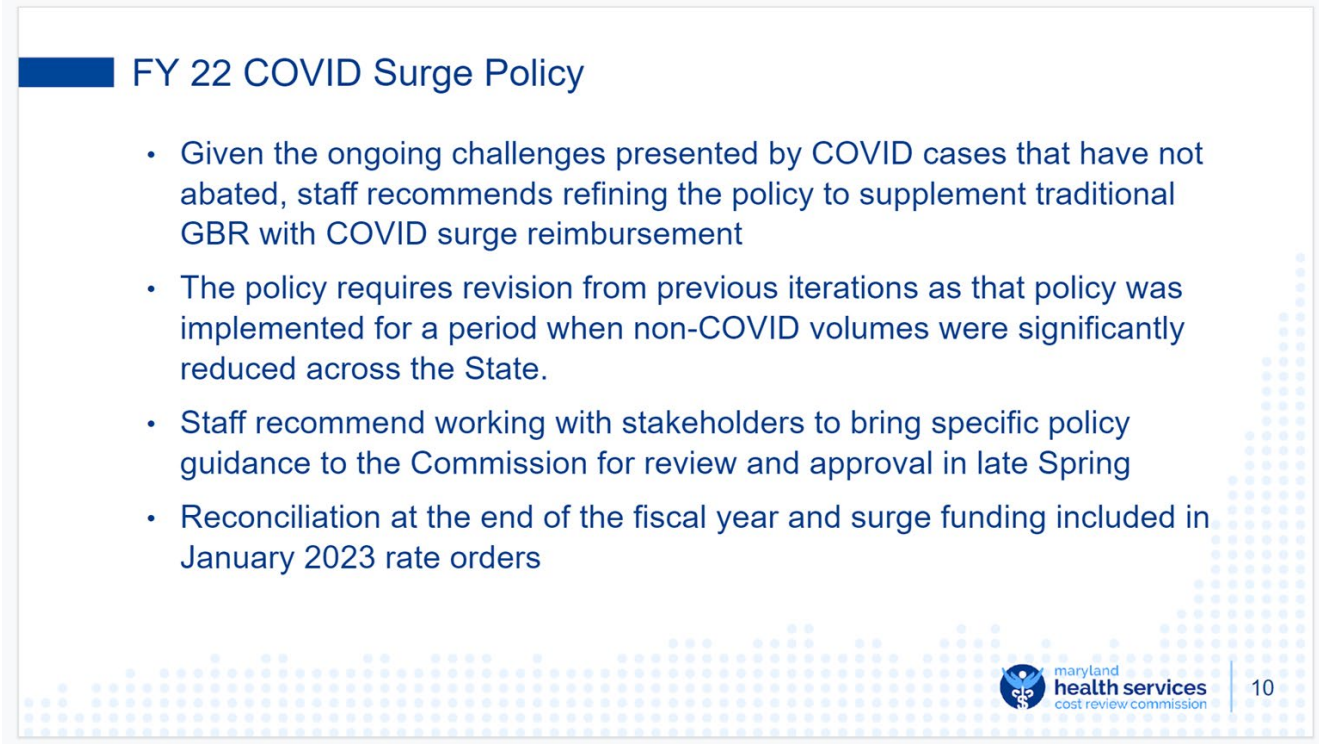
- Based on PMWG deliberations and preliminary discussions with Commissioners, staff are going to reflect in the RY 2024 Update Factor recommendation two adjustments related to demographics:
  - Reverse negative adjustments that occurred in RY 2023 ($79.7M or 0.39% of total GBR revenue)
  - Do not implement Department of Planning projected population decline of 0.16% April 2021 to June 2022 and instead implement a 0% Demographic Adjustment for all hospitals
- Following the approval of the Update Factor, staff will work with stakeholders to resolve any additional "catchup" the Commission should provide for the ten-year forecasting error that occurred in the preceding decade.
- Current preliminary estimates, using staff's assumptions for discounting years not attributable to a population based methodology, indicate there could be an additional 0.97% provided in rates for a census catchup

	Population Count	% of RY 2022 Funded Population
Census Catchup	116,877	1.93%
Less 30% (2011-2014)	(35,063)	-0.58%
Less Pop Growth Provided Since RY 2023	(15,161)	-0.25%
Less RY 2024 DOP Cumulative Reduction Credit	(8,019)	-0.13%
Potential Remaining HSCRC Census Catchup	58,634	0.97%

COVID Surge Policy History

- The original policy covered FY20 and FY21. $32 M disbursed starting in January 2022 under this policy.
- In response to high COVID surge in winter 21-22, Staff shared the proposal at right with Commissioners and the public.
- Follow-up was delayed due to the CY22 savings shortfall.
- Staff is now including a response with the RY2024 Update Factor Recommendation

From January 2022 Commission Meeting:



Overview of New Approach

- New Concept: A hospital must both be overcharged due to COVID at standard rates (original policy) but is also limited to recovering only the amount which exceeded State average experience.
  - This also addresses the situation of hospitals that have higher standardized charges than GBR for non-COVID reasons, a scenario that was not considered in the original policy.
- General Calculation:

  the FY2022 GBR will be equal to Non-COVID GBR plus COVID funding, where:

  1. Non-COVID GBR = FY2022 Original GBR
  2. COVID Funding = The greater of: A) $0 and the B) lessor of
     - i) COVID Standardized Charges – (GBR – Non-COVID Standardized Charges)
     - ii) Hospital GBR * (Hospital COVID Standardized Charge Share – State Average COVID Standardized Charge Share)
- In addition to adding the restriction in 2ii, calculation specifics were revised
  - Definition of COVID claims is more limited
  - FY2021 Standard rates trended forward are used in calculating Standard Charges rather than the FY22 rates.
- Staff recommend this be the last adjustment related to COVID barring a resurgence of the crisis.

CY23 Revenue Growth Estimate

Estimated Position on Medicare Test		
Actual Revenue CY 2022		19,984,015,293
Step 1:		
Approved Blended GBR RY 2023		20,185,681,779
Actual Revenue 7/1/22-12/31/22		9,932,046,714
Approved Revenue 1/1/23-6/30/23		10,253,635,065
FY23 Undercharge in First Half of CY23		-34,166,781
Anticipated Revenue 1/1/23-6/30/23	**A**	**10,219,468,284**
Step 2:		
Approved GBR RY 2023		20,293,387,021
Reverse One Time Extraordinary Adjustments:		
Final Adjusted GBR RY 2023		20,293,387,021
Projected Approved GBR RY 2024		20,974,423,273
Permanent Update RY 2024		3.36%
Final Adjusted Change from GBR RY 2023		3.36%
Step 3:		
Estimated Revenue 7/1/23-12/31/23 (after 49.73% & seasonality)		10,430,580,694
		-
		-
Projected Revenue 7/1/23-12/30/23	**B**	**10,430,580,694**
Step 4:		
Estimated Revenue CY 2023		**20,650,048,978**
Increase over CY 2022 Revenue		3.33%

- The approved GBR RY2023 $20,185,681,779 under Step 1 accounts for the increase in the change in differential that went into effective April 1 ,2023.
  - Necessary to account for anticipated charges in first six months of CY 2023
- The approved GBR RY2023,$20,293,387,021 under Step 2 accounts for the change in differential for the full rate year (RY2023).
  - Necessary to establish the base GBR to apply the Update Factor to
- The staff modified its Total Cost of Care Savings test to include gross differential savings. In prior presentations, we accounted for the net differential savings
  - Creates no impact to TCOC savings test but better reflects all-payer hospital growth

Table 4 Page 16 of the Recommendation

CY 23 Medicare FFS Guardrail Scenarios – Introduction

- Uses December paid through February with Completion Factors (Will update with additional on additional month of completion before finalizing)
- Jan 1 TCOC mitigation activities are mostly reflected as an add on to each scenario as they are temporary (do not help 2024 target).
    - Reflects impact of approved differential change on a gross basis and MPA savings component
    - All-payer reduction and mark up impact of differential is reflected in base approval

Variable	Add on savings to MC TCOC ($M)	Comment
All-Payer Reduction	$0	In base rates
Differential	$50	MC Savings only, mark up in base rates
MPA Savings Component	$64	
Traditional MPA impact Penalty Increase	$11	Not part of improvement plan
Total	$125	Equivalent to 1.13% of MC FFS spending

MC FFS Guardrail Tests - Proposed Scenarios

- All scenarios use HSCRC revenue projection for Part A and Part B MD Hospital

- For MD Non-Hospital and US Hospital and Non-Hospital

  Scenario 1: 2022 Trended forward at 2017 - 2019 Trend

  Scenario 2: 2022 Trended forward at 2015 - 2019 Trend

  Scenario 3: 2022 Trended forward at 2021 - 2022 Trend

  Scenario 4: 2019 Trended forward at 2015 - 2019 Trend (bounce back)

- Scenarios 1, 2 and 4 mirror last year.
  - Scenario 2 was added last year as Scenario 1 approach proved too generous in 2021.
  - Scenario 2 was closest projection to 2022 actual. Scenario 4 is similar to OACT approach
- Scenario 3 added this year.
- No variance statistic included at this time

CY 23 Guardrail Scenarios

Scenario 1: 2022 Trended Forward at 2017-2019				
2 Year Growth		Maryland	US	
	2022	$13,566	$11,761	
	2023	$14,062	$12,228	Variance
	YOY Growth	3.65%	3.97%	-0.32%
			Impact of 1/1 Temporary Mitigation	-1.13%
				-1.44%
			Estimated 2023 Savings in Millions	$372

Scenario 2: 2022 Trended Forward at 2015-2019				
2 Year Growth		Maryland	US	
	2022	$13,566	$11,761	
	2023	$13,992	$12,098	Variance
	YOY Growth	3.14%	2.87%	0.27%
			Impact of 1/1 Temporary Mitigation	-1.13%
				-0.85%
			Estimated 2023 Savings in Millions	$303

Scenario 3: 2022 Trended Forward at 2021-2022				
2 Year Growth		Maryland	US	
	2022	$13,566	$11,761	
	2023	$13,918	$12,066	Variance
	YOY Growth	2.60%	2.60%	0.00%
			Impact of 1/1 Temporary Mitigation	-1.13%
				-1.13%
			Estimated 2023 Savings in Millions	$322

Scenario 4: 2019 Base applied 2015-2019 CAGR				
2 Year Growth		Maryland	US	
	2022	$13,566	$11,761	
	2023	$14,038	$12,194	Variance
	YOY Growth	3.48%	3.69%	-0.20%
			Impact of 1/1 Temporary Mitigation	-1.13%
				-1.33%
			Estimated 2023 Savings in Millions	$370

Tables 5a-d Pages 17-19 of the Recommendation

Updated Affordability Tests

Updated Affordability Tests

- Revisions from prior presentation
  - Updated population and update factor values
  - Converted 5-year test to compare on a CY basis with GSP lagged 1 year (rather than RY Charges vs CY GSP where GSP was 18 months behind)
  - Converted 5-year test to compare GSP to In-State revenue versus total revenue as that comparison seems more appropriate and is consistent with the State's all-payer test.
- Population update considerations - analytics do not include corrected MD population resulting from census revision
  - Consistent with deferral of that revision elsewhere
  - Revision will improve State's position against the fixed 3.58% all-payer target but otherwise the change will revise the absolute amounts but not the relative position as all other amounts are converted to per capita using the same population estimate.

Affordability Scorecard – Cumulative GSP Test

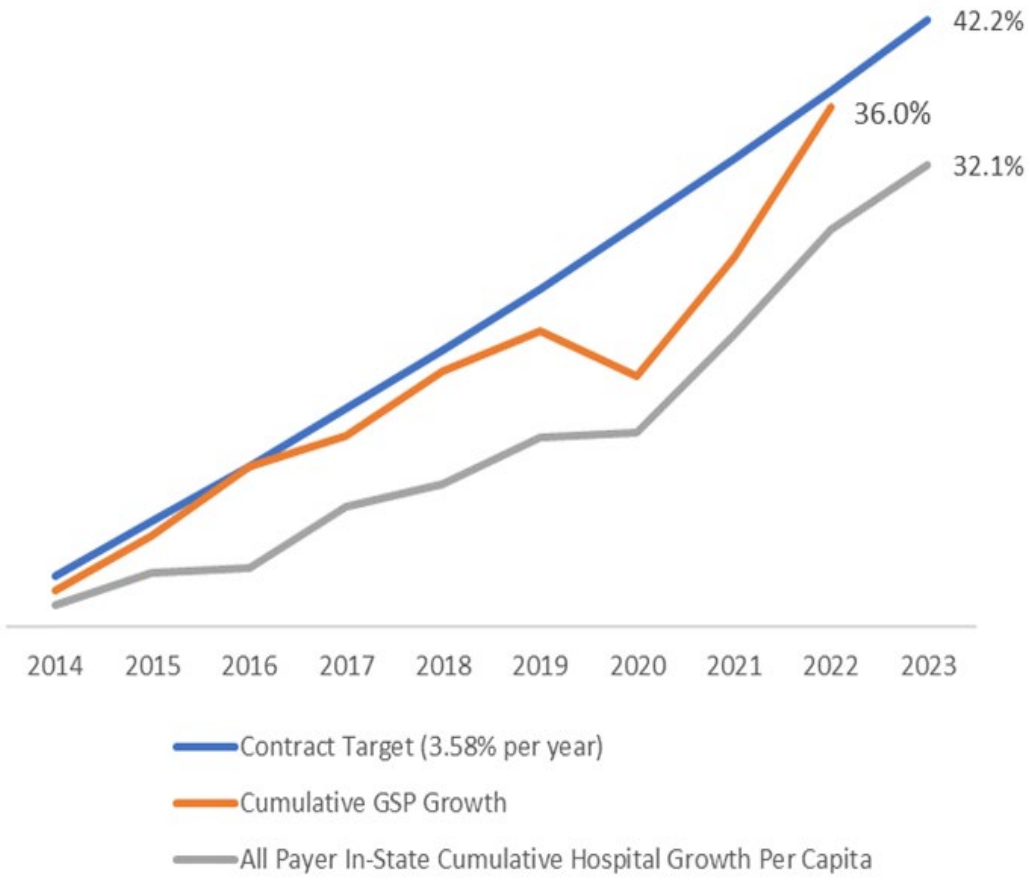


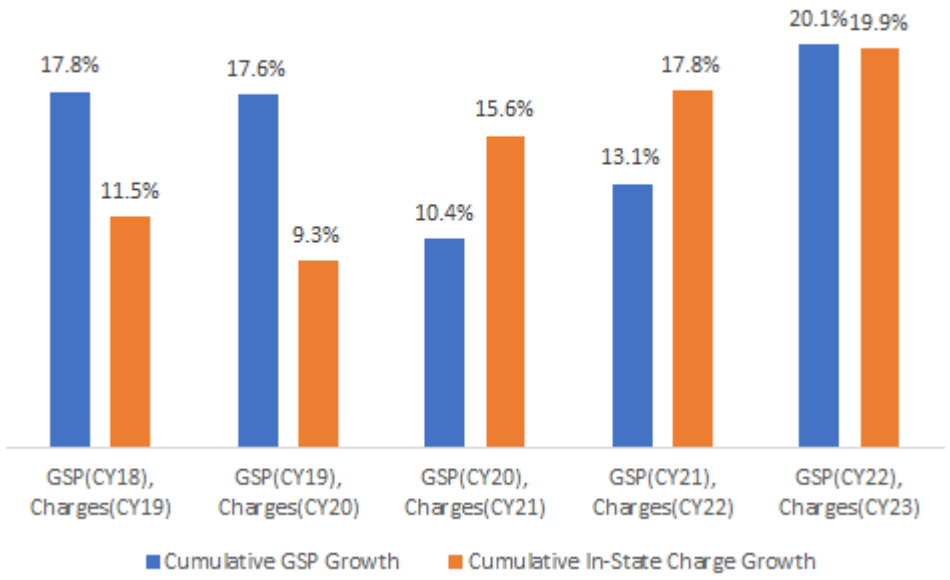
Table 6 Page 21 of the Recommendation

- Under the TCOC Model Contract, all-payer per capita in state revenue is not allowed to exceed annual growth of 3.58%.
- This is a reporting test and is therefore not lagged. The amount used is in-state hospital revenue not total hospital revenue.
- Chart also shows actual GSP growth, as the 3.58% was a historic number and does not represent actual GSP growth, which is cumulatively about 4 points lower.
- Rate increases have been lower than both the contractual target and actual GSP growth over the life of the contract. Most of the gain occurred in the early years of the contract.

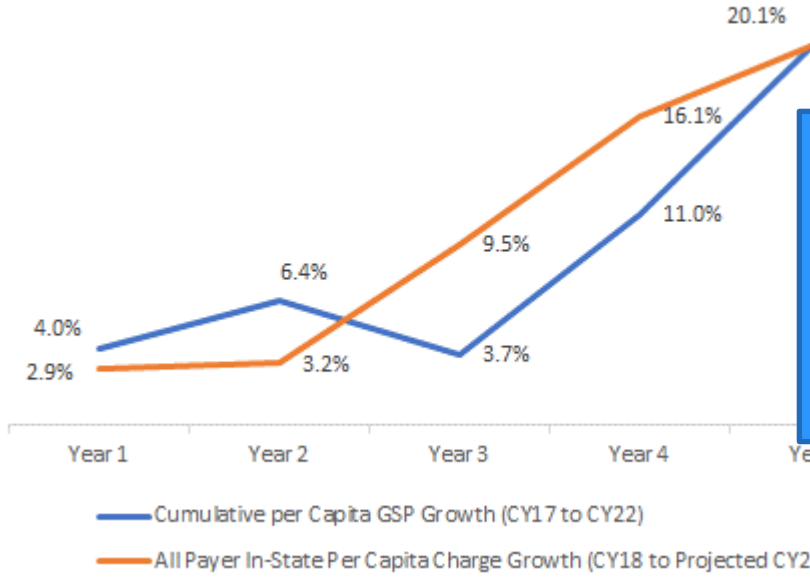
Affordability Scorecard – 5-year GSP Test

- In prior periods, staff have suggested a rolling 5-year GSP test to ensure hospital costs remain affordable on an ongoing basis.
- The test is lagged to avoid requiring a prediction of GSP. For example compares, GSP for CY17 to CY22 to In-State Charges for CY18 to projected CY23

GSP vs In-State Charge Growth for the 5-year periods ending with the date shown



GSP vs In-State Charge Growth over the course of the current 5-year window



Current proposed update factor will bring In-State Charge growth just below GSP growth for the preceding 5-year window

Recommendations

Recommendations

For Global Revenues:

(a) Provide all hospitals a base inflation increase of 3.16 percent.

(b) Provide an overall increase of 3.36 percent for revenue (including a net change to uncompensated care) and 3.52 percent per capita for hospitals under Global Budgets, as shown in Table 2. In addition, the staff is proposing to split the approved revenue into two targets, a mid-year target, and a year-end target. Staff will apply 49.73 percent of the Total Approved Revenue to determine the mid-year target and the remainder of revenue will be applied to the year-end target. Staff is aware that there are a few hospitals that do not follow this pattern of seasonality and will adjust the split accordingly.

- Global Insights' First Quarter book for April 28, 2023, reflects an inflation rate of 3.35 percent. In the RY2024 Final Recommendations, the inflation number will be updated.

(c) Convene a workgroup to establish benchmarks and methods for a Financial Condition Assessment that will, at a minimum, evaluate operating margins, cash position, debt coverage ratios, and capital investment.

Recommendations

For Non-Global Revenues including psychiatric hospitals and Mt. Washington Pediatric Hospital:

(a) Provide an overall update of 3.16 percent of inflation.

(b) Withhold implementation of productivity adjustment due to the low volumes hospitals are experiencing as the result of the COVID-19 pandemic.

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Draft Recommendation for the Update Factors for Rate Year 2024

May 10, 2023

Please submit all comments to hscrc.payment@maryland.gov by COB May 17, 2023.

Table of Contents

List of Abbreviations

ACA	Affordable Care Act
CAGR	Compounded Annual Growth Rate
CMS	Centers for Medicare & Medicaid Services
CY	Calendar year
FFS	Fee-for-service
FFY	Federal fiscal year, refers to the period of October 1 through September 30
FY	Fiscal year
GBR	Global Budget Revenue
GSP	Gross State Product
HSCRC	Health Services Cost Review Commission
MHAC	Maryland Hospital Acquired Conditions
MPA	Medicare Performance Adjustment
MPA-SC	Medicare Performance Adjustment - Saving Component
OACT	Office of the Actuary
PAU	Potentially avoidable utilization
QBR	Quality Based Reimbursement
RRIP	Readmission Reduction Incentive Program
RY	Rate year, which is July1 through June 30 of each year
TCOC	Total Cost of Care
UCC	Uncompensated care

Overview

Policy Objective	Policy Solution	Effect on Hospitals	Effect on Payers / Consumers	Effects on Health Equity
The annual update factor is intended to provide hospitals with reasonable changes to rates in order to maintain operational readiness while also seeking to contain the growth of hospital costs in the State. In addition, the policy aims to be fair and reasonable for hospitals and payers.	The draft recommendation provides an annual update factor of 3.52 percent per capita, a revenue increase of 3.36 percent for hospitals under Global Budgets. This policy also provides an inflation increase of 3.16 percent for hospitals not under Global Budgets which includes psych hospitals and Mt. Washington Pediatrics.	The annual update factor provides hospitals with permanent and one-time adjustments to their respective rate orders for RY 2024. The update includes changes for inflation, high-cost drugs, care coordination, complexity and innovation, quality, uncompensated care, and others as deemed necessary.	One of the tenets of the update factor determination is to contain the growth of costs for all payers in the system and to ensure that the State meets its requirements under the Medicare Total Cost of Care Agreement. Applied to all payers in the system, the update factor determination ensures that the increases to hospital rates borne by all purchasers of hospital services, including consumers, is reasonable and affordable.	The annual update factor contains the growth of costs for all payers and reflects ongoing investments in population health and health equity through the Regional Partnership programs. The update factor also reflects quality measures, including within hospital disparities, that aim to improve health disparities across the State.

Executive Summary

The following report includes a draft recommendation for the Update Factor for Rate Year (RY) 2024. This update is designed to provide hospitals with reasonable inflation to maintain operational readiness and to keep healthcare affordable in the State of Maryland.

This recommendation generally follows approaches established in prior years for setting the update factors. One notable exception is that staff had to account for the one-time actions taken during the December 2022 Commission meeting to improve total cost of care performance in Calendar Year (CY) 2023 as a) the State is expected to miss its contractually obligated savings target of $267 million in CY 2022 and b) the last evaluation the Federal government will utilize for considering the extension of the TCOC Model is CY 2023 when the State is required to achieve a $300 million annual savings run rate. Thus, in the modeling of TCOC savings in this recommendation staff accounted for the December 2022 actions of a $40 million onetime all-payer rate reduction, a temporary increase of 1 percent to the governmental payer discount (known as the differential) and an increase to the Medicare Performance Adjustment Savings Component (MPA SC) of $64 million, which reduces Medicare reimbursement levels (not rates). Reductions to hospital

payments were partially offset by a $50 million reduction to the Medicaid Deficit Assessment - a hospital provider tax that supports the Maryland Medicaid program.

All analyses herein do not contemplate TCOC savings in 2024, as the various financial tests that are considered in determining the reasonableness of the Update Factor are always predicated on the current calendar year and projecting two-year growth for national total cost of care and Maryland non-hospital providers would likely be inaccurate. Nevertheless, it should be noted that any calculated savings rates in 2023, when measured on a permanent go forward basis, are overstated,[1] because the one time actions taken in the December 2022 Commission meeting will be reversed in CY 2024 - the lone exception is the increase to the differential which will remain in rates for the entirety of RY 2024 and then eliminated in the second half of the calendar year.

Staff recognizes that the ripple effect of the COVID-19 crisis, workforce shortage and subsequent high rates of inflation continue to create significant uncertainty in the healthcare industry, which is why the Commission elected to implement one-time and mostly Medicare specific TCOC improvement actions during the December Commission meeting. Staff will continue to work with all stakeholders to develop and adapt existing policies in specific ways to address the COVID-19 crisis and its lingering effects on healthcare in the State of Maryland. Specifically, Staff believes that the Commissioners should consider revising the annual inflation allotment provided in the RY 2024 Update Factor recommendation to align with the Medicare Inpatient and Outpatient Prospective Payment System rule when the final Medicare payment increases are known. Additionally, If Maryland's TCOC performance should worsen or not meet expectations compared to the nation, the Commission should consider ways to ensure that Maryland meets its CY 2023 contractual obligations by implementing an all-payer reduction and/or requesting to increase the MPA SC later in the year. Additionally, Staff believe the Commissioners should consider endorsing a workgroup to develop and assess financial condition benchmarks that will help inform future actions the Commission may take to stabilize the Maryland hospital market.

As with all HSCRC policies, the aim is equity and fairness for all hospitals and payers that balances the need to provide sufficient resources for operational readiness and necessary investment, while simultaneously ensuring affordability for consumers and purchasers of hospital services, as well as meeting all of the State's contractual obligations with the federal government.

Staff requests that Commissioners consider the following draft recommendations:

For Global Revenues:

(a) Provide all hospitals a base inflation increase of 3.16 percents.

[1] Staff estimates that the reversal of the one-time TCOC improvement actions that were approved in the December 2022 Commission meeting will likely yield an additional dissavings of ~1% or ~$100 million.

(b) Provide an overall increase of 3.36 percent for revenue (including a net increase to uncompensated care) and 3.52 percent per capita for hospitals under Global Budgets, as shown in Table 2. In addition, the staff is proposing to split the approved revenue into two targets, a mid-year target, and a year-end target. Staff will apply 49.73 percent of the Total Approved Revenue to determine the mid-year target and the remainder of revenue will be applied to the year-end target. Staff is aware that there are a few hospitals that do not follow this pattern of seasonality and will adjust the split accordingly.

- Global Insights' First Quarter book for April 28, 2023, reflects an inflation rate of 3.35 percent. In the RY2024 Final Recommendation, the inflation number will be updated to this value.

(c) Convene a workgroup to establish benchmarks and methods for a Financial Condition Assessment that will, at a minimum, evaluate operating margins, cash position, debt coverage ratios, and capital investments.

For Non-Global Revenues including psychiatric hospitals and Mt. Washington Pediatric Hospital:

(a) Provide an overall update of 3.16 percent for inflation.

(b) Withhold implementation of productivity adjustment due to the low volumes hospitals are experiencing as the result of the COVID-19 pandemic.

Introduction & Background

The Maryland Health Services Cost Review Commission (HSCRC or Commission) updates hospitals' rates and approved revenues on July 1 of each year to account for factors such as inflation, policy-related adjustments, other adjustments related to performance, and settlements from the prior year. For this upcoming fiscal year, the HSCRC is considering the continued long-term impact that COVID-19 is having on the healthcare industry in the development of the update factor. As in all the HSCRC policies, this draft recommendation strives to achieve a fair and equitable balance between providing sufficient funds to cover operational expenses and necessary investments, while keeping the increase in hospital costs affordable for all payers.

In July 2018, CMS approved a new 10-year Total Cost of Care (TCOC) Model Agreement for Maryland, which began January 1, 2019. Under the new TCOC Model, the State committed to continue to limit the growth in hospital costs in line with economic growth, reach an annual Medicare total cost of care savings rate of $300 million by CY2023 ("the Medicare TCOC Savings Requirement"), continue quality improvements, and improve the health of the population. It is worth mentioning that Maryland exceeded the 5-year total cost of care savings requirement under the Total Cost of Care Agreement in 2021, but this performance stalled in 2022, i.e. the run rate fell below the required $267 million. While the Commission

did take significant actions in December of 2022 to ensure that the State meets the total cost of care savings run rate of $300 million in 2023, progress must be sustained through CY2023, as the savings requirement is not a cumulative test and 2023 will be the last year the current Model is evaluated.

To meet the ongoing requirements of the Model, HSCRC will need to continue to ensure, after the COVID-19 crisis abates, that state-wide hospital revenue growth is in line with the growth of the economy. The HSCRC will also need to continue to ensure that the Medicare TCOC Savings Requirement is met. The approach to developing the RY 2024 annual update is outlined in this report, as well as Staff's estimates on calendar year Model tests.

Hospital Revenue Types Included in this Recommendation

There are two categories of hospital revenue:

1. Hospitals under Global Budget Revenues, which are under the HSCRC's full rate-setting authority. The proposed update factor for hospitals under Global Budget Revenues is a revenue update. A revenue update incorporates both price and volume adjustments for hospital revenue under Global Budget Revenues. The proposed update should be compared to per capita growth rates, rather than unit rate changes.

2. Hospital revenues for which the HSCRC sets the rates paid by non-governmental payers and purchasers, but where CMS has not waived Medicare's rate-setting authority to Maryland and, thus, Medicare does not pay based on those rates. This includes freestanding psychiatric hospitals and Mount Washington Pediatric Hospital. The proposed update factor for these hospitals is strictly related to price, not volume.

This recommendation proposes Rate Year (RY) 2024 update factors for both Global Budget Revenue hospitals and HSCRC regulated hospitals with non-global budgets.

Overview of Draft Update Factors Recommendations

For RY 2024, HSCRC staff is proposing an update of 3.36 percent per capita for global budget revenues and an update of 3.16 percent for non-global budget revenues. These figures are described in more detail below.

Calculation of the Inflation/Trend Adjustment

For hospitals under both revenue types described above, the inflation allowance is central to HSCRC's calculation of the update adjustment. The inflation calculation blends the weighted Global Insight's Fourth Quarter 2022 market basket growth estimate with a capital growth estimate. For RY 2024, HSCRC Staff combined 91.20 percent of Global Insight's Fourth Quarter 2022 market basket growth of 3.20 percent with 8.80 percent of the capital growth estimate of 2.70 percent, calculating the gross blended amount as a 3.16 percent inflation adjustment. Since the drafting of this recommendation, Global Insights has released its CY 2023 First Quarter book, which historically is the reference staff use to determine annual inflation and

this year reflects an inflation rate of 3.35 percent. In the RY2024 Final Recommendation, the inflation number will be updated to 3.35 percent. Staff note that this revision will reduce estimated Medicare savings in CY 2023 by approximately $6 million.

Consideration of Hospital Financial Conditions

Hospital industry representatives have raised concerns over hospital financial performance in several forums. Staff recognize that Fiscal Years 2022 and 2023 have been more financially challenging for hospitals than prior years and that several hospitals are challenged to meet their system debt service coverage ratios. As noted in the Hospital Financial Condition Report released this month, hospital regulated margins for Fiscal Year 2022 were 6.46 percent, down from 9.70 percent in Fiscal Year 2021. While total operating margins (including unregulated business) were 0.77 percent, down from 4.01 percent over the same time window. Unaudited data received by the HSCRC shows that year-to-date Fiscal 2023 margins through February have declined further to 2.93 percent regulated margins and 0.35 percent total operating margins.

This recommendation does not include any specific accommodations for these results beyond recommending that the Commission work with stakeholders to develop a more comprehensive financial condition assessment. While Staff acknowledges the deterioration of the margin during FY 22 and 23, at this time, Staff is not recommending any special accommodations given the fact that overall hospital balance sheets remain well above levels seen prior to the beginning of the GBR system in 2014 and have followed a period of many years of strong margin. Furthermore, statewide average regulated margins remain positive, meaning that any extra funding would effectively be directed at unregulated operations, over which the Commission has no regulatory authority and limited ability to evaluate appropriateness (although Staff acknowledge some of these costs may be inherent in operating a hospital). A more thoughtful approach is needed to consider covering additional costs needed to run a hospital. Individual hospitals with more significant financial challenges can and have been taking advantage of the various avenues to appeal for specific relief.

Update Factor Recommendation for Non-Global Budget Revenue Hospitals

For non-global budget hospitals (psychiatric hospitals and Mt. Washington Pediatric Hospital), HSCRC Staff proposes applying the inflation adjustment of 3.16 percent. The pandemic's effect on hospitals continues to result in historically low volumes. For this reason, HSCRC staff propose to withhold the productivity adjustment from this year's gross blended inflation amount. It is important to note that these hospitals receive an adjustment based on their actual volume change, rather than a population adjustment. HSCRC staff continues to include these non-global budget hospitals in readmission calculations for global budget hospitals and may implement quality measures for these hospitals in future rate years.

Table 1

	Global Revenue	Psych & Mt. Washington
Proposed Base Update (Gross Inflation)	3.16%	3.16%
Productivity Adjustment	N/A	SUSPENDED
Proposed Inflation Update	3.16%	3.16%

Update Factor Recommendation for Global Budget Revenue Hospitals

In considering the system-wide update for the hospitals with global revenue budgets under the Total Cost of Care Model, HSCRC staff sought to achieve balance among the following conditions:

- Meeting the requirements of the Total Cost of Care Model agreement, including achieving $300 million in annual Medicare savings by the end of CY 2023;
- Providing hospitals with the necessary resources to keep pace with changes in inflation and demographic changes;
- Ensuring that hospitals have adequate resources to invest in the care coordination and population health strategies necessary for long-term success under the Total Cost of Care Model;
- Incorporating quality performance programs; and
- Ensuring that healthcare remains affordable for all Marylanders.

As shown in Table 2, after accounting for all known changes to hospital revenues, HSCRC staff estimates net revenue growth (before accounting for changes in uncompensated care and assessments) of 3.31 percent and per capita growth of 3.47 percent for RY2024.

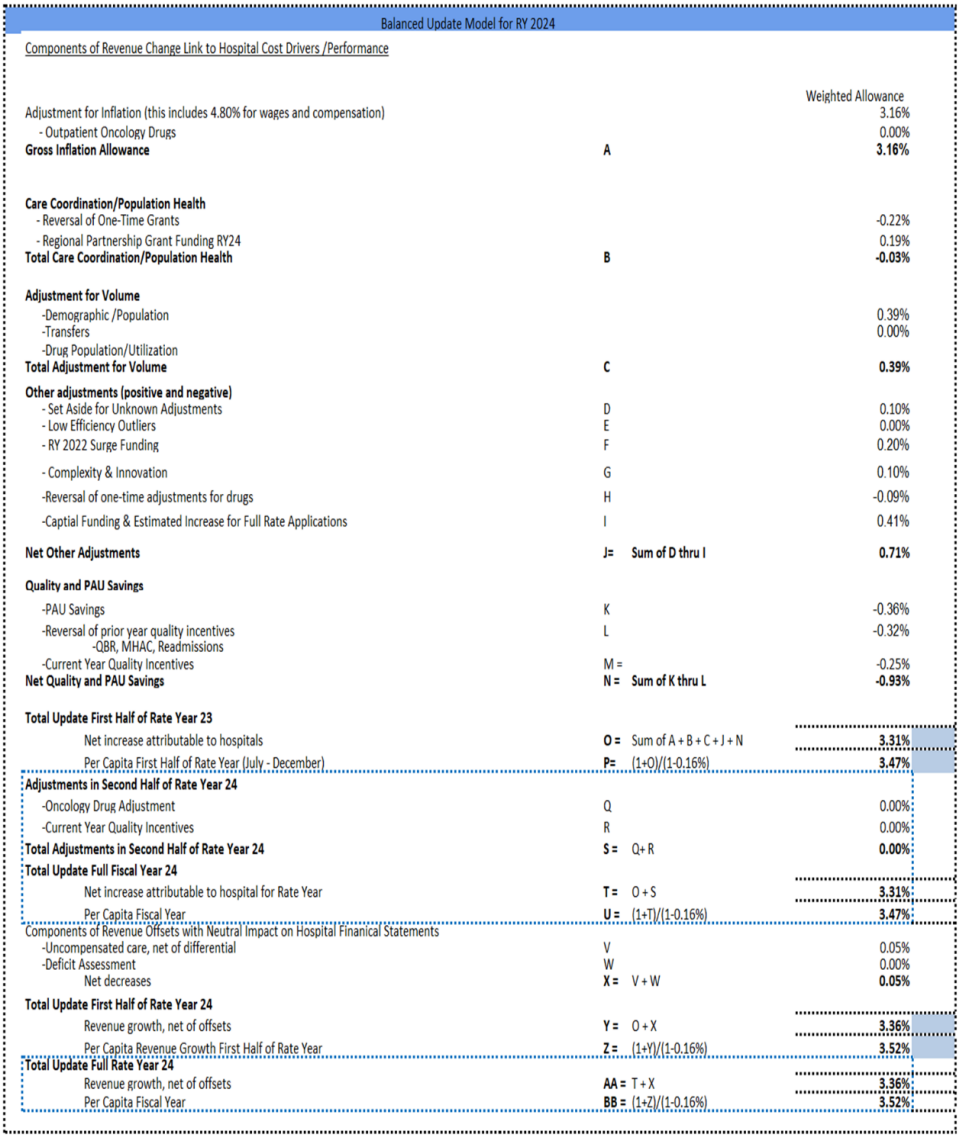
After accounting for changes in uncompensated care and assessments, the HSCRC estimates net revenue growth at 3.36 percent with a corresponding per capita growth of .52 percent for RY 2024.

To measure the proposed update against financial tests, which are performed on Calendar Year results, Staff split the annual Rate Year revenue into six-month targets. Staff intends to apply 49.73 percent of the Total Approved Revenue to determine the mid-year target for the calendar year calculation, with the full amount of RY 2024 estimated revenue used to evaluate the Rate Year year-end target. HSCRC staff will adjust the revenue split to accommodate their normal seasonality for hospitals that do not align with the traditional seasonality described above.

Net Impact of Adjustments

Table 2 summarizes the net impact of the HSCRC Staff's final recommendation for inflation, volume, Potentially Avoidable Utilization (PAU) savings, uncompensated care, and other adjustments to global revenues. Descriptions of each step and the associated policy considerations are explained in the text following the table.

Table 2



Balanced Update Model for RY 2024

Components of Revenue Change Link to Hospital Cost Drivers /Performance

			Weighted Allowance
Adjustment for Inflation (this includes 4.80% for wages and compensation)			3.16%
- Outpatient Oncology Drugs			0.00%
Gross Inflation Allowance	**A**		**3.16%**
Care Coordination/Population Health			
- Reversal of One-Time Grants			-0.22%
- Regional Partnership Grant Funding RY24			0.19%
Total Care Coordination/Population Health	**B**		**-0.03%**
Adjustment for Volume			
-Demographic /Population			0.39%
-Transfers			0.00%
-Drug Population/Utilization			
Total Adjustment for Volume	**C**		**0.39%**
Other adjustments (positive and negative)			
- Set Aside for Unknown Adjustments	D		0.10%
- Low Efficiency Outliers	E		0.00%
- RY 2022 Surge Funding	F		0.20%
- Complexity & Innovation	G		0.10%
-Reversal of one-time adjustments for drugs	H		-0.09%
-Captial Funding & Estimated Increase for Full Rate Applications	I		0.41%
Net Other Adjustments	**J=**	**Sum of D thru I**	**0.71%**
Quality and PAU Savings			
-PAU Savings	K		-0.36%
-Reversal of prior year quality incentives -QBR, MHAC, Readmissions	L		-0.32%
-Current Year Quality Incentives	M =		-0.25%
Net Quality and PAU Savings	**N =**	**Sum of K thru L**	**-0.93%**
Total Update First Half of Rate Year 23			
Net increase attributable to hospitals	**O =**	Sum of A + B + C + J + N	**3.31%**
Per Capita First Half of Rate Year (July - December)	**P=**	(1+O)/(1-0.16%)	**3.47%**
Adjustments in Second Half of Rate Year 24			
-Oncology Drug Adjustment	Q		0.00%
-Current Year Quality Incentives	R		0.00%
Total Adjustments in Second Half of Rate Year 24	**S =**	Q+ R	**0.00%**
Total Update Full Fiscal Year 24			
Net increase attributable to hospital for Rate Year	**T =**	O + S	**3.31%**
Per Capita Fiscal Year	**U =**	(1+T)/(1-0.16%)	**3.47%**
Components of Revenue Offsets with Neutral Impact on Hospital Finanical Statements			
-Uncompensated care, net of differential	V		0.05%
-Deficit Assessment	W		0.00%
Net decreases	**X =**	V + W	**0.05%**
Total Update First Half of Rate Year 24			
Revenue growth, net of offsets	**Y =**	O + X	**3.36%**
Per Capita Revenue Growth First Half of Rate Year	**Z =**	(1+Y)/(1-0.16%)	**3.52%**
Total Update Full Rate Year 24			
Revenue growth, net of offsets	**AA =**	T + X	**3.36%**
Per Capita Fiscal Year	**BB =**	(1+Z)/(1-0.16%)	**3.52%**

Central Components of Revenue Change Linked to Hospital Cost Drivers/Performance

HSCRC Staff accounted for several factors that are central provisions to the update process and are

linked to hospital costs and performance. These include:

- **Adjustment for Inflation:** As described above, the inflation factor uses the gross blended statistic of 3.16 percent. The gross inflation allowance is calculated using 91.2 percent of Global Insight's Fourth Quarter 2022 market basket growth of 3.20 percent with 8.80 percent of the capital growth index change of 2.70 percent. The adjustment for inflation includes 4.80 percent for wage and compensation. Staff anticipate that the gross blended statistic of 3.16 percent will change once Global Insight releases its First Quarter 2023 book, which is historically the basis for the Commission's Update Factor recommendation. Due to the delayed release of the book, staff did not reflect the updated market basket growth statistics in the Draft Recommendation, but will update the Final Recommendation in line with historical practice.

- **Outpatient Oncology and Infusion Drugs:** The rising cost of drugs, particularly of new physician-administered oncology and infusion drugs in the outpatient setting led to the creation of separate inflation and volume adjustment for these drugs. Not all hospitals provide these services, and some hospitals have a much larger proportion of costs allocated. To address this situation, in Rate Year 2016, staff began allocating a specific part of the inflation adjustment to funding increases in the cost of drugs, based on the portion of each hospital's total costs that comprised these types of drugs.

  In addition to the drug inflation allowance, the HSCRC provides a utilization adjustment for these drugs. Half of the estimated cost changes due to usage or volume changes are recognized as a one-time adjustment and half are recognized as a permanent adjustment. This process is implemented separately from this Update Factor so only the inflation portion is addressed herein.

  Starting in Rate Year 2021, Staff began using a standard list of drugs based on criteria established with the industry in evaluating high-cost drug utilization and inflation. This list was used to calculate the inflation allowance as well as the drug utilization adjustment component of funding for these high-cost drugs. Rate Year 2024 continues this practice. While volume continues to grow for these drugs, Staff analysis shows that the price per drug of the drugs covered has stabilized and the need for a higher inflation rate on this component of spending has been mitigated. This trend was recognized in Rate Year 2021 through a lowering of the drug inflation factor from 10 percent to 6 percent and then again with a lowering to 1 percent for RY23. This year Staff reviewed trends from 2018 to 2022 and determined that price and mix have been minimal over the recent period. Therefore, Staff is proposing a 0 percent drug inflation factor for RY 2024 for outpatient oncology and infusion drugs.

- **Care Coordination / Population Health:** There were several grant programs aimed at Care Coordination and Population Health in RY 2023 hospital revenues. These programs include Regional Partnership Catalyst Programs for Diabetes and Behavioral Health, Maternal and Child Health Improvement Fund Assessment, Population Health Workforce Support for Disadvantaged Areas, and transition funding for Regional Partnership Legacy Grants. These funds were provided to hospitals on a one-time basis. For this reason, you will see a line in Table 2 reversing out grant funding in RY 2023 of -0.22 percent. RY 2024 funding is expected to be approximately 0.19

percent and includes continued funding for Diabetes and Behavioral Health, as well as Maternal and Child Health.

- **Adjustments for Volume:** The Maryland Department of Planning's estimate of population growth for RY 2024 is -0.16 percent; however, as noted by staff in Payment Model Workgroup Meetings and in Commission meetings, the projected population declines are relative to a revised July 1, 2020 base in which the Department of Planning accounted for the ten year forecasting error that was identified in the 2010-2020 census. Specifically, in the RY 2023 Demographic Adjustment, the Department of Planning revised the base upwards by 1.93 percent, an increase of 116,283 lives, and then projected a population decline of -0.12 percent from that revised base. The Commission only reflected the decline of -0.12 percent in the RY 2023 Demographic Adjustment, thereby reducing global budgets for 27 hospitals by approximately $79 million. In light of the revision to the census, Staff is recommending that the Commissioners a) reverse the population declines that were scored for 27 hospitals in RY 2023 b) implement a 0 percent RY 2024 Demographic Adjustment for all hospitals in lieu of the Department of Planning projection of -0.16 percent and c) convene a workgroup to establish the methodology for potentially providing additional funding in hospital rates for the population growth that was not accounted for from 2010-2020.

- **Low-Efficiency Outliers:** The Integrated Efficiency policy outlines a methodology for determining inefficient hospitals in the TCOC Model. This policy will utilize the Inter-Hospital cost comparisons to compare relative cost-per case efficiency. This policy will also use Total Cost of Care measures with a geographic attribution to evaluate per capita cost performance relative to national benchmarks for each service area in the State. The above evaluations are then used to withhold the Medicare and Commercial portion of the Annual Update Factor for relatively inefficient hospitals, which will be available for redistribution to relatively efficient hospitals or potentially for reinvestment through the proposed Revenue for Reform policy. Staff is simultaneously recommending modifications to the Integrated Efficiency policy in the June Commission meeting, and as such will not reflect potential adjustments related to Integrated Efficiency Policy in the Draft Update Factor Recommendation. In the Final Update Factor Recommendation, Staff will reflect potential adjustments related to the Integrated Efficiency Policy and the Full Rate Application policy.

- **Set-Aside for Unforeseen Adjustments:** The intention of the set-aside is to use these funds for potential Global Budget Revenue enhancements and other potentially unforeseen requests that may occur at hospitals. Staff is recommending 0.10 percent for RY 2024.

- **FY2022 Surge Funding:** A policy (COVID-19 Surge Policy) was adopted by the Commission in April 2020 under which hospitals would be reimbursed for COVID-19 cases that exceeded their GBR during designated periods. Two periods were designated eligible for this funding, one coinciding with the onset of the COVID-19 crisis in the spring and summer of 2020 and one during the winter of that year, ending in early 2021. With the severe spike of COVID-19 cases in the winter of 21/22 the Commission expressed a commitment to evaluate a similar approach for FY2022, upon completion of the fiscal year and after modifying the policy to take into consideration the different circumstances in FY2022. Consideration of this policy was delayed due

to the Medicare savings challenges during CY2022, but Staff is now proposing an approach to meet this commitment. The outcome of that approach is a 0.2 percent overall impact as shown in this update factor. Details of the specific approach can be found in Appendix A of this document. Staff recommends this adjustment be the last special adjustment for COVID for both prior and future periods, except in the event of a major recurrence of the crisis.

- **Complexity and Innovation (formerly Categorical Cases):** The prior definition of categorical cases included transplants, burn cases, cancer research cases, as well as Car-T cancer cases, and Spinraza cases. However, the definition, which was based on a preset list, did not keep up with emerging technologies and excluded various types of cases that represent greater complexity and innovation, such as extracorporeal membrane oxygenation cases and ventricular assist device cases. Thus, the HSCRC Staff developed an approach to provide a higher variable cost factor (100% for drugs and supplies, 50% for all other charges) to in-state, inpatient cases when a hospital exhibits dominance in an ICD-10 procedure codes and the case has a casemix index of 1.5 or higher. Staff used this approach to determine the historical average growth rate of cases deemed eligible for the complexity and innovation policy and evaluated the adequacy of funding of these cases relative to prospective adjustments provided to Johns Hopkins Hospital and University of Maryland Medical Center in RY 2017, 2018, 2019, 2020, 2021, and 2022. Based on this analysis, staff concluded that the historical average growth rate was 0.38 percent, which equates to a combined state impact of 0.10 percent for the RY 2024 Update Factor.

- **PAU Savings Reduction:** The statewide RY 2024 PAU savings adjustment, of -0.36 percent, is calculated based on update factor inflation and demographic adjustment applied to CY 2022 PAU performance.
- **Quality Scaling Adjustments:** The quality pay-for-performance programs include Maryland Hospital Acquired Conditions (MHAC), Readmission Reduction Incentive Program (RRIP) including the Disparity Gap Incentive, and Quality Based Reimbursement program (QBR). Despite the suspension of payment incentives and modifications for COVID in RY 2022 and RY 2023, in RY 2024 all three quality programs will be implemented. Preliminary QBR adjustments will be implemented with the July rate orders and adjustments will be made in the January rate orders to reflect the full measurement period. The January QBR adjustments may also include changes to the preset revenue adjustment scale to reflect reduced performance standards in line with lower scores nationally, as approved in the RY 2024 final policy. The current revenue adjustments across the three programs is 0.25 percent (with preliminary QBR). The Update Factor recommendation also reflects the reversal of prior year Quality adjustments, which in RY 2023 were higher than historical adjustments at 0.32 percent, as the only incentives that were put in place were the RRIP, inclusive of the Disparity Gap Incentive.
- **Capital Funding and Estimated Increase for Full Rate Applications:** The Greater Baltimore Medical Center (GBMC) received an approved Certificate of Need (CON) in August 2020 to construct an expansion of the main lobby. This project is estimated to increase the budget by 0.01 percent, or $2 million, in RY2024**.**

Preliminary modeling indicates that efficient hospitals may be entitled to approximately $80 million through the Full Rate Application Policy. This value is subject to change based on quality assurance reviews of Inter-hospital Cost Comparison (ICC) methodology and the Marketshift Policy, which has an effect on the final revenues evaluated in the ICC. Additionally, the values may also change based on Commission consideration of proposed revisions to the Full Rate Application policy, which will be released as a Draft Recommendation in the June Commission meeting.

Central Components of Revenue Offsets with Neutral Impact on Hospital Financial Statements

In addition to the central provisions that are linked to hospital costs and performance, HSCRC staff also considered revenue offsets with a neutral impact on hospital financial statements. These include:

- **Uncompensated Care (UCC):** The proposed uncompensated care adjustment for RY 2024 will be 0.05 percent. The amount in rates was 4.22 percent in RY 2023, and the proposed amount for RY 2024 is 4.27 percent, an increase of 0.05 percent.
- **Deficit Assessment:** In line with the Commission's Total Cost of Care improvement actions taken in December 2022, the legislature proposed a $50 million decrease to the Deficit Assessment; however, the Commission indicated during its deliberations in December 2022, that any reduction should be attributable to hospital profits and thus has no impact on hospital charges. As a result, this line item is 0.00 percent.

Additional Revenue Variables

In addition to these central provisions, there are additional variables that the HSCRC considers. These additional variables include one-time adjustments, revenue and rate compliance adjustments and price leveling of revenue adjustments to account for annualization of rate and revenue changes made in the prior year.

PAU Savings Updated Methodology

The PAU Savings Policy prospectively reduces hospital global budget revenues in anticipation of volume reductions due to care transformation efforts. Starting in RY 2020, the calculation of the statewide value of the PAU Savings was included in the Update Factor Recommendation; however, a PAU measurement report was presented separately to the Commission in March of 2019.

For RY 2024, the incremental amount of statewide PAU Savings reductions is determined formulaically by using inflation and the demographic adjustment applied to the amount of PAU revenue (see Table 3). This will result in a RY 2024 permanent PAU savings reduction of -0.37 percent statewide, or $72,466,925. Hospital performance on avoidable admissions per capita and 30-day readmissions, the latter of which is attributed to the index hospital, determines each hospital’s share of the statewide reduction.

Table 3

Statewide PAU Reduction	Formula	Value
RY 2023 Total Estimated Permanent Revenue	A	$19,585,655,296
RY 2024 Inflation Factor**	B	3.55%
CY 2022 Total Experienced PAU $	C	$2,066,535,838
RY 2024 Proposed Revenue Adjustment $	D = B*C	-$73,362,022
RY 2024 Proposed Revenue Adjustment %	E = D/A	-0.37457%
RY 2024 Adjusted Proposed Revenue Adjustment %	F = ROUND(E)	**-0.370000%**
RY 2024 Adjusted Proposed Revenue Adjustment $ *	G = F*A	**-$72,466,925**
Total PAU %	H	10.44%
Total PAU $	I = A*H	$2,044,485,050
Required Percent Reduction PAU	J = G/I	-3.54

*Does not include revenue from McCready, or freestanding EDs.

** Inflation factor is subject to revisions related to updated data and Commission approval

Change in Differential

In December 2022 the Commission voted, and CMMI subsequently approved, an increase of 1 percent to the public payer differential, from 7.7 percent to 8.7 percent, effective April 1, 2023. This increase was implemented for the remainder of RY 2023 and the duration of RY 2024. While the overall impact to hospitals will be revenue neutral, hospital markups, rates, and GBRs will be adjusted to account for a lower public payer payment. The adjustments will be hospital specific, as they are based on the percentage of services attributable to public payers.

Consideration of Total Cost of Care Model Agreement Requirements & National Cost Figures

As described above, the Staff proposal increases the resources available to hospitals to account for rising inflation, population changes, and other factors, while providing adjustments for performance under quality programs. Staff's considerations regarding the TCOC Model agreement requirements are described in detail below.

Medicare Financial Test

This test requires the Model to generate $300 million in annual Medicare fee-for-service (FFS) savings in total cost of care expenditures (Parts A and B) by the end of CY 2023. The TCOC Model Medicare Savings Requirement is different from the previous All-Payer Model Medicare savings requirement in several ways. First, as previously discussed, Maryland's Total Cost of Care Model Agreement progresses to setting savings targets based on total costs of care, which includes non-hospital cost increases, as opposed to the hospital-only requirements of the All-Payer Model. This shift ensures that spending increases outside of the hospital setting do not undermine the Medicare hospital savings resulting from Model implementation. Additionally, the change to the total cost of care focuses hospital efforts and initiatives across the spectrum

of care and creates incentives for hospitals to coordinate care and to collaborate outside of their traditional sphere for better patient care.

Secondly, the All-Payer Model Savings Requirement was a *cumulative* savings test, where the savings for each year relative to the base period were summed to determine total *hospital* savings. The TCOC Model requires that the State reach an annual total cost of care savings of $300 million relative to the national growth rate by 2023, relative to a 2013 base year. Thus, there must be sustained improved performance overtime to meet the new TCOC Medicare Savings Requirements. In CY 2022, Maryland expects to be below the required $267 million. While the Commission did take significant actions in December of 2022 to ensure that the State meets the total cost of care savings run rate of $300 million in 2023, progress must be sustained through CY2023, as the savings requirement is not a cumulative test and 2023 will be the last year the current Model is evaluated.

Meeting Medicare Savings Requirements and Total Cost of Care Guardrails

In past years, Staff compared Medicare growth estimates to the all-payer spending limits, to estimate that Model savings and guardrails were being met. Prior to the pandemic staff established an approach whereby prior year national trend was used as the stand-in to estimate national trend. However, due to the ongoing COVID-19 pandemic and the related uncertainty and volatility, Staff created an alternative approach to measure projected savings and compliance with the Total Cost of Care guardrails for RY 2023. For RY 2024 Staff are using a combination of these approaches. Scenario 3 represents the prior year trend test used prior to the pandemic; the other 3 scenarios are similar to those used in the more recent periods.

Actual revenue resulting from RY 2024 updates affect the CY 2023 results. As a result, Staff must convert the recommended RY 2024 update to a calendar year growth estimate. Table 4 below shows the current revenue projections for CY 2023 to assist in estimating the impact of the recommended update factor together with the projected RY 2024 results. The overall increase from the bottom of this table is used in Tables 5a-5d.

Table 4

Estimated Position on Medicare Test		
Actual Revenue CY 2022		19,984,015,293
Step 1:		
Approved Blended GBR RY 2023		20,185,681,779
Actual Revenue 7/1/22-12/31/22		9,932,046,714
Approved Revenue 1/1/23-6/30/23		10,253,635,065
FY23 Undercharge in First Half of CY23		-34,166,781
Anticipated Revenue 1/1/23-6/30/23	**A**	**10,219,468,284**
Step 2:		
Approved GBR RY 2023		20,293,387,021
Reverse One Time Extraordinary Adjustments:		
Final Adjusted GBR RY 2023		20,293,387,021
Projected Approved GBR RY 2024		20,974,423,273
Permanent Update RY 2024		3.36%
Final Adjusted Change from GBR RY 2023		3.36%
Step 3:		
Estimated Revenue 7/1/23-12/31/23 (after 49.73% & seasonality)		10,430,580,694
		-
		-
Projected Revenue 7/1/23-12/30/23	**B**	**10,430,580,694**
Step 4:		
Estimated Revenue CY 2023		**20,650,048,978**
Increase over CY 2022 Revenue		3.33%

Steps to explain Table 4 are described as below:

The table begins with actual revenue for CY 2022.

Step 1: The approved blended GBR for RY 2023 is $20,185,681,779. This blends the approved budgeted revenues from rate orders effective beginning July, March, and April. It is necessary to account for anticipated charges in the first six months of CY 2023. Hospitals currently project they will not be able to charge all of RY 2023 revenue by the end of the Rate Year, the estimated shortfall is $12.3 million (the RY 2023 undercharge).

Step 2: The final approved GBR for RY 2023 is $20,293,387,021 which includes the change in differential. This step applies the proposed update of 3.36 percent, as shown in Table 2, to the adjusted RY 2023 GBR amount to calculate the projected revenue for RY 2024.

Step 3: For this step, to determine the calendar year revenues, staff estimate the revenue for the first half of RY 2024 by applying the recommended mid-year split percentage of 49.73 percent to the estimated approved revenue for RY 2024.

Step 4: This step shows the resulting estimated revenue for CY 2023 and then calculates the increase over actual CY 2022 Revenue. The CY 2023 increase based on this year's recommended update is 3.33 percent. The 3.33 percent is used to estimate CY2023 hospital spending per capita for Maryland in our guardrail policy, which is explained in the next policy.

Staff modeled four different scenarios to project the CY 2023 guardrail position. Each scenario is described in more detail below. The one data element that is constant in each scenario is Maryland hospital growth. Because global budget revenues are a known data element, Staff applied the estimated CY 2023 growth of 3.33 percent, shown in Table 4 to Maryland hospital spending per capita from 2022. In addition, the temporary mitigation adopted by the Commission in December 2022 for CY2023 discussed above has been added to the Guardrail Scenario tests. Some aspects of these interventions are included in Table 4 because they directly impact all-payer charges, while others that manifest through other mechanisms, such as the differential and the MPA Savings Component, are not. The incremental impact of the interventions that is not reflected in Table 4 is a 1.13 percent reduction in per capita costs, this incremental savings is reflected in the tables below. The net impact of these temporary interventions is approximately 1 percent. As these interventions all terminate on either December 31, 2023, or June 30, 2024, this 1 percent of savings will need to be replaced by permanent savings in order for the State to meet CY2024 savings goals. These analyses assume that Medicare growth equals All-Payer growth.

Scenario 1, shown in Table 5a, utilizes Medicare fee-for-service per capita data for Maryland and the nation broken out into four buckets (hospital part A, hospital part B, non-hospital part A, and non-hospital part B) which are then added together to calculate a total per capita estimate. This takes the average trend from 2017 to 2019 and trends the data forward using 2022 as the base.

Table 5a

Scenario 1 Guardrail Projections			
	Maryland	US	
2022	$13,566	$11,761	
2023	$13,909	$12,228	Predicted Variance
YOY Growth	2.53%	3.97%	-1.44%

Estimated CY2023 Savings Run Rate (assuming CY22 = $219 M)	$372 M

Scenario 2, shown in Table 5b, utilizes Medicare fee-for-service per capita data for Maryland and the nation broken out into four buckets (hospital part A, hospital part B, non-hospital part A, and non-hospital part B) which are then added together to calculate a total per capita estimate. Scenario 2 takes the average trend from 2015 - 2019 and trends the data forward using 2022 as the base. This is the most conservative estimate of the four scenarios as average national trends for that period were low. Utilizing a longer period to establish the "typical" trend results in a lower trend estimate, as the more recent 2017 to 2019 period utilized in Scenario 1 was a relatively high trend window.

Table 5b

Scenario 2 Guardrail Projections			
	Maryland	US	
2022	$13,566	$11,761	
2023	$13,839	$12,098	Predicted Variance
YOY Growth	2.01%	2.87%	-0.85%
Estimated CY2023 Savings Run Rate (assuming CY22 = $219 M)			$303 M

Scenario 3, shown in Table 5c, utilizes Medicare fee-for-service per capita data for Maryland and the nation broken out into four buckets (hospital part A, hospital part B, non-hospital part A, and non-hospital part B) which are then added together to calculate a total per capita estimate. Scenario 3 takes the trend from the prior period (2021-2022) and trends the data forward using 2022 as the base. Staff added this scenario assuming that the post-pandemic trend of 2021 over 2022 reflects the go forward trend. This approach is consistent with the pre-pandemic approach of using the prior year trend to guide current year savings targets. This approach results in a slightly higher estimate of national trends and slightly larger projected savings than Scenario 2.

Table 5c

Scenario 3 Guardrail Projections			
	Maryland	US	
2022	$13,566	$11,761	
2023	$13,766	$12,066	Predicted Variance
YOY Growth	1.47%	2.60%	-1.13%
Estimated CY2023 Savings Run Rate (assuming CY22 = $219 M)			$322 M

Scenario 4, shown in Table 5d, utilizes Medicare fee-for-service per capita data for Maryland and the nation broken out into four buckets (hospital part A, hospital part B, non-hospital part A, and non-hospital part B) which are then added together to calculate a total per capita estimate. Scenario 4 takes the average trend from 2015 - 2019 and trends the data forward using 2019 as the base. The trend used is the same as Scenario 2 but it is applied to a 2019 base rather than 2022, which eliminates the impact of the pandemic on total cost of care. As the overall impact of the pandemic years was to lower total costs this scenario results in a higher projection for 2023 total cost of care. While the pandemic could be viewed as a temporary disruption rather than a permanent change to total cost of care patterns, Staff's review of the data so far does not show a rebound to pre-pandemic patterns of care. This rebound may still occur but assuming it will occur in CY2023 is likely an optimistic assumption.

Table 5d

Scenario 4 Guardrail Projections			
	Maryland	US	
2022	$13,566	$11,761	
2023	$13,866	$12,194	Predicted Variance
YOY Growth	2.36%	3.69%	-1.33%
Estimated CY2023 Savings Run Rate (assuming CY22 = $219 M)			$370 M

In addition to modeling the CY 2023 guardrail position, Staff also modeled estimated savings under each scenario; these are shown in each table above. The savings target for CY 2023 is $300 million. Achieving

an annual run rate of $300 million in CY2023 is crucial as we move to the next phase of Model negotiations because this year will serve as the basis for the federal government's evaluation of the Model.

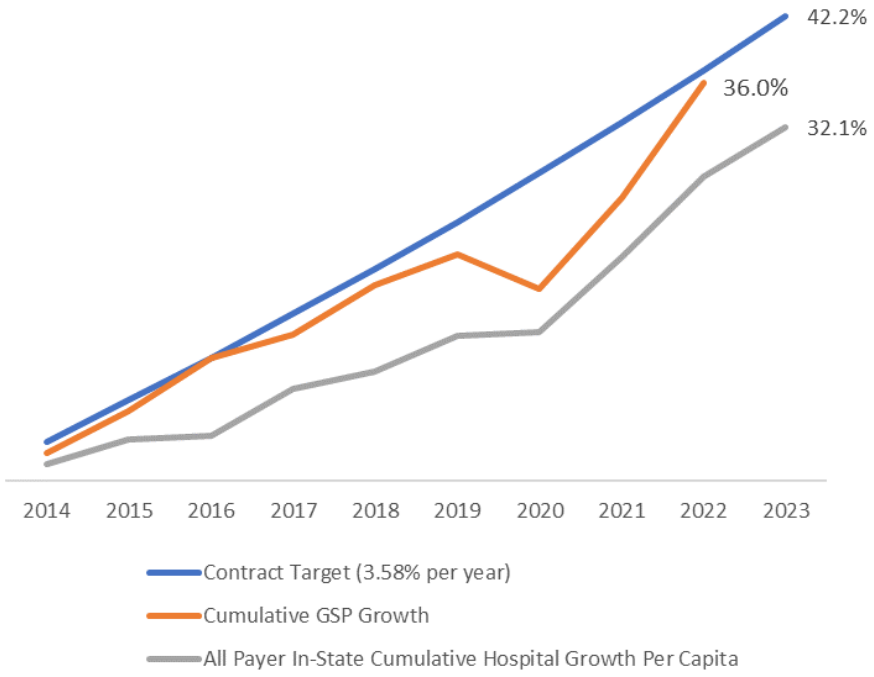
In all four above scenarios, Maryland is set to achieve the savings target for CY 2023 with varying degrees of cushion. In the most conservative scenario, the savings target is achieved with a $3 million cushion. Therefore, this recommendation proposes funding inflation as reported by Global Insights for RY 2024 but does not provide additional funding based on higher prior inflation or anticipated future inflation.

All-Payer Affordability

Under the Total Cost of Care Contract all-payer test, all-payer in-state hospital charge growth cannot grow at above 3.58 percent per annum over the life of the contract (3.58 percent was intended as an approximation of typical per annum Gross State Product (GSP) growth). As shown in Table 6 the cumulative value of this target through CY2023 is 42.2 percent. Actual all-payer in-state hospital charge growth through CY2022 is 27.6[2] percent, inflating this to 2023 using the recommended update factor on a per capita basis yields 32.1 percent. This means that Maryland is approximately 10 percentage points below this target, as seen in Table 6a. Staff also notes that through CY2022 all-payer in-state hospital charges are not just well below the all-payer target but also below the actual cumulative GSP growth through 2022 of 36.0 percent, which is an indication of the savings generated by the Model that accrue to all payers and consumers.

[2] All GSP and charge growth figures in this section use an estimate of Maryland population that does not reflect the increase resulting from the correction of the forecasting error discussed in the "Adjustments for Volume section". This correction was omitted because it is not yet reflected in the all-payer test submitted to CMS. Correcting this value will improve Maryland's performance on the All-Payer test by approximately 1%. It will not change relative performance on the other GSP tests because the same population value is used in calculating both GSP and in-state acute hospital charges per capita.

Table 6
Affordability Scorecard – Cumulative GSP Test with CY 2023 Projection



Staff also compared the all-payer in-state hospital charges to economic growth in Maryland as measured by the GSP for the most recent 5 years. The purpose of this modeling is to ensure that healthcare remains affordable in the State, for this purpose Staff believes it is not sufficient to only look at the cumulative test embedded in the Total Cost of Care Contract. Therefore, Staff calculated the cumulative growth for five years using the most updated State GSP numbers available (CY18-CY22). The 5-year calculation shows a cumulative per capita growth of 20.1 percent.. Staff then compared that number to the 5-year cumulative growth in in-state acute hospital charges using (CY19-CY23). Staff was able to estimate CY 2023 charges using the proposed RY 2023 update factor. The cumulative growth for in-state hospital charges also equated to 20.1 percent, meaning the recommended update factor would keep the cumulative in-state hospital charge growth equal to the GSP growth over a 5-year window.

Medicare's Proposed National Rate Update for FFY 2024

CMS released its proposed rule for the change to the Inpatient Prospective Payment System's (IPPS) payment rate on April 11, 2023. In the proposed rule, CMS would increase rates by approximately 2.80 percent which includes a market basket increase of 3.00 percent, and a productivity reduction of -0.20 percent. This proposed increase will not be finalized until August 2023 and will not go into effect until October 1,2023. This also does not take into account volume changes, nor does it take into account

projected reductions in Medicare disproportionate share hospital (DSH) payments and Medicare uncompensated care payments as well as potential reductions for additional payments for inpatient cases involving new medical technologies and Medicare Dependent Hospitals. As noted above, Staff believes that one way to be responsive to the uncertain TCOC national performance is to make a revision to the annual inflation allotment provided in the RY 2024 Update Factor recommendation to align with the Medicare Inpatient and Outpatient Prospective Payment System rule when the final Medicare payment increases are known.

Recommendations

Based on the currently available data and the Staff's analyses to date, the HSCRC Staff provides the following draft recommendations for the RY 2024 update factors.

For Global Revenues:

(a) Provide all hospitals a base inflation increase of 3.16 percent.

(b) Provide an overall increase of 3.36 percent for revenue (including a net change to uncompensated care) and 3.52 percent per capita for hospitals under Global Budgets, as shown in Table 2. In addition, the staff is proposing to split the approved revenue into two targets, a mid-year target, and a year-end target. Staff will apply 49.73 percent of the Total Approved Revenue to determine the mid-year target and the remainder of revenue will be applied to the year-end target. Staff is aware that there are a few hospitals that do not follow this pattern of seasonality and will adjust the split accordingly.

- Global Insights' First Quarter book for April 28, 2023, reflects an inflation rate of 3.35 percent. In the RY2024 Final Recommendations, the inflation number will be updated .

(c) Convene a workgroup to establish benchmarks and methods for a Financial Condition Assessment that will, at a minimum, evaluate operating margins, cash position, debt coverage ratios, and capital investment.

For Non-Global Revenues including psychiatric hospitals and Mt. Washington Pediatric Hospital:

(a) Provide an overall update of 3.16 percent of inflation.

(b) Withhold implementation of productivity adjustment due to the low volumes hospitals are experiencing as the result of the COVID-19 pandemic.

Appendix A: FY2022 Surge Funding Methodology

Under the original COVID surge policy (in place for FY2020 and FY2021), funding was set equal to the greater of:

1. $0
2. COVID Standardized Charge - (GBR - Non-COVID Standardized Charge)

   Where Standardized Charges are equal to the relevant volume times the rate on the hospital's final issued rate order.

The FY2022 funding starts with this approach and then adds three refinements.

1. COVID cases are limited to those which either had (1) a primary diagnosis of COVID-19 or (2) a primary diagnosis of Sepsis (A41.48) and a non-primary COVID diagnosis. Previously, any case with a COVID diagnosis was considered a COVID case and considered for funding. The change was made as Staff felt that, as the crisis progressed and routine volumes returned to hospitals, there was a much greater prevalence of cases which would reflect a COVID diagnosis, but which were primarily care that was already funded under the GBR. By focusing on COVID primary and Sepsis cases, the policy is focused on hospitals experiencing a spike in COVID volumes. This is consistent with the direction outlined to HSCRC Commissioners in January 2022.

2. The amount awarded under the approach is further capped at the amount by which the hospital's COVID Standardized Charges exceeded the statewide average share of COVID Standardized Charges for FY2022 (2.3%). Staff added this element as, during FY2022, all hospitals faced some degree of COVID cases. Limiting the incremental funding to those with above state average experience focuses the funding on hospitals with differential COVID experience rather than those with heavy, non-COVID volume (as the GBR is not generally a volume funded approach). This limitation becomes particularly relevant given the State's position on the Medicare savings test (and resulting limited funds) and is consistent with the direction previously outlined to HSCRC Commissioners in January 2022.

3. Standard rates were calculated using FY2021 rates on the hospital's final issued rate order trended forward based on the change in total GBR from FY2021 to FY2022. This was done to remove the impact of volume rebasing reflected in FY2022 rates with reduced capacity in the GBR.

Staff intends for these to be the only adjustments made to the previously existing COVID Surge policy methodology. Staff does not intend to further offset these amounts for other funding sources (e.g. PRF dollars).

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Draft Recommendation on Changes to Relative Value Units

Physical Therapy & Occupational Therapy

Effective July 1, 2023

May 10, 2023

Revisions to the Chart of Accounts and the Accounting & Budget Manual

Background

- On January 19, 2023, the HSCRC staff convened a workgroup to review and initiate changes to the PTH & OTH RVUs and guidelines for these rate centers.
- The members of this workgroup included representatives from hospitals, the Maryland Hospital Association, insurance sompanies, and hospital consultants.
- These changes were initiated for the following reasons:
  1. To standardize RVUs using MPFS cost weights
  2. To assign of RVUs procedures reported as “By Report”
  3. To update new CPT codes and removing inactive CPT codes

Methodology

- The descriptions of the new codes in Appendix D of the Accounting and Budget Manual were obtained from the 2023 edition of the CPT manual and the 2023 edition of the HCPCS. In assigning RVUs, the group used the 2023 MPFS released November 2022, and then assigned using the following protocol.

- The proposed RVUs were based on the MPFS Non-Facility (NON-FAC) Practice Expense (PE) RVUs. When there was a Technical (TC) modifier line item, that value was used.

- Unlisted services or services rarely performed have been designated as By Report (BR). RVUs for BR services are to be assigned based on relative RVU value of similar services.

- The BR methodology for each code must be documented and readily available in the event of an audit.

Staff Recommendation

1. That the Commission approves the revisions to the RVU scale for the PTH & OTH Rate Centers. The revisions are specific to the Chart of Accounts and Appendix D of the Accounting and Budget Manual (Attachment 1- Chart of Accounts). These revised RVUs are based on MPFS weights and were reviewed by a workgroup facilitated by the HSCRC staff;
2. That the RVU scale be updated to reflect linkages of RVUs to the CPT codes to incorporate the changes in PTH & OTH practices. The RVU scale was also updated link charging guidelines for PTH & OTH services to the national definition, consistent with the HSCRC's plan to adopt MPFS RVUs where possible (Attachment 2 – Appendix D);
3. That the new and updated RVUs be effective July 1, 2023. The conversion of the PTH & OTH RVUs be revenue neutral to the overall Hospital Global Budget Revenues; and
4. That revisions to the Chart of Account related to Observation services be effective July 1, 2023.
5. Public Comments on this draft recommendation must be submitted by Wednesday, May 17, 2023, via email to William Hoff at William.Hoff@maryland.gov.

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Changes to Relative Value Units for Physical Therapy (PTH) & Occupational Therapy (OTH) Effective July 1, 2023

Draft Recommendation

May 10, 2023

This is a draft recommendation for Commission consideration at the May 10, 2023 Public Commission Meeting. Please submit comments on this draft of the Commission by Wednesday, May 17, 2023 via email to William Hoff at william.hoff@maryland.gov.

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Table of Contents

Definitions

Current Procedural Terminology (CPT) codes – describe medical, surgical, and diagnostic services.

Health Care Common Procedure Coding System (HCPCS) – codes based on the CPT to provide standardized coding when healthcare is delivered.

Relative Value Units (RVUs) – A standard unit of measure. A value or weight assigned to a specific service based on relative resources used for that service relative to other services.

Medicare Physician Fee Schedule (MPFS) – The Centers for Medicare and Medicaid Services ("CMS") use the MPFS for reimbursement of physician services, comprised of resources costs associated with physician work, practice expense, and professional liability insurance.

Physical Therapy (PTH) - Physical therapists provide evaluation and assessments and establish plans of care that optimize a patient's physical function, health, quality of life, and well-being across the lifespan.

Occupational Therapy (OTH) - Occupational Therapists use purposeful, everyday life activities in the evaluation and treatment of patients whose function is impaired by physical illness or injury, emotional disorder, congenital or developmental disability, or the aging process.

Background

On January 19, 2023, the HSCRC staff convened a workgroup to review and initiate changes to the PTH & OTH RVUs and guidelines for these rate centers. The members of this workgroup included Hospitals, Maryland Hospital Association, Insurance Companies, and Hospital Consultants. These changes were initiated for the following reasons:

1. Staff is progressively standardizing RVUs for all ancillary and outpatient rate centers using national CPT code definitions and MPFS cost weights, consistent with the strategy that staff is executing over time for all services.
2. RVUs standardization using the Medicare Physician Fee Schedule weights, updating new codes, and removing inactive codes from Appendix D of the Commission's Accounting and Budget Manual.
3. Assignment of RVUs procedures that are being reported as "By Report."

4. The nature of the PTH/OTH visits has changed over time. These visits now focus primarily on optimizing patient's physical function in everyday, meaningful life activities, preventing disability, and maintaining health.

The physical therapist starts each episode of care with a variety of evaluative procedures and assessments that include standardized tests and measures. Based on this evaluation, the therapists develop a plan of care to meet established goals. Following the plan of care, therapists as well as qualified extenders will provide a variety of therapeutic interventions that include functional activities, therapeutic exercise, manual therapy, neuromuscular reeducation as well as a variety of modalities all focused on the patient's goals. In addition, the therapist is an integral part of a team and consults and collaborates with other medical professionals as well as the patient and their family to maximize their functional potential. These services are provided individually or in a group setting.

Occupational therapists develop plans of care following evaluation to achieve optimal function in everyday, meaningful life activities, prevent disability, and maintain health. Specific occupational therapy services include, but are not limited to, education and training in activities of daily living (ADL) and instrumental activities of daily living (IADLs); the design, fabrication, and the application of splints; sensorimotor and developmental activities; guidance in the selection and use of adaptive equipment; therapeutic activities to enhance functional performance; prevocational evaluation and training; and consultation concerning the adaptation of physical environments. These services are provided individually or in a group setting.

Methodology

The PTH & OTH RVUs were developed with the aid of an industry task force under the auspices of and approved by the Health Services Cost Review Commission. The descriptions of the new codes in Appendix D of the Accounting and Budget Manual were obtained from the 2023 edition of the CPT manual and the 2023 edition of the HCPCS. In assigning RVUs, the group used the 2023 MPFS released November 2022, and then assigned using the following protocol.

The proposed RVUs were based on the MPFS Non-Facility (NON-FAC) Practice Expense (PE) RVUs. When there was a Technical (TC) modifier line item, that value was used. To maintain whole numbers in Appendix D, the RVUs were multiplied by ten and rounded to the nearest whole number, where values less than X.5 the RVUs were rounded down and all other values were rounded up.

1. For RVUs utilizing the methodology described above, the rationale in the table of RVUs is noted as MPFS.

2. For RVUs where the calculated RVU appeared too high (because it included significant equipment or other overhead and non-staff costs associated with it) or too low (because it did not reflect the facility resources associated with the service), the proposed RVUs were modified.
3. For RVUs without a NON-FAC PE RVU value in the MPFS, the underlying rationale for the RVU has been noted in the table of RVUs.
4. Unlisted services or services rarely performed have been designated as By Report (BR). RVUs for BR services are to be assigned based on relative RVU value of similar services.
    a. The BR methodology for each code must be documented and readily available in the event of an audit.

Recommendation

1. That the Commission approves the revisions to the RVU scale for the PTH & OTH Rate Centers. The revisions are specific to the Chart of Accounts and Appendix D of the Accounting and Budget Manual (Attachment 1- Chart of Accounts). These revised RVUs are based on MPFS weights and were reviewed by a workgroup facilitated by the HSCRC staff;

2. That the RVU scale be updated to reflect linkages of RVUs to the CPT codes to incorporate the changes in PTH & OTH practices. The RVU scale was also updated link charging guidelines for PTH & OTH services to the national definition, consistent with the HSCRC's plan to adopt MPFS RVUs where possible (Attachment 2 – Appendix D);

3. That the new and updated RVUs be effective July 1, 2023. The conversion of the PTH & OTH RVUs be revenue neutral to the overall Hospital Global Budget Revenues; and

4. That revisions to the Chart of Account related to Observation services be effective July 1, 2023.

SECTION 200
CHART OF ACCOUNTS

7510 PHYSICAL THERAPY

Function

The Physical Therapy cost center provides treatment of disease, injury, or deformity by physical methods such as massage, heat treatment, and exercise rather than by drugs or surgery, under the direction of a physician and/or a physical therapist. Physical therapists provide evaluation and assessments and establish plans of care. Activities include but are not limited to:

> A variety of evaluative procedures and assessments that include standardized tests and measures, development of a plan of care provision by therapist and/or qualified extenders of a variety of therapeutic interventions that include functional activities, therapeutic exercise, manual therapy, neuromuscular reeducation as well as a variety of modalities.

Description

This cost center contains the direct expenses incurred in maintaining a physical therapy program. Included as direct expenses are salaries and wages, employee benefits, professional fees (non-physician), non-medical supplies, purchased services, other direct expenses, and transfers.

Standard Unit of Measure: Relative Value Units

Relative Value Units as determined by the Health Services Cost Review Commission. (See Appendix D of this manual.) Relative Value Units for unlisted modalities or for procedures should be estimated based on other comparable modalities or procedures.

Data Source

The number of Relative Value Units shall be the actual count maintained by the Physical Therapy cost center.

Reporting Schedule

Schedule D - Line D39

7530 OCCUPATIONAL THERAPY - ACUTE/GENERAL HOSPITALS

Function

The Occupational Therapy cost center provides a form of therapy for those recuperating from physical or mental illness, which encourages rehabilitation through the performance of activities required in daily life. Following evaluations, Occupational therapists develop plans of care to achieve optimal function in everyday, meaningful life activities. Specific occupational therapy services include, but are not limited to:

Education and training in activities of daily living (ADL) and instrumental activities of daily living (IADLs); the design, fabrication, and the application of splints; sensorimotor and developmental activities; guidance in the selection and use of adaptive equipment; therapeutic activities to enhance functional performance; prevocational evaluation and training; and consultation concerning the adaptation to physical environments. These services are provided individually or in a group setting.

Description

This cost center contains the direct expenses incurred in maintaining an occupational therapy program in acute/general hospitals. Included as direct expenses are salaries and wages, employee benefits, professional fees (non-physician), non-medical supplies, purchased services, other direct expenses, and transfers.

Standard Unit of Measure: Relative Value Units

Relative Value Units as determined by the Health Services Cost Review Commission (see Appendix D of this manual).

Data Source

The number of Relative Value Units shall be obtained from an actual count maintained by the Occupational Therapy cost center.

Reporting Schedule

Schedule D - Line D40

6750 OBSERVATION

FUNCTION

Observation services are those services furnished by the hospital on the hospital's premises, including use of a bed and periodic monitoring by the hospital's nursing or other staff, which are reasonable and necessary to determine the need for a possible admission to the hospital as an inpatient. Such services must be ordered and documented in writing as to time and method (FAX, telephone, etc.), given by a medical staff practitioner. Observation services may or may not be provided in a distinct area of the hospital. Notwithstanding the location of the service, all expenses, revenue, statistics, and price compliance must be included in the reporting of the Observation center. Extended recovery time for scheduled ambulatory surgery patients should be included in the reporting of the Same Day Surgery center. Additional activities include, but are not limited to the following:

Monitoring of vital life signs; collecting sputum, urine, and feces; operating of specialized equipment and assisting physicians during patient examination and treatment; changing of dressings and cleaning of wounds and incisions; observing and recording the emotional stability of patients; observing patients for reaction to drugs; administering specified medication; and infusing fluids including I.V.s and blood.

Description

This cost center contains the direct expenses incurred in providing bedside care to observation patients. Included as direct expenses are salaries and wages, employee benefits, non-physician professional fees, non-medical/surgical supplies, purchased services, and other direct expenses and transfers.

Standard Unit of Measure: Hours

Report the number of hours commencing at the time a valid order for observation is made and ending when all clinical or medical interventions have been completed, including follow-up care furnished by hospital staff and physicians that may take place after a physician has ordered the patient be released or admitted as an inpatient or at midnight of the day before a patient is admitted. This service usually does not exceed one day. Some patients may, however, require a second day of observation services. Only in rare and exceptional circumstances should reasonable and necessary observation services span more than 48 hours. The minimum observation time is one hour; any partial hours are rounded to the nearest full hour.

Data Source

The number of hours shall be the total of the actual count of clock hours of observation services provided.

Reporting Schedule
Schedule D - Line D55

STANDARD UNIT OF MEASURE REFERENCES
PHYSICAL THERAPY (PT), OCCUPATIONAL THERAPY (OT)

ACCOUNT NUMBER	COST CENTER TITLE
7510	**Physical Therapy**
7530	**Occupational Therapy**

The Physical Therapy (PTH) and Occupational Therapy (OTH) relative value units (RVUs) were developed with the aid of the industry task force under the auspices of and approved by the Health Services Cost Review Commission. The descriptions in this section of Appendix D were obtained from the 2023 edition of the Current Procedural Terminology (CPT) manual, and the 2023 edition of the Healthcare Common Procedure Coding System (HCPCS). In assigning RVUs the group used the 2023 Medicare Physician Fee Schedule (MPFS) released December 15, 2022, and then assigned using the following protocol.

RVU Assignment Protocol

RVUs are based on the Medicare Physician Fee Schedule (MPFS) Non-Facility (NON-FAC) Practice Expense (PE) RVUs. When the MPFS contains a Technical Component (TC) modifier line item, that value is used. To maintain whole numbers in Appendix D, RVUs were multiplied by ten and rounded to the nearest whole number, where values less than X.5 were rounded down and all other values were rounded up. For example, therapeutic procedure, 1 or more areas, each 15 minutes CPT of 97124 has a NON-FAC PE RVU of 0.54. 0.54 * 10 = 5.4. 5.4 rounded = 5. 5 is the proposed RVU.

1) For RVUs utilizing the methodology described above, the rationale in the table of RVUs is noted as MPFS.

2) For RVUs where the calculated RVU appeared too high (for example because it included significant equipment or other overhead and non-staff costs associated with it) or too low (for example because it did not accurately reflect the facility resources associated with the service), the proposed RVU was modified as noted in the table of RVUs.

a. 97129 Therapeutic interventions, initial 15 minutes did not seem reasonable in comparison to other codes. It was determined to mirror 97110 (Therapeutic Exercises) and 97112 (neuromuscular re-ed) which are both 4 RVUs.

b. 97130 Therapeutic interventions, additional 15 minutes did not seem reasonable in comparison to other codes. It was determined to mirror 97110 (Therapeutic Exercises) and 97112 (neuromuscular re-ed) which are both 4 RVUs.

c. 97605 Neg Pres Wnd Tx DME </= 50 SQCM it was agreed that the MPFS was too low, and it was determined that it should be weighted at 50% of CPT 97597 Debridement, open wound RVU of 22 divided by 2 = 11.

d. 97606 Neg Pres Wnd Tx DME >50 SQCM- it was agreed that the MPFS was too low, and it was determined that it should one additional RVU than CPT 97605. 11+1=12

e. 97607 Neg Pres Wnd Tx Non DME </= 50 SQCM it was agreed that the MPFS was too high, and it was determined to mirror the RVUs for 97605 of 11. Supplies would be charged through MSS.

f. 97608 Neg Pres Wnd Tx Non DME >50 SQCM it was agreed that the MPFS was too high, and it was determined to mirror the RVUs for 97606 of 12. Supplies would be charged through MSS.

g. 97610 Low frequency, non-thermal US did not seem reasonable in comparison to other codes. It was determined to base RVU on 97035 Ultrasound each 15 minutes of 2 multiplied by 2. Supplies would be charged through MSS. 2 x 2 =4

3) For RVUs without a NON-FAC PE RVU value in the MPFS, the underlying rationale for the RVU has been noted in the table of RVUs.

a. 97545 Work hardening/conditioning initial 2 hours was based on the RVU for 97110 (Therapeutic Exercises) of 4 being multiplied by 8 because this is a 2-hour code (120 minutes) vs. 15-minute code. 4 x 8 =32.

b. 97546 Work hardening/conditioning each additional hour was based on the RVU for 97110 (Therapeutic Exercises) of 4 being multiplied by 4 because this is a 1-hour code (60 minutes) vs. 15-minute code. 4 x 4 =16.

4) For RVUs converting CPT non-time-based codes time-based codes. The time increment selected was 15 minutes. The 15-minute increments used in this Appendix D are subject to the Medicare 8-minute rule. The phrase *"(per HSCRC: each 15 minutes)"* has been added to the CPT description for emphasis.

a. 97150 Therapeutic procedures, group it was determined to use the MPFS RVU of 2 as the base and then double for each 15-minute increment.

Time	RVU
08-22 MINUTES	2
23-37 MINUTES	4
38-52 MINUTES	6
53-67 MINUTES	8

b. 97161 Physical Therapy Evaluation- Low Complexity, 97162 Physical Therapy Evaluation – Moderate Complexity, 97163 Physical Therapy – High Complexity, 97165 Occupational Therapy Evaluation- Low Complexity, 97166 Occupational Therapy Evaluation – Moderate Complexity, 97167 Occupational Therapy – High Complexity: It was agreed to start with an RVU of 8 and then double for each 15-minute increment.

Time	RVU
08-22 MINUTES	8
23-37 MINUTES	16
38-52 MINUTES	24
53-67 MINUTES	32

c. 97164 Physical Therapy Re-evaluation, 97168 Occupational Therapy Re-evaluation: It was agreed to start with an RVU of 6 and then double for each 15-minute increment.

Time	RVU
08-22 MINUTES	6
23-37 MINUTES	12
38-52 MINUTES	18
53-67 MINUTES	24

5) Unlisted services or services rarely performed have been assigned as By Report (BR). Similar logic should be utilized to assign RVUs to any services that are not found or BR.

•If there are no MPFS RVUs for a service, their RVUs should mirror an existing code that has similar facility resources or an existing code that has similar facility resources with adjustments if needed (for example, if a BR service is slightly less resource intensive than an existing service, the RVU can be lower). The BR methodology for each code must be documented and readily available in the event of an audit.

6) Remote therapeutic monitoring codes (RTM) are new and evolving as of the publishing of this Addendum B.

Other considerations:

1. Sole use disposable supplies are separately chargeable.

2. The CPT codes reviewed account for most services provided in PTH & OTH. There are some CPT codes not listed and new codes may be added in the future. These codes should be considered as "by report" by the individual institution and use the RVU assignment protocols listed above.
   - Please note that the Athletic Training Evaluation and re-Evaluation CPTs 97169, 97170, 97171 and 97172 were intentionally excluded as they would not be performed in a hospital PTH/OTH department.

2. CPT codes are in a process of constant revision and as such providers should review their institution's use of CPT codes and stay current with proper coding and billing procedures.

STANDARD UNIT OF MEASURE REFERENCES
PHYSICAL THERAPY (PT), OCCUPATIONAL THERAPY (OT)

4. The RVU's listed in this section of Appendix D are time based. The time increments are in 15-minute multiples. HSCRC expects providers to round up/down for services, when not provided in exactly a 15-minute multiple. For example, services that are:
   a. 08 to 22 minutes = 15 minutes,
   b. 23 to 37 minutes = 30 minutes,
   c. 38 to 52 minutes = 45 minutes,
   d. 53 to 67 minutes = 60 minutes, etc.

5. Time increments used in this section of Appendix D are for direct patient time. Direct patient time is billable. Time spent for documentation of service, conference, and other non-patient contact is not billable.

6. For (Physical and Occupational Therapy services that are being performed in other areas (i.e., Wound Care Clinic) need to ensure that the revenue and expenses are appropriately re-allocated to the therapy rate centers.

7. It is expected and essential that all appropriate clinical documentation be prepared and maintained to support the services provided.

Code	Description	RVU	Category	Rationale
20560	Needle insertion(s) without injection(s); 1 or 2 muscle(s)	4	Non-Time Based	MPFS
20561	Needle insertion(s) without injection(s); 3 or more muscles	6	Non-Time Based	MPFS
29085	Application, cast; hand and lower forearm (gauntlet)	19	Non-Time Based	MPFS
29105	Application of long arm splint (shoulder to hand)	15	Non-Time Based	MPFS
29125	Application of short arm splint (forearm to hand); static	14	Non-Time Based	MPFS
29126	Application of short arm splint (forearm to hand); dynamic	16	Non-Time Based	MPFS
29130	Application of finger splint; static	7	Non-Time Based	MPFS
29131	Application of finger splint; dynamic	10	Non-Time Based	MPFS
29405	Application of short leg cast (below knee to toes);	15	Non-Time Based	MPFS

STANDARD UNIT OF MEASURE REFERENCES
PHYSICAL THERAPY (PT), OCCUPATIONAL THERAPY (OT)

Code	Description	RVU	Category	Rationale
29445	Application of rigid total contact leg cast	19	Non-Time Based	MPFS
29505	Application of long leg splint (thigh to ankle or toes)	19	Non-Time Based	MPFS
29515	Application of short leg splint (calf to foot)	13	Non-Time Based	MPFS
29540	Strapping; ankle and/or foot	4	Non-Time Based	MPFS
29580	Strapping; unna boot	13	Non-Time Based	MPFS
29581	Application of multi-layer compression system; leg (below knee), including ankle and foot	21	Non-Time Based	MPFS
29584	Application of multi-layer compression system; upper arm, forearm, hand, and fingers	21	Non-Time Based	MPFS
90901	Biofeedback training by any modality	8	Non-Time Based	MPFS
90912	Biofeedback training, perineal muscles, anorectal or urethral sphincter, including emg and/or manometry, when performed; initial 15 minutes of one-on-one physician or other qualified health care professional contact with the patient	15	Time-Based	MPFS
90913	Biofeedback training, perineal muscles, anorectal or urethral sphincter, including emg and/or manometry, when performed; each additional 15 minutes of one-on-one physician or other qualified health care professional contact with the patient (list separately in addition to code for primary procedure)	4	Time-Based	MPFS
92526	Treatment of swallowing dysfunction and/or oral function for feeding	SEE SLP	Non-Time Based	See Speech Language Pathology section for RVUs.

STANDARD UNIT OF MEASURE REFERENCES
PHYSICAL THERAPY (PT), OCCUPATIONAL THERAPY (OT)

Code	Description	RVU	Category	Rationale
92610	Evaluation of oral and pharyngeal swallowing function	SEE SLP	Non-Time Based	See Speech Language Pathology section for RVUs.
93702	Bioimpedance spectroscopy (BIS), extracellular fluid analysis for lymphedema assessment(s)	BR	Non-Time Based	No current activity. MPFS RVUs are too high. Note: This CPT could be used as a base for other lymphedema measurement services in the future.
95992	Canalith repositioning procedure(s) (eg, epley maneuver, semontmaneuver), per day	5	Non-Time Based	MPFS
96110	Developmental screening (eg, developmental milestone survey, speech, and language delay screen), with scoring and documentation, per standardized instrument	SEE SLP	Non-Time Based	See Speech Language Pathology section for RVUs.
96110	Developmental screening (eg, developmental milestone survey, speech, and language delay screen), with scoring and documentation, per standardized instrument	SEE SLP	Non-Time Based	See Speech Language Pathology section for RVUs.
96112	Developmental test administration (including assessment of fine and/or gross motor, language, cognitive level, social, memory and/or executive functions by standardized developmental instruments when performed), by physician or other qualified health care professional, with interpretation and report; first hour	SEE SLP	Non-Time Based	See Speech Language Pathology section for RVUs.

STANDARD UNIT OF MEASURE REFERENCES
PHYSICAL THERAPY (PT), OCCUPATIONAL THERAPY (OT)

Code	Description	RVU	Category	Rationale
96113	Developmental test administration (including assessment of fine and/or gross motor, language, cognitive level, social, memory and/or executive functions by standardized developmental instruments when performed), by physician or other qualified health care professional, with interpretation and report; each additional 30 minutes (list separately in addition to code for primary procedure)	SEE SLP	Non-Time Based	See Speech Language Pathology section for RVUs.
97010	Application of a modality to 1 or more areas; hot or cold packs **(per HSCRC: not reportable)**	0	Non-Time Based	Not being reported, keep at 0.
97012	Application of a modality to 1 or more areas; traction, mechanical	2	Non-Time Based	MPFS
97014	Application of a modality to 1 or more areas; electrical stimulation (unattended)	2	Non-Time Based	MPFS
97016	Application of a modality to 1 or more areas; vasopneumatic devices	2	Non-Time Based	MPFS
97018	Application of a modality to 1 or more areas; paraffin bath	1	Non-Time Based	MPFS
97022	Application of a modality to 1 or more areas; whirlpool	3	Non-Time Based	MPFS
97024	Application of a modality to 1 or more areas; diathermy (EG, microwave)	2	Non-Time Based	MPFS
97026	Application of a modality to 1 or more areas; infrared	1	Non-Time Based	MPFS
97028	Application of a modality to 1 or more areas; ultraviolet	2	Non-Time Based	MPFS
97032	Application of a modality to 1 or more areas; electrical stimulation (manual), each 15 minutes	2	Time-Based	MPFS
97033	Application of a modality to 1 or more areas; iontophoresis, each 15 minutes	3	Time-Based	MPFS

STANDARD UNIT OF MEASURE REFERENCES
PHYSICAL THERAPY (PT), OCCUPATIONAL THERAPY (OT)

Code	Description	RVU	Category	Rationale
97034	Application of a modality to 1 or more areas; contrast baths, each 15 minutes	2	Time-Based	MPFS
97035	Application of a modality to 1 or more areas; ultrasound, each 15 minutes	2	Time-Based	MPFS
97036	Application of a modality to 1 or more areas; hubbard tank, each 15 minutes	8	Time-Based	MPFS
97039	Unlisted modality (specify type and time if constant attendance)	BR	Non-Time Based	Unlisted, By Report
97110	Therapeutic procedure, 1 or more areas, each 15 minutes; therapeutic exercises to develop strength and endurance, range of motion and flexibility	4	Time-Based	MPFS
97112	Therapeutic procedure, 1 or more areas, each 15 minutes; neuromuscular reeducation of movement, balance, coordination, kinesthetic sense, posture, and/or proprioception for sitting and/or standing activities	5	Time-Based	MPFS
97113	Therapeutic procedure, 1 or more areas, each 15 minutes; aquatic therapy with therapeutic exercises	6	Time-Based	MPFS
97116	Therapeutic procedure, 1 or more areas, each 15 minutes; gait training (includes stair climbing)	4	Time-Based	MPFS
97124	Therapeutic procedure, 1 or more areas, each 15 minutes; massage, including effleurage, petrissage and/or tapotement (stroking, compression, percussion)	5	Time-Based	MPFS
97129	Therapeutic interventions that focus on cognitive function (eg, attention, memory, reasoning, executive function, problem solving, and/or pragmatic functioning) and compensatory strategies to manage the performance of an activity (eg, managing time or schedules, initiating, organizing, and sequencing tasks), direct (one-on-one) patient contact; initial 15 minutes	4	Time-Based	Mirrored 97110 (ther ex) and 97112 (neuromuscular re-ed) and used 4 vs. 2.

STANDARD UNIT OF MEASURE REFERENCES
PHYSICAL THERAPY (PT), OCCUPATIONAL THERAPY (OT)

Code	Description	RVU	Category	Rationale
97130	Therapeutic interventions that focus on cognitive function (eg, attention, memory, reasoning, executive function, problem solving, and/or pragmatic functioning) and compensatory strategies to manage the performance of an activity (eg, managing time or schedules, initiating, organizing, and sequencing tasks), direct (one-on-one) patient contact; each additional 15 minutes (list separately in addition to code for primary procedure)	4	Time-Based	Mirrored 97110 (ther ex) and 97112 (neuromuscular re-ed) and used 4 vs. 2.
97139	Unlisted therapeutic procedure (specify)	BR	Non-Time Based	Unlisted, By Report
97140	Manual therapy techniques (eg, mobilization/ manipulation, manual lymphatic drainage, manual traction), 1 or more regions, each 15 minutes	4	Time-Based	MPFS
97150	Therapeutic procedure(s), group (2 or more individuals) (per HSCRC: each 15 minutes)	2	Non-Time Based	Starting with 2 and then doubling based on time
97161	Physical Therapy evaluation: low complexity (per HSCRC: each 15 minutes)	8	Non-Time Based	Starting with 8 and doubling based on time
97162	Physical Therapy evaluation: moderate complexity (per HSCRC: each 15 minutes)	8	Non-Time Based	Starting with 8 and doubling based on time
97163	Physical Therapy evaluation: high complexity (per HSCRC: each 15 minutes)	8	Non-Time Based	Starting with 8 and doubling based on time
97164	Re-evaluation of Physical Therapy established plan of care (per HSCRC: each 15 minutes)	6	Non-Time Based	Starting with 6 and doubling based on time
97165	Occupational Therapy evaluation, low complexity (per HSCRC: each 15 minutes)	8	Non-Time Based	Starting with 8 and doubling based on time
97166	Occupational Therapy evaluation, moderate complexity (per HSCRC: each 15 minutes)	8	Non-Time Based	Starting with 8 and doubling based on time
97167	Occupational Therapy evaluation, high complexity (per HSCRC: each 15 minutes)	8	Non-Time Based	Starting with 8 and doubling based on time

STANDARD UNIT OF MEASURE REFERENCES
PHYSICAL THERAPY (PT), OCCUPATIONAL THERAPY (OT)

Code	Description	RVU	Category	Rationale
97168	Re-evaluation of Occupational Therapy established plan of care (per HSCRC: each 15 minutes)	6	Non-Time Based	Starting with 6 and doubling based on time
97530	Therapeutic activities, direct (one-on-one) patient contact (use of dynamic activities to improve functional performance), each 15 minutes	7	Time-Based	MPFS
97533	Sensory integrative techniques to enhance sensory processing and promote adaptive responses to environmental demands, direct(one-on-one) patient contact, each 15 minutes	14	Time-Based	MPFS
97535	Self-care/home management training (eg, activities of daily living (adl) and compensatory training, meal preparation, safety procedures, and instructions in use of assistive technology devices/adaptive equipment) direct one-on-one contact, each 15 minutes	5	Time-Based	MPFS
97537	Community/work reintegration training (eg, shopping, transportation, money management, avocational activities and/or workenvironment/modification analysis, work task analysis, use of assistive technology device/adaptive equipment), direct one-on-one contact, each 15 minutes	5	Time-Based	MPFS
97542	Wheelchair management (eg, assessment, fitting, training), each 15 minutes	5	Time-Based	MPFS
97545	Work hardening/conditioning; initial 2 hours	32	Time-Based	RVU developed based on the RVU for Therapeutic exercises (CPT 97110) of 4 multiplied by 4, because this is a 2 hour/120-minute vs. 15-minute code. 4 x 8 = 32 RVUs

STANDARD UNIT OF MEASURE REFERENCES
PHYSICAL THERAPY (PT), OCCUPATIONAL THERAPY (OT)

Code	Description	RVU	Category	Rationale
97546	Work hardening/conditioning; each additional hour (list separately in addition to code for primary procedure)	16	Time-Based	RVU was developed based on the RVU for Therapeutic exercises (CPT 97110) of 4 multiplied by 4, because this is a 1-hour/60 vs. 15-minute code. 4 x 4 = 16 RVUs
97597	Debridement (eg, high pressure waterjet with/without suction, sharp selective debridement with scissors, scalpel and forceps), open wound, (eg, fibrin, devitalized epidermis and/or dermis, exudate, debris, biofilm), including topical application(s), wound assessment, use of a whirlpool, when performed and instruction(s) for ongoing care, per session, total wound(s) surface area; first 20 sq cm or less	22	Non-Time Based	MPFS
97598	Debridement (eg, high pressure waterjet with/without suction, sharp selective debridement with scissors, scalpel and forceps), open wound, (eg, fibrin, devitalized epidermis and/or dermis, exudate, debris, biofilm), including topical application(s), wound assessment, use of a whirlpool, when performed and instruction(s) for ongoing care, per session, total wound(s) surface area; each additional 20 sq cm, or part thereof (list separately in addition to code for primary procedure)	8	Non-Time Based	MPFS
97602	Removal of devitalized tissue from wound(s), non-selective debridement, without anesthesia (eg, wet-to-moist dressings, enzymatic, abrasion, larval therapy), including topical application(s), wound assessment, and instruction(s) for ongoing care, per session **(per HSCRC: not reportable)**	0	Non-Time Based	Not being reported, keep at 0.

STANDARD UNIT OF MEASURE REFERENCES
PHYSICAL THERAPY (PT), OCCUPATIONAL THERAPY (OT)

Code	Description	RVU	Category	Rationale
97605	Negative pressure wound therapy (eg, vacuum assisted drainage collection), utilizing durable medical equipment (dme), including topical application(s), wound assessment, and instruction(s) for ongoing care, per session; total wound(s) surface area less than or equal to 50 square centimeters	11	Non-Time Based	Weighted at 50% of CPT 97597
97606	Negative pressure wound therapy (eg, vacuum assisted drainage collection), utilizing durable medical equipment (dme), including topical application(s), wound assessment, and instruction(s) for ongoing care, per session; total wound(s) surface area greater than 50 square centimeters	12	Non-Time Based	One additional RVU than CPT 97605
97607	Negative pressure wound therapy, (eg, vacuum assisted drainage collection), utilizing disposable, non-durable medical equipment including provision of exudate management collection system, topical application(s), wound assessment, and instructions for ongoing care, per session; total wound(s) surface area less than or equal to 50 square centimeters	11	Non-Time Based	Mirrors 97605. Supplies would be charged through MSS.
97608	Negative pressure wound therapy, (eg, vacuum assisted drainage collection), utilizing disposable, non-durable medical equipment including provision of exudate management collection system, topical application(s), wound assessment, and instructions for ongoing care, per session; total wound(s) surface area greater than 50 square centimeters	12	Non-Time Based	Mirrors 97606. Supplies would be charged through MSS.
97610	Low frequency, non-contact, non-thermal ultrasound, including topical application(s), when performed, wound assessment, and instruction(s) for ongoing care, per day	4	Non-Time Based	Flat RVU based on CPT 97035 * 2 with supplies charged separately.

STANDARD UNIT OF MEASURE REFERENCES
PHYSICAL THERAPY (PT), OCCUPATIONAL THERAPY (OT)

Code	Description	RVU	Category	Rationale
97750	Physical performance test or measurement (eg, musculoskeletal, functional capacity), with written report, each 15 minutes (Supplemental HSCRC description: includes such tests as BTI, isokinetic tests, vision test with equipment, Etc.)	6	Time-Based	MPFS
97755	Assistive technology assessment (eg, to restore, augment or compensate for existing function, optimize functional tasks and/or maximize environmental accessibility), direct one-on-one contact, with written report, each 15 minutes	5	Time-Based	MPFS
97760	Orthotic(s) management and training (including assessment and fitting when not otherwise reported), upper extremity(ies), lower extremity(ies) and/or trunk, initial orthotic(s) encounter, each 15 minutes	9	Time-Based	MPFS
97761	Prosthetic(s) training, upper and/or lower extremity(ies), initial prosthetic(s) encounter, each 15 minutes	7	Time-Based	MPFS
97763	Orthotic(s)/prosthetic(s) management and/or training, upper extremity(ies), lower extremity(ies), and/or trunk, subsequent orthotic(s)/prosthetic(s) encounter, each 15 minutes	11	Time-Based	MPFS
97799	Unlisted physical medicine/rehabilitation service or procedure	BR	Non-Time Based	Unlisted, By Report
98975	Remote therapeutic monitoring (e.g., respiratory system status, musculoskeletal system status, therapy adherence, therapy response); initial set-up and patient education on use of equipment (NOTE: An episode of care begins when the remote therapeutic monitoring service is activated and concludes when the specific treatment goals are met)	6	Remote	MPFS (once each episode of care.)

STANDARD UNIT OF MEASURE REFERENCES
PHYSICAL THERAPY (PT), OCCUPATIONAL THERAPY (OT)

Code	Description	RVU	Category	Rationale
98977	Remote therapeutic monitoring (e.g., respiratory system status, musculoskeletal system status, therapy adherence, therapy response); device(s) supply with scheduled (e.g., daily) recording(s) and/or programmed alert(s) transmission to monitor musculoskeletal system, every 30 days	15	Remote	MPFS (once per 30 days)
98978	Remote therapeutic monitoring (eg, therapy adherence, therapy response); device(s) supply with scheduled (eg, daily) recording(s) and/or programmed alert(s) transmission to monitor cognitive behavioral therapy, each 30 days	BR	Remote	By Report, no activity (once per 30 days)
98980	Remote therapeutic monitoring treatment, physician/other qualified health care professional time in a calendar month requiring at least one interactive communication with the patient/caregiver during the calendar month; first 20 minutes	8	Remote	MPFS (per month)
98981	Remote therapeutic monitoring treatment, physician/other qualified health care professional time in a calendar month requiring at least one interactive communication with the patient/caregiver during the calendar month; each additional 20 minutes	8	Remote	Mirror MPFS of 98980 (per month)
G0129	Occupational Therapy services requiring the skills of a qualified occupational therapist, furnished as a component of a partial hospitalization treatment program, per session (45 minutes or more)	Based on underlying CPT	Non-Time Based	No separate RVU assigned, should mirror underlying OTH CPT.
G0281	Electrical stimulation, (unattended), to one or more areas, for chronic stage iii and stage iv pressure ulcers, arterial ulcers, diabetic ulcers, and venous stasis ulcers not demonstrating measurable signs of healing after 30 days of conventional care, as part of a therapy plan of care	2	Non-Time Based	MPFS

STANDARD UNIT OF MEASURE REFERENCES
PHYSICAL THERAPY (PT), OCCUPATIONAL THERAPY (OT)

Code	Description	RVU	Category	Rationale
G0282	Electrical stimulation, (unattended), to one or more areas, for wound care other than described in G0281	2	Non-Time Based	MPFS
G0283	Electrical stimulation (unattended), to one or more areas for indication(s) other than wound care, as part of a therapy plan of care	2	Non-Time Based	MPFS
G0283	Electrical stimulation (unattended), to one or more areas for indication(s) other than wound care, as part of a therapy plan of care	2	Non-Time Based	MPFS
G0295	Electromagnetic therapy, to one or more areas, for wound care other than described in G0329 or for other uses (per HSCRC: not reportable)	BR	Non-Time Based	By Report, no activity

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Update on Medicare FFS Data & Analysis

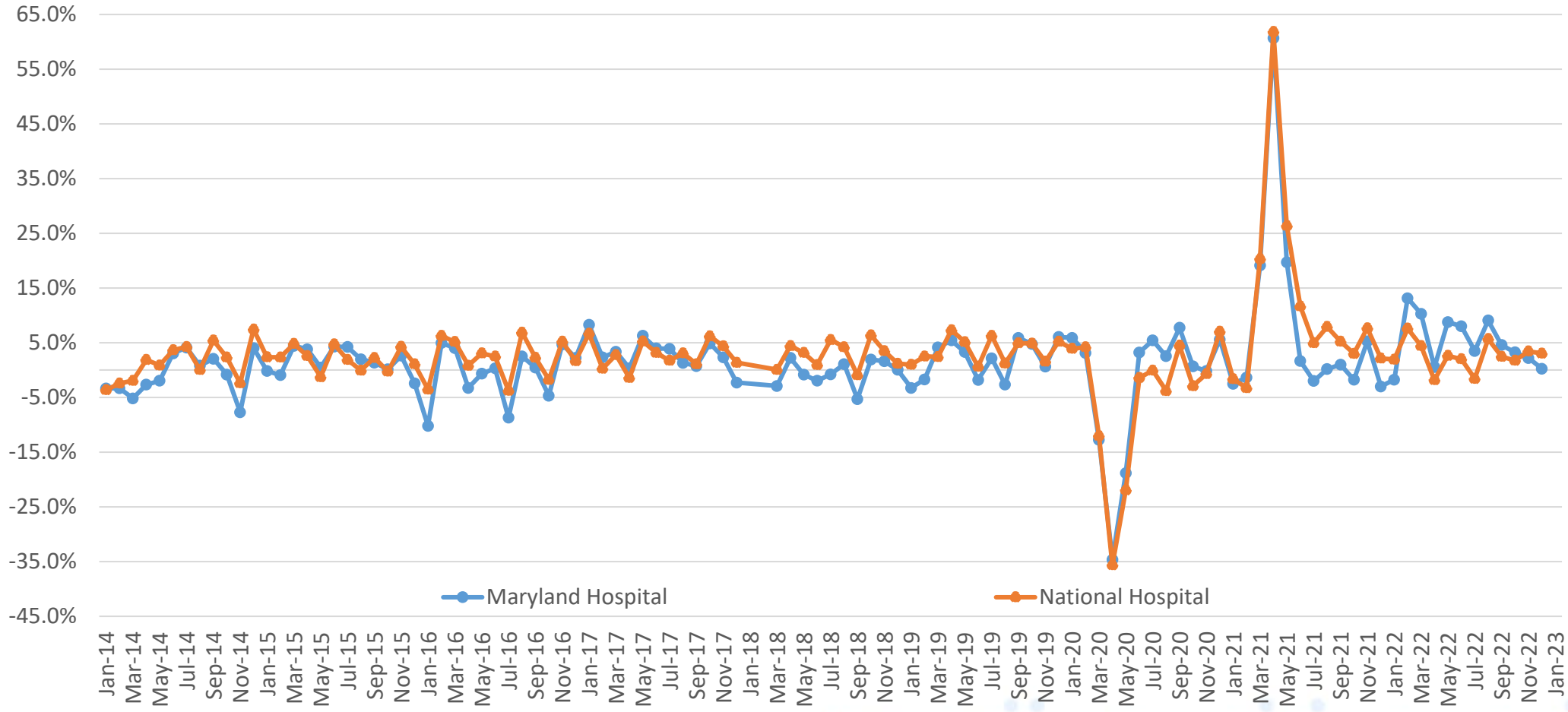
May 2023 Update – FINAL DATA

Data through December 2022, Claims paid through March 2023

Data contained in this presentation represent analyses prepared by 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 FFS 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 and EMR conversion 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.

Medicare Hospital Spending per Capita

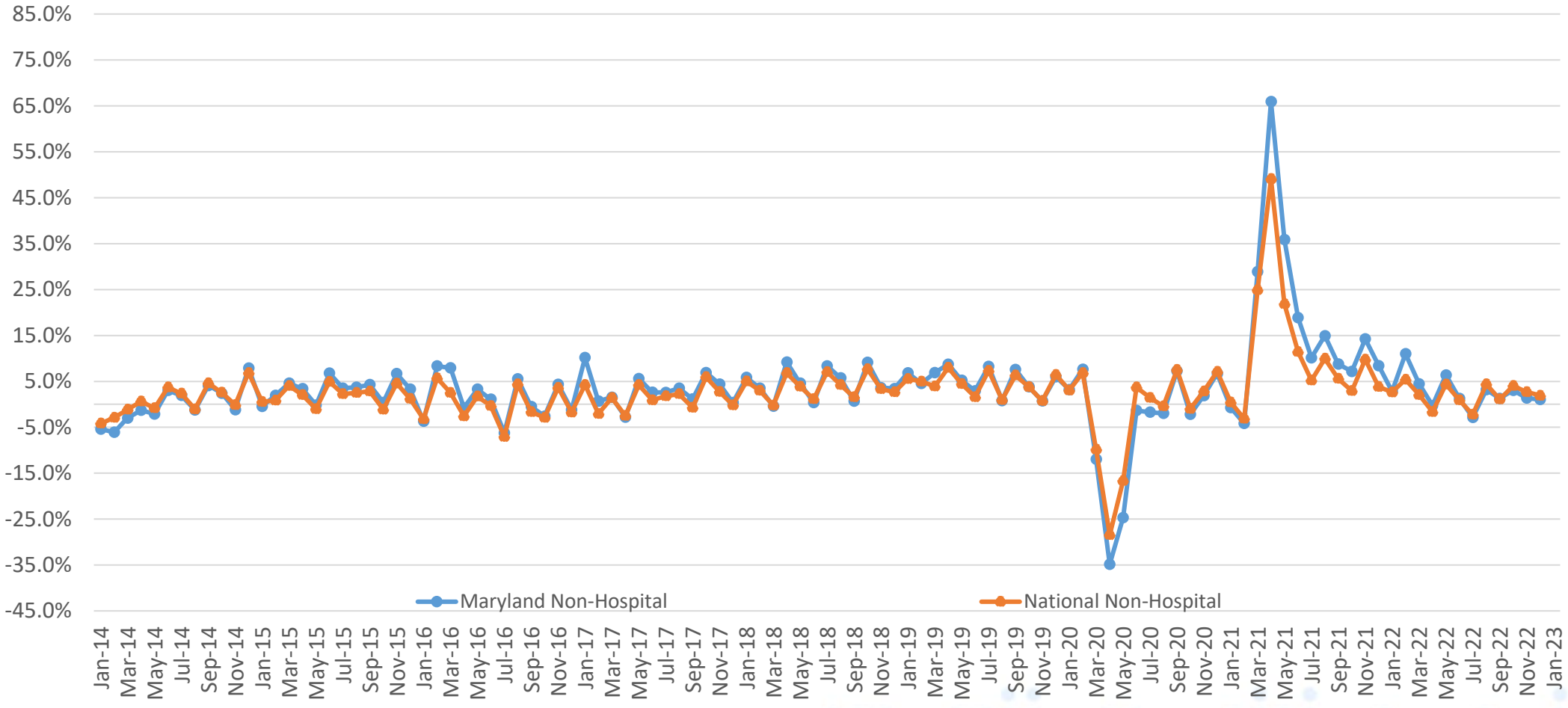
Actual Growth Trend (CY month vs. Prior CY month)



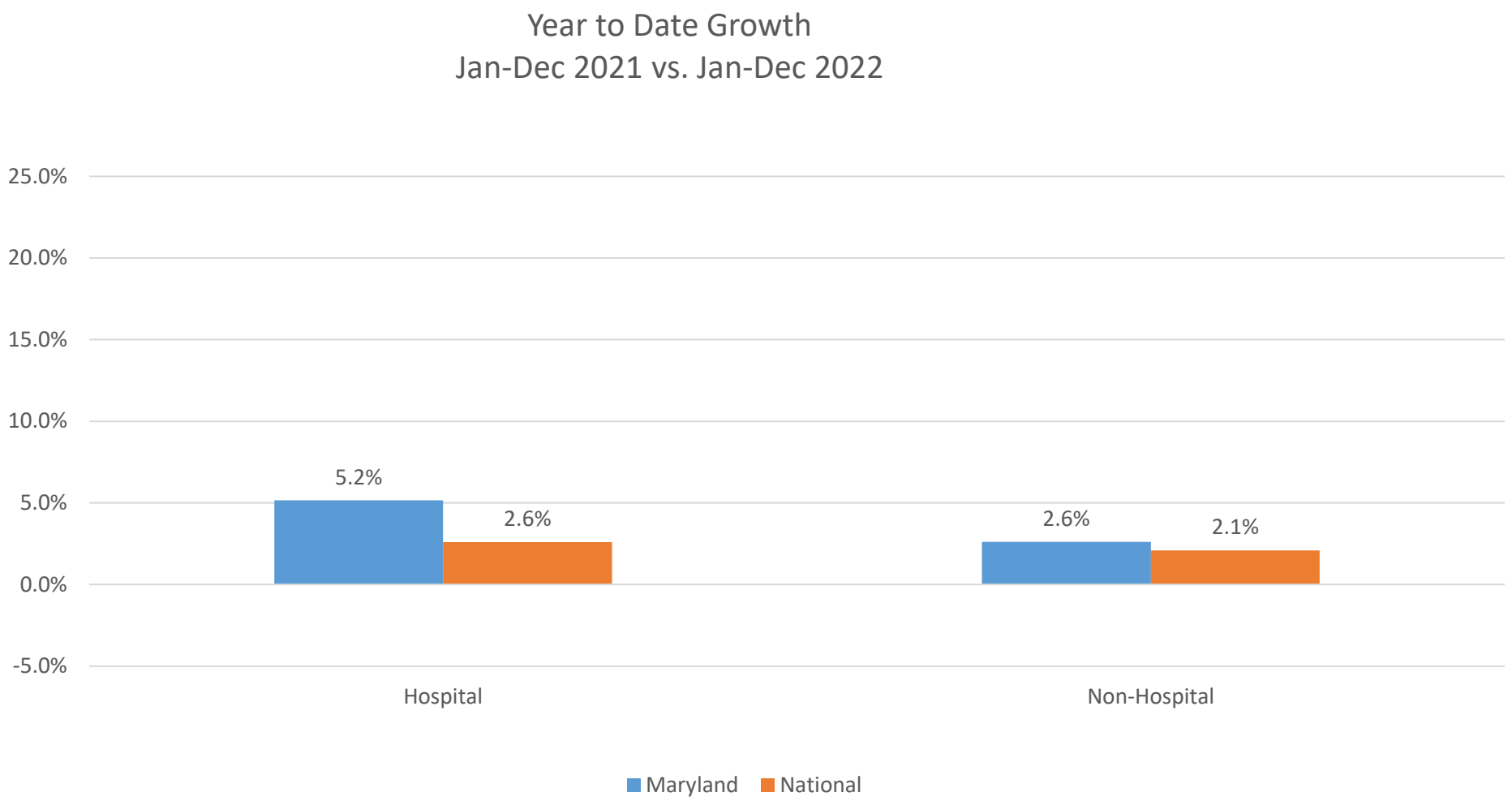
CY16 has been adjusted for the undercharge.

Medicare Non-Hospital Spending per Capita

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



Medicare Hospital and Non-Hospital Payments per Capita



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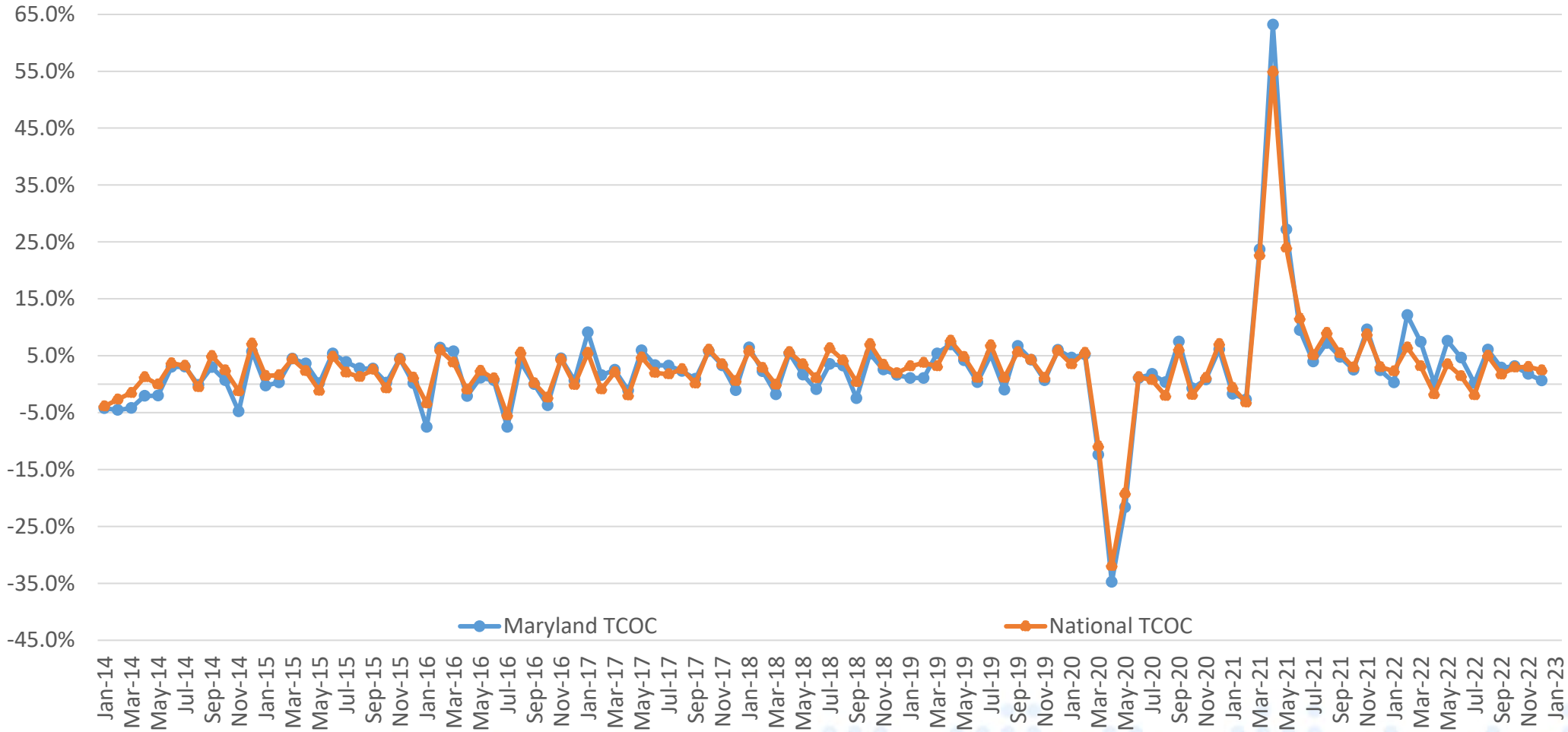
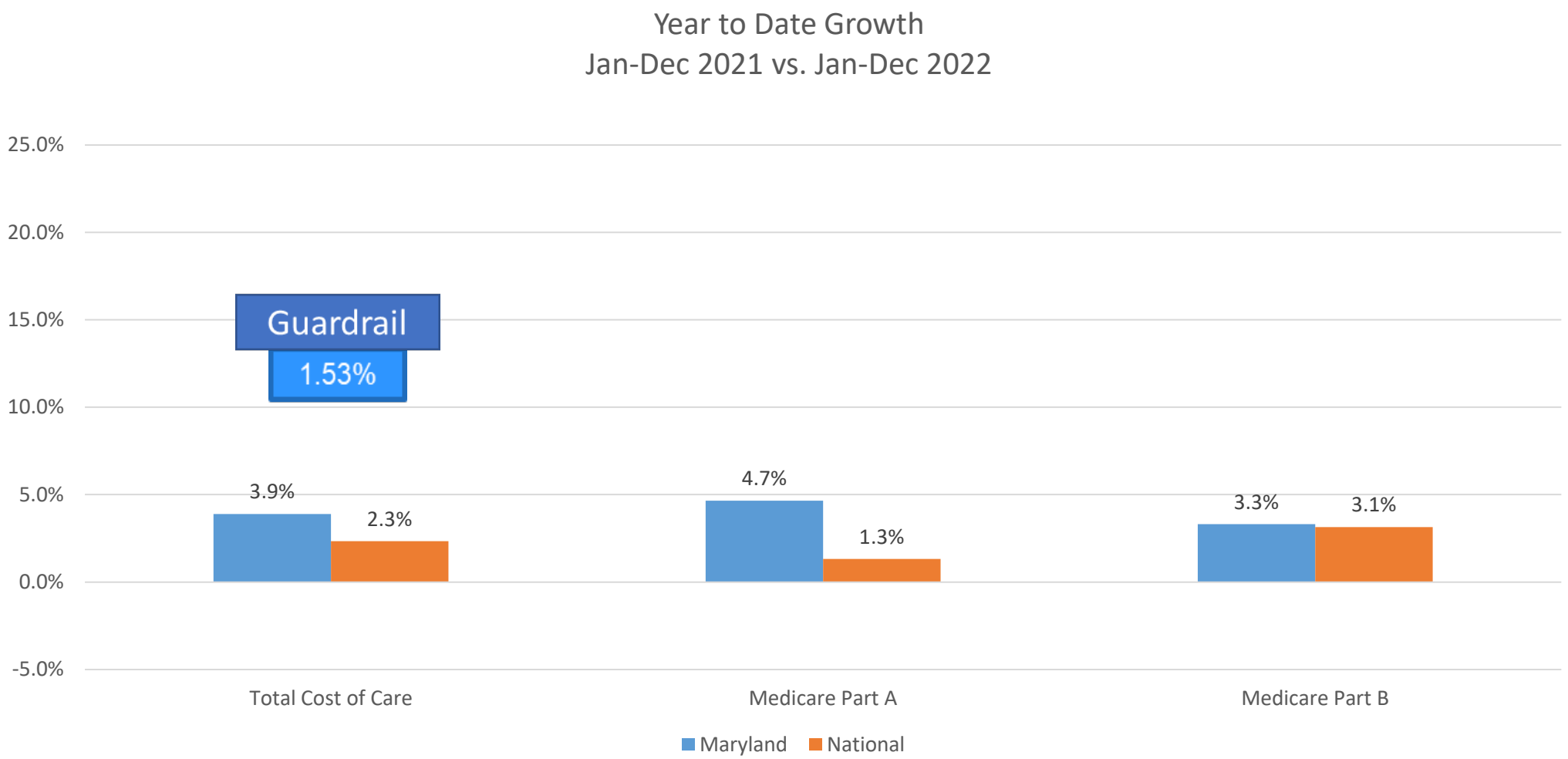
Medicare Total Cost of Care Spending per Capita

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



CY16 has been adjusted for the undercharge

Medicare Total Cost of Care Payments per Capita



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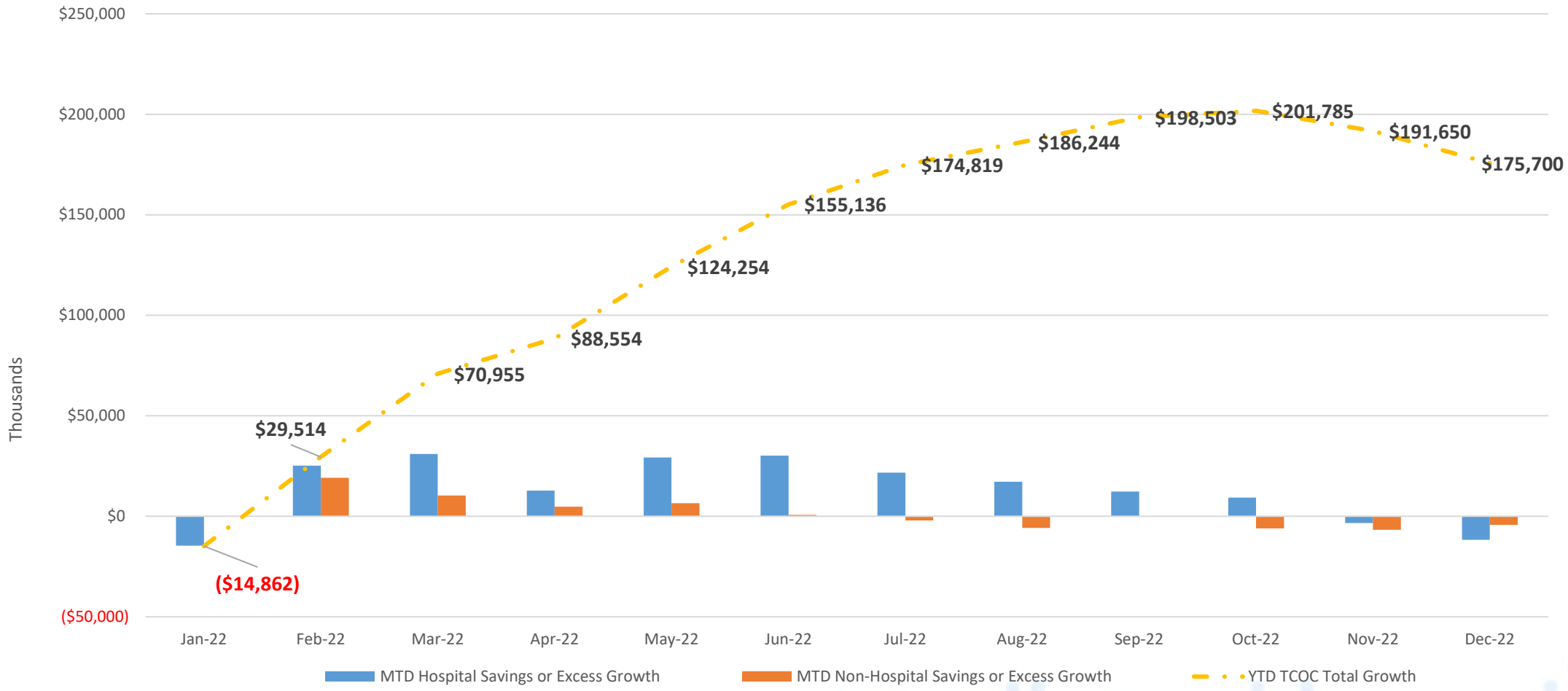
Maryland Medicare Hospital & Non-Hospital Growth

CYTD through December 2022



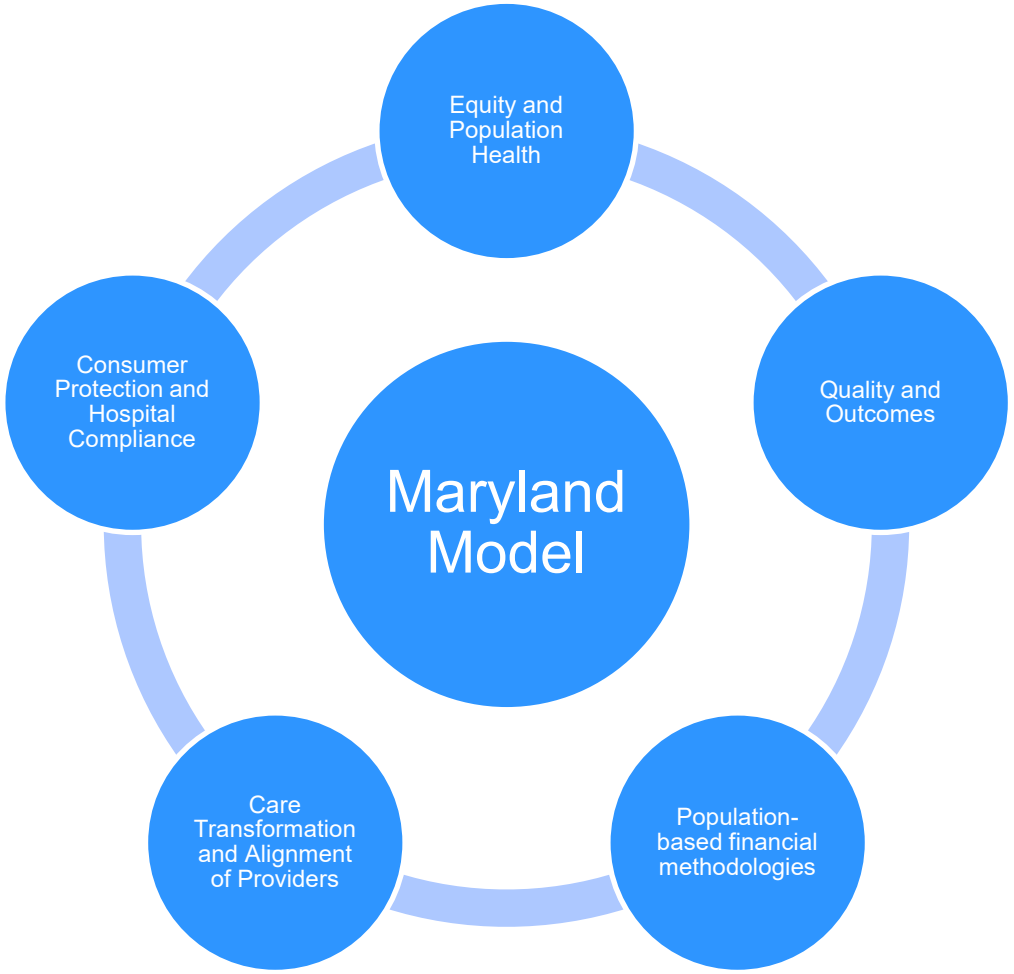
A positive number represents dissavings/excess growth

Strategic Vision for Maryland Model

The Maryland Model serves all Marylanders by:

- Embracing a population health approach for all providers
- Leading the nation in health equity, quality, access, total cost, and consumer experience
- Advancing primary care across the State
- Leveraging value-based payment methodologies
- Including all payers

Supporting the Vision of the Maryland Model



Staff Expertise is needed to meet the goals of the Model to:

- Develop innovative population health and health equity improvement strategies
- Continue to drive improvements in hospital quality
- Focus financial methodologies that advance population-based GBRs
- Create hospital rate orders that sufficiently fund hospital operations
- Ensure hospital compliance to all applicable laws and regulations to protect the public
- Collect and manage financial and clinical data to be used in monitoring and compliance

HSCRC Center Redesign

Care Transformation and Analytics	Hospital Rate Revenue and Regulations	Quality and Population-based Methodologies	Data Management and Integrity
• Designs health care delivery and payment reform initiatives • Leads work on care transformation efforts, CTIs, and Regional Partnerships • Supports activities of other Centers with data analytics	• Approves and distributes GBR rate orders • Monitors regulatory requirements and announcements to the hospital industry • Maintains core responsibility of HSCRC to set rates for hospital-based services	• Develops and monitors hospital quality improvement programs • Creates innovative population health and health equity strategies • Develops financial methodologies that further total cost of care accountability	• Leads activities related to health data management and compliance • Develops and implements audits of hospital compliance • Provides expertise related to data privacy and compliance with state and federal laws and regulations
William Henderson	Jerry Schmith	Allan Pack	Claudine Williams

HSCRC Staffing Continued

Communications, External Affairs, and Special Projects	Operations	Legal Counsel
• CMMI Liaison • Congressional Delegation Affairs • Maryland General Assembly • Stakeholder Engagement	• Human Resources and Staffing • Budget • Procurement • IT • Facilities	• Regulations • Counsel
Megan Renfrew	Xavier Colo	Stan Lustman and Ari Elbaum

Opportunities for Continued Improvement of Maryland Model

- **Continue to drive cost savings** by eliminating excess Medicare payments in Maryland as determined by benchmarking the State relative to a comparison group over time.
- Drive successful **long-term population health improvement,** that is both resource intensive and that requires decades-long commitment, through an all-payer approach.
- Continue to **improve quality of care and health outcomes for Marylanders** through Maryland-specific, all-payer pay-for-performance, value-based care arrangements. This includes both hospital quality measures, non-hospital value-based programs, and population health improvement goals.
- Maryland is committed to continued investment in a **robust and coordinated primary care workforce** through the Maryland Primary Care Program and other aligned programs.
- **Enhance System Care Transformation** to create additional access points for Marylanders to receive care, align post acute care providers, and other clinicians across the care spectrum.

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Hospital Financial Condition Report

Fiscal Year 2022

May 2023

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maryland
health services
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Table of Contents

maryland
health services
cost review commission

Introduction

The Maryland Health Services Cost Review Commission ("HSCRC" or "Commission") has completed the annual hospital financial condition report for Fiscal Year 2022.

In FY 2022, Maryland concluded its fourth year under the Total Cost of Care agreement. Under the Maryland TCOC Model, the State of Maryland is leading a transformative effort to improve care and lower healthcare spending. The TCOC Model builds on the successes of the All-Payer Model, a 5-year demonstration project with the CMS, which began January 1, 2014 and ended December 31, 2018. The TCOC Model, which began in January 2019, will progressively transform care delivery across the health care system with the objective of controlling total healthcare costs, improving health and quality of care. More information on Maryland's progress under the TCOC Model can be found on the HSCRC website at https://hscrc.maryland.gov/Pages/legal-reports.aspx.

Data on the collective financial performance of Maryland acute hospitals are summarized below.

- Gross regulated revenue. Gross patient revenue on regulated services increased 3.72 percent from $18.8 billion in FY 2021 to $19.5 billion in FY 2022.
- Net regulated patient revenue. Total regulated net patient revenue increased from $15.9 billion in FY 2021 to $16.6 billion in FY 2022, an increase of 4.40 percent.
- Profits on regulated activities. Profits on regulated activities decreased, from $1.60 billion (9.70 percent of regulated net operating revenue) in FY 2021 to $1.10 billion (6.46 percent of regulated net operating revenue) in FY 2022.
- Profits on operations. Profits on operations (which include profits and losses from regulated and unregulated day-to-day activities) decreased from $748 million in FY 2021 (or 4.01 percent of total net operating revenue) to $148 million in FY 2022 (or 0.77 percent of total net operating revenue).
- Total excess profit. Total excess profits (which include profits and losses from regulated and unregulated operating and non-operating activities) decreased from $2.2 billion in FY 2021 (or 10.83 percent of the total revenue) to $(503) million (or -2.63 percent of the total revenue) in FY 2022. This decrease is due, in part, to unregulated losses and declines in non-operating revenue.

Maryland is the only state in which uncompensated care is financed by all payers, including Medicare and Medicaid. The payment system builds the predicted cost of uncompensated care into the rates, and all payers pay the same rates for hospital care. Because the rates cover predicted uncompensated care amounts, hospitals have no reason to discourage patients who are likely to be without insurance. Thus, Maryland continues to be the only state in the nation that assures its citizens that they can receive care at any hospital, regardless of their ability to pay. As a result, there are no charity hospitals in Maryland; patients who are unable to pay are not transferred into hospitals of last resort.

The COVID-19 pandemic continued to be a factor in hospital operations during FY 2022, however Maryland hospitals continued to be supported by rate actions taken by the HSCRC to allow for loss of usual volume during the pandemic. In addition, Maryland hospitals received approximately $1.3 Billion in funding from the Provider Relief Fund (PRF) which was established under the Federal CARES Act, a small portion of that was recorded during FY 2022.

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health services
cost review commission

Contents of Report

Under its mandate to publicly disclose information about the financial operations of all hospitals, the Maryland Health Services Cost Review Commission (HSCRC or Commission) has prepared this report of comparative financial information from the respective hospitals.

This report combines the financial data of hospitals with a June 30 fiscal year end with the hospitals with a December 31 year end of the previous year, e.g., June 30, 2022 and December 31, 2021. All of the financial data in this report have been combined in this fashion.

Gross Patient Revenue, Net Patient Revenue, Other Operating Revenue, Net Operating Revenue, Percentage of Uncollectible Accounts, Total Operating Costs, Operating Profit/Loss, Non-Operating Revenue and Expense, and Total Excess Profit/Loss, as itemized in this report, were derived from the Annual Report of Revenue, Expenses, and Volumes (Annual Report) submitted to the HSCRC. The Annual Report is reconciled with the audited financial statements of the respective institutions.

This year's Disclosure Statement also includes the following three Exhibits:

- Exhibit I - Change in Uncompensated Care (Regulated Operations)
- Exhibit II - Change in Total Operating Profit/Loss (Regulated and Unregulated Operations)
- Exhibit III – Total Excess Profit/Loss (Operating and Non-Operating Activities)

The following explanations are submitted in order to facilitate the reader's understanding of this report:

Gross Patient Revenue refers to all regulated and unregulated patient care revenue and should be accounted for at established rates, regardless of whether the hospital expects to collect the full amount. Such revenues should also be reported on an accrual basis in the period during which the service is provided; other accounting methods, such as the discharge method, are not acceptable. For historical consistency, uncollectible accounts (bad debts) and charity care are included in gross patient revenue.

Net Patient Revenue means all regulated and unregulated patient care revenue realized by the hospital. Net patient revenue is arrived at by reducing gross patient revenue by contractual allowances, charity care, bad debts, and payer denials. Such revenues should be reported on an accrual basis in the period in which the service is provided.

Other Operating Revenue includes regulated and unregulated revenue associated with normal day-to-day operations from services other than health care provided to patients. These include sales and services to non-patients and revenue from miscellaneous sources, such as rental of hospital space, sale of cafeteria meals, gift shop sales, research, and Medicare Part B physician services. Such revenue is common in the regular operations of a hospital but should be accounted for separately from regulated patient revenue. Additionally, this revenue includes the funds received through the PRF under the Federal CARES Act.

Net Operating Revenue is the total of net patient revenue and other operating revenue.

Uncompensated Care is composed of charity and bad debts. This is the percentage difference between billings at established rates and the amount collected from charity patients and patients who pay less than their total bill, if at all. For historical consistency, uncollectible accounts are treated as a reduction in revenue.

Total Operating Expenses equal the costs of HSCRC-regulated and unregulated inpatient and outpatient care, plus costs associated with Other Operating Revenue. Operating expenses are presented in this report in accordance with generally accepted accounting principles with the exception of bad debts. For historical consistency, bad debts are treated as a reduction in gross patient revenue.

Operating Profit/Loss is the profit or loss from ordinary, normal recurring regulated and unregulated operations of the entity during the period. Operating Profit/Loss also includes restricted donations for specific operating purposes if such funds were expended for the purpose intended by the donor during the fiscal year being reported upon.

Non-Operating Profit/Loss includes realized as well as unrealized investment income, extraordinary gains, and other non-operating gains and losses.

Total Excess Profit/Loss represents the bottom line figure from the Annual Cost Report of the institution. It is the total of the Operating Profit/Loss and Non-Operating Profit/Loss.

Financial information contained in this report provides only an overview of the total financial status of the institutions. Additional information concerning the hospitals, in the form of Audited Financial Statements and reports filed pursuant to the regulations of the HSCRC, is available in PDF under Financial Data Reports/Financial Disclosure on the HSCRC website at http://hscrc.maryland.gov/Pages/pdr-annual-reports.aspx.

Notes to the Financial Data

1. Revenues and expenses applicable to physician Medicare Part B professional services are only included in regulated hospital data in hospitals that had HSCRC-approved physician rates on June 30, 1985, and that have not subsequently requested that those rates be removed so that the physicians may bill Medicare FFS.
2. The specialty hospitals in this report are Adventist Rehabilitation Hospital of Maryland; Takoma Park and Rockville, Brook Lane Health Services, Mt. Washington Pediatric Hospital, and Sheppard Pratt Hospital.
3. Adventist Behavioral Health Care-Rockville Merged with Washington Adventist to become Adventist- White Oak in May of 2018 and is reported as one acute care facility beginning CY 2018.
4. In accordance with Health-General Article, Section 19-3A-07, six free-standing medical facilities—Queen Anne's Freestanding Medical Center, Germantown Emergency Center, Bowie Health Center, UM Laurel Medical Center, Grace Medical Center, and TidalHealth McCready Pavilion—fall under the rate-setting jurisdiction of the HSCRC. TidalHealth McCready Pavilion was granted a waiver from filing the FY 2020 Cost Report due to the timing of the acquisition of McCready by TidalHealth.

maryland health services cost review commission

Details of the Disclosure of Hospital Financial and Statistical Data: Acute Hospitals

HEALTH SERVICES COST REVIEW COMMISSION

DISCLOSURE OF HOSPITAL FINANCIAL AND STATISTICAL DATA

FISCAL YEAR 2020 TO 2022

ACUTE HOSPITAL TOTALS

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	19,518,221,932	18,821,795,017	17,260,040,507
Unregulated Services	2,179,157,113	1,961,447,115	1,900,965,434
TOTAL	21,697,379,045	20,783,242,132	19,161,005,941
Net Patient Revenue (NPR):			
Regulated Services	16,635,025,507	15,878,368,394	14,483,050,744
Unregulated Services	1,065,881,799	1,010,121,664	925,386,627
TOTAL	17,700,907,306	16,888,490,058	15,408,437,371
Other Operating Revenue:			
Regulated Services	386,126,491	648,573,834	623,749,694
Unregulated Services	1,123,783,419	1,104,655,556	1,087,173,701
TOTAL	1,509,909,910	1,753,229,390	1,710,923,395
Net Operating Revenue (NOR)			
Regulated Services	17,021,151,998	16,526,942,229	15,106,800,439
Unregulated Services	2,189,665,218	2,114,777,220	2,012,560,328
Total	19,210,817,216	18,641,719,449	17,119,360,766
Total Operating Expenses:			
Regulated Services	15,921,642,690	14,924,312,186	13,934,257,470
Unregulated Services	3,141,321,067	2,969,290,327	2,840,382,402
Total	19,062,963,757	17,893,602,513	16,774,639,872
Net Operating Profit (Loss):			
Regulated Services	1,099,509,308	1,602,630,043	1,172,542,968
Unregulated Services	-951,655,849	-854,513,107	-827,822,074
Total	147,853,459	748,116,936	344,720,894
Total Non-Operating Profit (Loss):	-541,223,631	1,427,811,761	-52,032,713
Non-Operating Revenue	-69,937,904	1,443,195,785	105,962,824
Non-Operating Expenses	471,285,727	15,384,024	157,995,536
Total Excess Profit (Loss):	-502,706,172	2,175,928,697	292,688,181
% Net Operating Profit of Regulated NOR	6.46	9.70	7.76
% Net Total Operating Profit of Total NOR	0.77	4.01	2.01
% Total Excess Profit of Total Revenue	-2.63	10.83	1.70

HEALTH SERVICES COST REVIEW COMMISSION

DISCLOSURE OF HOSPITAL FINANCIAL AND STATISTICAL DATA

FISCAL YEAR 2020 TO 2022

ADVENTIST HEALTHCARE FORT WASHINGTON M

FISCAL YEAR ENDING	December 2021	December 2020	December 2019
Gross Patient Revenue:			
Regulated Services	63,872,312	53,626,500	53,090,934
Unregulated Services	879,950	362,430	209,919
TOTAL	64,752,263	53,988,930	53,300,853
Net Patient Revenue (NPR):			
Regulated Services	54,912,174	47,004,241	45,406,681
Unregulated Services	348,146	122,030	209,919
TOTAL	55,260,320	47,126,271	45,616,600
Other Operating Revenue:			
Regulated Services	5,039,531	3,965,123	1,374,418
Unregulated Services	1,541,105	241,215	59,152
TOTAL	6,580,636	4,206,338	1,433,570
Net Operating Revenue (NOR)			
Regulated Services	59,951,705	50,969,364	46,781,099
Unregulated Services	1,889,250	363,245	269,071
Total	61,840,956	51,332,609	47,050,170
Total Operating Expenses:			
Regulated Services	54,926,584	47,726,565	45,291,527
Unregulated Services	6,315,863	3,434,228	1,036,079
Total	61,242,447	51,160,793	46,327,606
Net Operating Profit (Loss):			
Regulated Services	5,025,121	3,242,799	1,489,572
Unregulated Services	-4,426,612	-3,070,983	-767,008
Total	598,509	171,816	722,564
Total Non-Operating Profit (Loss):	39,885	0	7,046,635
Non-Operating Revenue	39,885	0	7,046,635
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	638,394	171,816	7,769,199
% Net Operating Profit of Regulated NOR	8.38	6.36	3.18
% Net Total Operating Profit of Total NOR	0.97	0.33	1.54
% Total Excess Profit of Total Revenue	1.03	0.33	14.36

ADVENTIST WHITE OAK HOSPITAL

FISCAL YEAR ENDING	December 2021	December 2020	December 2019
Gross Patient Revenue:			
Regulated Services	331,339,300	328,724,800	302,988,400
Unregulated Services	30,726,934	29,200,792	36,379,666
TOTAL	362,066,234	357,925,592	339,368,066
Net Patient Revenue (NPR):			
Regulated Services	276,084,921	269,701,271	253,143,919
Unregulated Services	10,620,197	10,097,079	12,722,511
TOTAL	286,705,119	279,798,350	265,866,430
Other Operating Revenue:			
Regulated Services	23,108,913	16,521,043	310,821
Unregulated Services	7,085,450	3,834,861	4,360,108
TOTAL	30,194,363	20,355,904	4,670,929
Net Operating Revenue (NOR)			
Regulated Services	299,193,834	286,222,314	253,454,740
Unregulated Services	17,705,647	13,931,940	17,082,619
Total	316,899,481	300,154,254	270,537,359
Total Operating Expenses:			
Regulated Services	276,626,334	264,790,806	228,558,075
Unregulated Services	38,750,907	32,866,117	36,195,645
Total	315,377,240	297,656,922	264,753,720
Net Operating Profit (Loss):			
Regulated Services	22,567,500	21,431,508	24,896,665
Unregulated Services	-21,045,259	-18,934,177	-19,113,026
Total	1,522,241	2,497,331	5,783,639
Total Non-Operating Profit (Loss):	310,669	349,855	664,543
Non-Operating Revenue	310,669	349,855	664,543
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	1,832,910	2,847,186	6,448,182
% Net Operating Profit of Regulated NOR	7.54	7.49	9.82
% Net Total Operating Profit of Total NOR	0.48	0.83	2.14
% Total Excess Profit of Total Revenue	0.58	0.95	2.38

ANNE ARUNDEL MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	724,138,500	699,721,900	640,390,900
Unregulated Services	36,451,004	31,113,386	26,443,873
TOTAL	760,589,504	730,835,286	666,834,773
Net Patient Revenue (NPR):			
Regulated Services	630,312,825	603,920,699	552,362,723
Unregulated Services	13,450,805	12,029,599	10,390,012
TOTAL	643,763,631	615,950,298	562,752,735
Other Operating Revenue:			
Regulated Services	9,335,100	25,348,394	28,855,651
Unregulated Services	12,805,700	5,421,693	7,854,300
TOTAL	22,140,800	30,770,087	36,709,951
Net Operating Revenue (NOR)			
Regulated Services	639,647,925	629,269,094	581,218,374
Unregulated Services	26,256,505	17,451,292	18,244,312
Total	665,904,431	646,720,385	599,462,686
Total Operating Expenses:			
Regulated Services	612,124,120	539,122,954	529,014,082
Unregulated Services	70,726,980	56,738,504	56,019,918
Total	682,851,100	595,861,458	585,034,000
Net Operating Profit (Loss):			
Regulated Services	27,523,805	90,146,140	52,204,292
Unregulated Services	-44,470,474	-39,287,212	-37,775,606
Total	-16,946,669	50,858,928	14,428,686
Total Non-Operating Profit (Loss):	-10,882,000	122,405,738	-69,144,000
Non-Operating Revenue	-10,882,000	122,405,738	-69,144,000
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	-27,828,669	173,264,665	-54,715,314
% Net Operating Profit of Regulated NOR	4.30	14.33	8.98
% Net Total Operating Profit of Total NOR	-2.54	7.86	2.41
% Total Excess Profit of Total Revenue	-4.25	22.53	-10.32

ASCENSION SAINT AGNES HOSPITAL

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	472,142,600	434,079,800	420,145,400
Unregulated Services	184,992,816	172,611,861	163,986,247
TOTAL	657,135,416	606,691,661	584,131,647
Net Patient Revenue (NPR):			
Regulated Services	398,306,873	370,028,271	343,989,149
Unregulated Services	81,430,382	80,213,822	72,767,099
TOTAL	479,737,255	450,242,093	416,756,248
Other Operating Revenue:			
Regulated Services	12,957,053	31,083,000	29,280,925
Unregulated Services	14,718,186	14,081,350	9,875,031
TOTAL	27,675,239	45,164,350	39,155,956
Net Operating Revenue (NOR)			
Regulated Services	411,263,926	401,111,272	373,270,074
Unregulated Services	96,148,567	94,295,171	82,642,130
Total	507,412,494	495,406,443	455,912,204
Total Operating Expenses:			
Regulated Services	338,784,720	319,302,548	323,857,482
Unregulated Services	160,021,556	142,852,719	136,295,421
Total	498,806,276	462,155,267	460,152,903
Net Operating Profit (Loss):			
Regulated Services	72,479,206	81,808,723	49,412,592
Unregulated Services	-63,872,988	-48,557,548	-53,653,292
Total	8,606,217	33,251,175	-4,240,699
Total Non-Operating Profit (Loss):	-3,596,439	3,435,404	-479,779
Non-Operating Revenue	-1,075,761	4,224,667	-479,779
Non-Operating Expenses	2,520,678	789,263	0
Total Excess Profit (Loss):	5,009,778	36,686,580	-4,720,479
% Net Operating Profit of Regulated NOR	17.62	20.40	13.24
% Net Total Operating Profit of Total NOR	1.70	6.71	-0.93
% Total Excess Profit of Total Revenue	0.99	7.34	-1.04

ATLANTIC GENERAL HOSPITAL

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	124,940,915	122,134,900	107,157,500
Unregulated Services	77,996,357	70,112,174	64,786,113
TOTAL	202,937,272	192,247,074	171,943,613
Net Patient Revenue (NPR):			
Regulated Services	107,405,501	105,106,300	88,963,700
Unregulated Services	35,114,762	31,478,374	27,809,913
TOTAL	142,520,263	136,584,674	116,773,613
Other Operating Revenue:			
Regulated Services	5,459,316	3,637,569	11,603,390
Unregulated Services	5,516,518	4,716,103	5,107,554
TOTAL	10,975,834	8,353,672	16,710,944
Net Operating Revenue (NOR)			
Regulated Services	112,864,817	108,743,869	100,567,090
Unregulated Services	40,631,280	36,194,478	32,917,467
Total	153,496,096	144,938,346	133,484,557
Total Operating Expenses:			
Regulated Services	91,997,795	84,975,462	76,699,167
Unregulated Services	62,129,271	61,665,744	58,267,770
Total	154,127,066	146,641,206	134,966,936
Net Operating Profit (Loss):			
Regulated Services	20,867,022	23,768,407	23,867,924
Unregulated Services	-21,497,992	-25,471,266	-25,350,303
Total	-630,970	-1,702,859	-1,482,379
Total Non-Operating Profit (Loss):	2,097,332	8,458,572	-3,002,529
Non-Operating Revenue	-2,242,326	5,629,207	1,332,463
Non-Operating Expenses	-4,339,658	-2,829,365	4,334,992
Total Excess Profit (Loss):	1,466,362	6,755,713	-4,484,908
% Net Operating Profit of Regulated NOR	18.49	21.86	23.73
% Net Total Operating Profit of Total NOR	-0.41	-1.17	-1.11
% Total Excess Profit of Total Revenue	0.97	4.49	-3.33

CALVERT HEALTH MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	170,683,940	163,995,400	157,018,400
Unregulated Services	5,700,611	5,404,697	4,895,234
TOTAL	176,384,551	169,400,097	161,913,634
Net Patient Revenue (NPR):			
Regulated Services	146,104,685	141,727,742	133,940,920
Unregulated Services	2,219,140	2,346,744	1,724,720
TOTAL	148,323,826	144,074,486	135,665,640
Other Operating Revenue:			
Regulated Services	2,619,083	3,043,555	4,449,600
Unregulated Services	446,000	624,062	2,341,100
TOTAL	3,065,083	3,667,617	6,790,700
Net Operating Revenue (NOR)			
Regulated Services	148,723,768	144,771,297	138,390,520
Unregulated Services	2,665,140	2,970,806	4,065,820
Total	151,388,909	147,742,103	142,456,340
Total Operating Expenses:			
Regulated Services	135,429,252	131,597,332	124,922,077
Unregulated Services	10,975,471	11,433,687	12,474,133
Total	146,404,723	143,031,019	137,396,210
Net Operating Profit (Loss):			
Regulated Services	13,294,516	13,173,965	13,468,443
Unregulated Services	-8,310,331	-8,462,881	-8,408,313
Total	4,984,186	4,711,084	5,060,130
Total Non-Operating Profit (Loss):	149,422	-3,822,891	553,241
Non-Operating Revenue	149,422	251,886	553,241
Non-Operating Expenses	0	4,074,777	0
Total Excess Profit (Loss):	5,133,608	888,193	5,613,371
% Net Operating Profit of Regulated NOR	8.94	9.10	9.73
% Net Total Operating Profit of Total NOR	3.29	3.19	3.55
% Total Excess Profit of Total Revenue	3.39	0.60	3.93

CARROLL HOSPITAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	258,148,447	251,514,387	231,744,220
Unregulated Services	93,956,464	84,446,579	77,486,257
TOTAL	352,104,911	335,960,966	309,230,477
Net Patient Revenue (NPR):			
Regulated Services	222,667,123	215,045,488	194,785,453
Unregulated Services	45,063,987	39,474,700	36,838,268
TOTAL	267,731,110	254,520,188	231,623,721
Other Operating Revenue:			
Regulated Services	11,097,800	17,053,263	17,489,370
Unregulated Services	995,887	1,779,799	2,228,895
TOTAL	12,093,687	18,833,062	19,718,265
Net Operating Revenue (NOR)			
Regulated Services	233,764,923	232,098,751	212,274,823
Unregulated Services	46,059,874	41,254,499	39,067,163
Total	279,824,797	273,353,250	251,341,986
Total Operating Expenses:			
Regulated Services	212,285,619	202,086,532	184,970,310
Unregulated Services	56,999,964	50,650,864	45,616,669
Total	269,285,583	252,737,396	230,586,979
Net Operating Profit (Loss):			
Regulated Services	21,479,304	30,012,219	27,304,513
Unregulated Services	-10,940,090	-9,396,365	-6,549,506
Total	10,539,214	20,615,854	20,755,007
Total Non-Operating Profit (Loss):	-28,360,910	50,835,177	6,964,130
Non-Operating Revenue	-28,360,910	50,835,177	6,964,130
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	-17,821,696	71,451,031	27,719,137
% Net Operating Profit of Regulated NOR	9.19	12.93	12.86
% Net Total Operating Profit of Total NOR	3.77	7.54	8.26
% Total Excess Profit of Total Revenue	-7.09	22.04	10.73

CHRISTIANACARE, UNION HOSPITAL

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	181,753,068	180,732,852	163,369,100
Unregulated Services	47,489,711	34,611,220	36,121,200
TOTAL	229,242,779	215,344,072	199,490,300
Net Patient Revenue (NPR):			
Regulated Services	154,198,417	132,226,594	136,482,071
Unregulated Services	17,289,981	34,611,220	13,375,200
TOTAL	171,488,398	166,837,814	149,857,271
Other Operating Revenue:			
Regulated Services	-6,101,000	5,282,326	5,310,000
Unregulated Services	7,758,000	0	1,067,100
TOTAL	1,657,000	5,282,326	6,377,100
Net Operating Revenue (NOR)			
Regulated Services	148,097,417	137,508,920	141,792,071
Unregulated Services	25,047,981	34,611,220	14,442,300
Total	173,145,398	172,120,140	156,234,371
Total Operating Expenses:			
Regulated Services	159,376,660	129,107,892	124,052,700
Unregulated Services	41,900,765	38,161,176	35,584,400
Total	201,277,425	167,269,068	159,637,100
Net Operating Profit (Loss):			
Regulated Services	-11,279,243	8,401,028	17,739,371
Unregulated Services	-16,852,784	-3,549,956	-21,142,100
Total	-28,132,027	4,851,072	-3,402,729
Total Non-Operating Profit (Loss):	-6,539,000	10,628,192	2,381,500
Non-Operating Revenue	-6,539,000	10,628,192	2,766,600
Non-Operating Expenses	0	0	385,100
Total Excess Profit (Loss):	-34,671,027	15,479,263	-1,021,229
% Net Operating Profit of Regulated NOR	-7.62	6.11	12.51
% Net Total Operating Profit of Total NOR	-16.25	2.82	-2.18
% Total Excess Profit of Total Revenue	-20.81	8.47	-0.64

DOCTORS COMMUNITY MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	263,081,000	253,008,900	256,642,314
Unregulated Services	1,335,820	8,828,800	72,713,600
TOTAL	264,416,820	261,837,700	329,355,914
Net Patient Revenue (NPR):			
Regulated Services	220,183,871	210,295,400	213,070,608
Unregulated Services	1,049,498	8,483,600	26,057,537
TOTAL	221,233,369	218,779,000	239,128,145
Other Operating Revenue:			
Regulated Services	5,063,959	17,702,500	16,373,916
Unregulated Services	2,635,041	2,486,500	5,504,962
TOTAL	7,699,000	20,189,000	21,878,878
Net Operating Revenue (NOR)			
Regulated Services	225,247,829	227,997,900	229,444,524
Unregulated Services	3,684,539	10,970,100	31,562,499
Total	228,932,369	238,968,000	261,007,023
Total Operating Expenses:			
Regulated Services	229,922,488	216,637,693	204,835,619
Unregulated Services	14,363,989	23,524,307	51,502,395
Total	244,286,477	240,162,000	256,338,014
Net Operating Profit (Loss):			
Regulated Services	-4,674,659	11,360,207	24,608,905
Unregulated Services	-10,679,450	-12,554,207	-19,939,896
Total	-15,354,108	-1,194,000	4,669,009
Total Non-Operating Profit (Loss):	-1,566,707	5,000	-208,663
Non-Operating Revenue	-1,566,707	5,000	714,580
Non-Operating Expenses	0	0	923,243
Total Excess Profit (Loss):	-16,920,815	-1,189,000	4,460,346
% Net Operating Profit of Regulated NOR	-2.08	4.98	10.73
% Net Total Operating Profit of Total NOR	-6.71	-0.50	1.79
% Total Excess Profit of Total Revenue	-7.44	-0.50	1.70

FREDERICK HEALTH HOSPITAL, INC

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	400,842,400	388,587,600	358,754,200
Unregulated Services	95,879,300	104,059,000	78,325,505
TOTAL	496,721,700	492,646,600	437,079,705
Net Patient Revenue (NPR):			
Regulated Services	341,532,928	334,941,500	305,515,951
Unregulated Services	58,443,105	63,490,470	51,602,135
TOTAL	399,976,033	398,431,970	357,118,086
Other Operating Revenue:			
Regulated Services	7,027,256	15,398,700	12,635,966
Unregulated Services	5,251,744	6,467,300	7,829,034
TOTAL	12,279,000	21,866,000	20,465,000
Net Operating Revenue (NOR)			
Regulated Services	348,560,185	350,340,200	318,151,917
Unregulated Services	63,694,849	69,957,770	59,431,169
Total	412,255,033	420,297,970	377,583,086
Total Operating Expenses:			
Regulated Services	332,628,724	293,126,995	273,394,436
Unregulated Services	75,767,276	90,490,005	83,120,574
Total	408,396,000	383,617,000	356,515,010
Net Operating Profit (Loss):			
Regulated Services	15,931,461	57,213,205	44,757,481
Unregulated Services	-12,072,427	-20,532,235	-23,689,405
Total	3,859,033	36,680,970	21,068,076
Total Non-Operating Profit (Loss):	-11,431,000	47,232,000	-3,608,000
Non-Operating Revenue	-11,431,000	47,232,000	6,607,000
Non-Operating Expenses	0	0	10,215,000
Total Excess Profit (Loss):	-7,571,967	83,912,970	17,460,076
% Net Operating Profit of Regulated NOR	4.57	16.33	14.07
% Net Total Operating Profit of Total NOR	0.94	8.73	5.58
% Total Excess Profit of Total Revenue	-1.89	17.95	4.54

GARRETT REGIONAL MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	71,160,321	66,256,459	59,967,874
Unregulated Services	17,246,325	16,219,936	14,293,115
TOTAL	88,406,646	82,476,395	74,260,989
Net Patient Revenue (NPR):			
Regulated Services	60,123,816	54,684,757	49,380,369
Unregulated Services	7,433,904	7,175,512	6,050,410
TOTAL	67,557,720	61,860,269	55,430,779
Other Operating Revenue:			
Regulated Services	4,649,419	6,010,323	6,140,176
Unregulated Services	394,881	383,277	391,048
TOTAL	5,044,300	6,393,600	6,531,224
Net Operating Revenue (NOR)			
Regulated Services	64,773,235	60,695,080	55,520,545
Unregulated Services	7,828,785	7,558,789	6,441,458
Total	72,602,020	68,253,869	61,962,003
Total Operating Expenses:			
Regulated Services	58,082,898	50,344,837	46,922,941
Unregulated Services	19,426,077	16,759,488	12,366,042
Total	77,508,975	67,104,325	59,288,983
Net Operating Profit (Loss):			
Regulated Services	6,690,337	10,350,242	8,597,604
Unregulated Services	-11,597,292	-9,200,699	-5,924,584
Total	-4,906,955	1,149,544	2,673,020
Total Non-Operating Profit (Loss):	-1,634,274	987,206	-80,995
Non-Operating Revenue	-971,376	2,008,475	-80,995
Non-Operating Expenses	662,898	1,021,269	0
Total Excess Profit (Loss):	-6,541,229	2,136,750	2,592,025
% Net Operating Profit of Regulated NOR	10.33	17.05	15.49
% Net Total Operating Profit of Total NOR	-6.76	1.68	4.31
% Total Excess Profit of Total Revenue	-9.13	3.04	4.19

GERMANTOWN EMERGENCY CENTER

FISCAL YEAR ENDING	December 2021	December 2020	December 2019
Gross Patient Revenue:			
Regulated Services	14,669,400	12,504,400	14,645,900
Unregulated Services	0	0	0
TOTAL	14,669,400	12,504,400	14,645,900
Net Patient Revenue (NPR):			
Regulated Services	9,909,121	8,289,659	10,559,391
Unregulated Services	0	0	0
TOTAL	9,909,121	8,289,659	10,559,391
Other Operating Revenue:			
Regulated Services	375,604	-19,506	1,723
Unregulated Services	1,612	3,884	15,808
TOTAL	377,216	-15,622	17,531
Net Operating Revenue (NOR)			
Regulated Services	10,284,725	8,270,153	10,561,114
Unregulated Services	1,612	3,884	15,808
Total	10,286,337	8,274,037	10,576,922
Total Operating Expenses:			
Regulated Services	11,504,018	11,435,906	11,363,251
Unregulated Services	227,100	145,400	157,900
Total	11,731,118	11,581,306	11,521,151
Net Operating Profit (Loss):			
Regulated Services	-1,219,293	-3,165,753	-802,137
Unregulated Services	-225,488	-141,516	-142,092
Total	-1,444,781	-3,307,269	-944,229
Total Non-Operating Profit (Loss):	135	-10,320	-16,049
Non-Operating Revenue	135	-10,320	-16,049
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	-1,444,646	-3,317,589	-960,278
% Net Operating Profit of Regulated NOR	-11.86	-38.28	-7.60
% Net Total Operating Profit of Total NOR	-14.05	-39.97	-8.93
% Total Excess Profit of Total Revenue	-14.04	-40.15	-9.09

GRACE MEDICAL CENTER

FISCAL YEAR ENDING	August 2022	August 2021	August 2020
Gross Patient Revenue:			
Regulated Services	28,774,744	34,045,881	39,284,372
Unregulated Services	31,685,405	42,633,738	42,851,134
TOTAL	60,460,149	76,679,619	82,135,506
Net Patient Revenue (NPR):			
Regulated Services	22,835,537	22,492,841	28,122,141
Unregulated Services	9,067,895	11,425,213	11,696,745
TOTAL	31,903,432	33,918,054	39,818,886
Other Operating Revenue:			
Regulated Services	684,729	7,333,304	8,912,997
Unregulated Services	633,929	803,799	1,221,649
TOTAL	1,318,658	8,137,103	10,134,646
Net Operating Revenue (NOR)			
Regulated Services	23,520,266	29,826,145	37,035,138
Unregulated Services	9,701,824	12,229,012	12,918,394
Total	33,222,090	42,055,157	49,953,532
Total Operating Expenses:			
Regulated Services	30,265,814	46,572,230	42,585,584
Unregulated Services	12,832,326	19,854,303	23,893,470
Total	43,098,140	66,426,533	66,479,054
Net Operating Profit (Loss):			
Regulated Services	-6,745,547	-16,746,085	-5,550,446
Unregulated Services	-3,130,503	-7,625,291	-10,975,075
Total	-9,876,050	-24,371,376	-16,525,522
Total Non-Operating Profit (Loss):	-65,289	-77,940	5,118,000
Non-Operating Revenue	-65,289	-77,940	5,118,000
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	-9,941,339	-24,449,316	-11,407,522
% Net Operating Profit of Regulated NOR	-28.68	-56.15	-14.99
% Net Total Operating Profit of Total NOR	-29.73	-57.95	-33.08
% Total Excess Profit of Total Revenue	-29.98	-58.24	-20.71

GREATER BALTIMORE MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	495,095,020	526,375,702	472,544,399
Unregulated Services	257,349,424	189,577,500	162,694,809
TOTAL	752,444,444	715,953,202	635,239,208
Net Patient Revenue (NPR):			
Regulated Services	428,239,517	452,306,666	403,023,145
Unregulated Services	123,596,263	90,522,334	76,645,063
TOTAL	551,835,780	542,829,000	479,668,208
Other Operating Revenue:			
Regulated Services	11,454,033	18,939,193	17,276,929
Unregulated Services	13,067,404	10,370,807	13,346,071
TOTAL	24,521,437	29,310,000	30,623,000
Net Operating Revenue (NOR)			
Regulated Services	439,693,550	471,245,859	420,300,074
Unregulated Services	136,663,667	100,893,141	89,991,134
Total	576,357,217	572,139,000	510,291,208
Total Operating Expenses:			
Regulated Services	396,054,498	398,388,943	377,518,059
Unregulated Services	209,676,445	158,731,057	136,486,941
Total	605,730,943	557,120,000	514,005,000
Net Operating Profit (Loss):			
Regulated Services	43,639,052	72,856,916	42,782,016
Unregulated Services	-73,012,778	-57,837,916	-46,495,808
Total	-29,373,726	15,019,000	-3,713,792
Total Non-Operating Profit (Loss):	76,191,000	11,021,000	4,738,790
Non-Operating Revenue	21,523,000	54,423,000	12,508,790
Non-Operating Expenses	-54,668,000	43,402,000	7,770,000
Total Excess Profit (Loss):	-62,518,726	26,040,000	1,024,998
% Net Operating Profit of Regulated NOR	9.92	15.46	10.18
% Net Total Operating Profit of Total NOR	-5.10	2.63	-0.73
% Total Excess Profit of Total Revenue	-10.46	4.16	0.20

HOLY CROSS HOSPITAL

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	573,097,200	554,474,700	512,631,200
Unregulated Services	43,212,274	37,873,569	38,633,840
TOTAL	616,309,474	592,348,269	551,265,040
Net Patient Revenue (NPR):			
Regulated Services	491,435,451	480,661,258	437,412,272
Unregulated Services	14,745,549	14,156,837	15,918,059
TOTAL	506,181,000	494,818,095	453,330,331
Other Operating Revenue:			
Regulated Services	8,412,868	17,880,918	26,105,960
Unregulated Services	13,699,132	21,033,176	16,547,387
TOTAL	22,112,000	38,914,094	42,653,347
Net Operating Revenue (NOR)			
Regulated Services	499,848,319	498,542,176	463,518,232
Unregulated Services	28,444,681	35,190,013	32,465,446
Total	528,293,000	533,732,189	495,983,679
Total Operating Expenses:			
Regulated Services	461,368,595	422,978,849	400,562,971
Unregulated Services	62,491,446	60,130,817	54,303,427
Total	523,860,041	483,109,666	454,866,398
Net Operating Profit (Loss):			
Regulated Services	38,479,723	75,563,327	62,955,261
Unregulated Services	-34,046,765	-24,940,803	-21,837,980
Total	4,432,959	50,622,523	41,117,281
Total Non-Operating Profit (Loss):	-32,140,000	96,177,110	8,799,831
Non-Operating Revenue	-34,236,140	90,523,792	8,799,831
Non-Operating Expenses	-2,096,140	-5,653,318	0
Total Excess Profit (Loss):	-27,707,041	146,799,633	49,917,112
% Net Operating Profit of Regulated NOR	7.70	15.16	13.58
% Net Total Operating Profit of Total NOR	0.84	9.48	8.29
% Total Excess Profit of Total Revenue	-5.61	23.52	9.89

HOLY CROSS HOSPITAL-GERMANTOWN

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	141,903,900	131,583,100	119,447,100
Unregulated Services	2,855,806	2,077,878	1,756,775
TOTAL	144,759,706	133,660,978	121,203,875
Net Patient Revenue (NPR):			
Regulated Services	124,352,558	116,907,566	100,796,727
Unregulated Services	722,748	634,979	478,260
TOTAL	125,075,306	117,542,545	101,274,987
Other Operating Revenue:			
Regulated Services	284,326	3,953,743	1,204,727
Unregulated Services	618,531	617,352	770,895
TOTAL	902,857	4,571,095	1,975,622
Net Operating Revenue (NOR)			
Regulated Services	124,636,884	120,861,308	102,001,454
Unregulated Services	1,341,279	1,252,331	1,249,155
Total	125,978,163	122,113,640	103,250,609
Total Operating Expenses:			
Regulated Services	125,596,841	113,817,014	99,564,175
Unregulated Services	8,895,159	9,720,329	9,047,113
Total	134,492,000	123,537,343	108,611,288
Net Operating Profit (Loss):			
Regulated Services	-959,957	7,044,294	2,437,279
Unregulated Services	-7,553,880	-8,467,997	-7,797,958
Total	-8,513,837	-1,423,703	-5,360,679
Total Non-Operating Profit (Loss):	-585,000	-471,497	-473,244
Non-Operating Revenue	-585,000	-471,497	0
Non-Operating Expenses	0	0	473,244
Total Excess Profit (Loss):	-9,098,837	-1,895,200	-5,833,923
% Net Operating Profit of Regulated NOR	-0.77	5.83	2.39
% Net Total Operating Profit of Total NOR	-6.76	-1.17	-5.19
% Total Excess Profit of Total Revenue	-7.26	-1.56	-5.65

HOWARD COUNTY GENERAL HOSPITAL

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	344,977,080	320,587,891	300,728,775
Unregulated Services	0	0	0
TOTAL	344,977,080	320,587,891	300,728,775
Net Patient Revenue (NPR):			
Regulated Services	299,814,034	277,687,901	253,702,797
Unregulated Services	0	0	0
TOTAL	299,814,034	277,687,901	253,702,797
Other Operating Revenue:			
Regulated Services	211,173	4,759	-256,888
Unregulated Services	10,124,605	19,445,784	19,404,645
TOTAL	10,335,778	19,450,543	19,147,757
Net Operating Revenue (NOR)			
Regulated Services	300,025,207	277,692,660	253,445,909
Unregulated Services	10,124,605	19,445,784	19,404,645
Total	310,149,812	297,138,444	272,850,554
Total Operating Expenses:			
Regulated Services	308,768,658	269,575,308	251,561,640
Unregulated Services	16,677,641	14,775,692	14,568,957
Total	325,446,299	284,351,000	266,130,597
Net Operating Profit (Loss):			
Regulated Services	-8,743,451	8,117,352	1,884,269
Unregulated Services	-6,553,036	4,670,092	4,835,688
Total	-15,296,487	12,787,444	6,719,957
Total Non-Operating Profit (Loss):	-22,289,503	42,029,443	-6,408,260
Non-Operating Revenue	47,899,198	42,235,443	8,553,143
Non-Operating Expenses	70,188,701	206,000	14,961,403
Total Excess Profit (Loss):	-37,585,990	54,816,887	311,697
% Net Operating Profit of Regulated NOR	-2.91	2.92	0.74
% Net Total Operating Profit of Total NOR	-4.93	4.30	2.46
% Total Excess Profit of Total Revenue	-10.50	16.15	0.11

JOHNS HOPKINS BAYVIEW MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	778,281,041	754,928,731	666,316,478
Unregulated Services	4,760,509	5,463,777	5,545,559
TOTAL	783,041,550	760,392,508	671,862,037
Net Patient Revenue (NPR):			
Regulated Services	650,301,388	626,485,979	554,247,032
Unregulated Services	4,579,726	5,256,287	5,334,999
TOTAL	654,881,114	631,742,266	559,582,031
Other Operating Revenue:			
Regulated Services	7,919,718	6,771,398	8,914,127
Unregulated Services	86,249,166	78,337,748	100,553,834
TOTAL	94,168,884	85,109,146	109,467,961
Net Operating Revenue (NOR)			
Regulated Services	658,221,105	633,257,377	563,161,159
Unregulated Services	90,828,893	83,594,035	105,888,833
Total	749,049,998	716,851,412	669,049,993
Total Operating Expenses:			
Regulated Services	680,557,337	637,179,346	597,499,315
Unregulated Services	93,038,663	77,067,654	74,378,685
Total	773,596,000	714,247,000	671,878,000
Net Operating Profit (Loss):			
Regulated Services	-22,336,231	-3,921,970	-34,338,156
Unregulated Services	-2,209,771	6,526,382	31,510,148
Total	-24,546,002	2,604,412	-2,828,007
Total Non-Operating Profit (Loss):	-9,774,000	25,378,000	-6,964,000
Non-Operating Revenue	2,018,000	25,378,000	372,000
Non-Operating Expenses	11,792,000	0	7,336,000
Total Excess Profit (Loss):	-34,320,002	27,982,412	-9,792,007
% Net Operating Profit of Regulated NOR	-3.39	-0.62	-6.10
% Net Total Operating Profit of Total NOR	-3.28	0.36	-0.42
% Total Excess Profit of Total Revenue	-4.57	3.77	-1.46

JOHNS HOPKINS HOSPITAL

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	2,832,180,125	2,759,868,230	2,468,450,148
Unregulated Services	25,855,580	21,761,200	20,733,152
TOTAL	2,858,035,705	2,781,629,430	2,489,183,300
Net Patient Revenue (NPR):			
Regulated Services	2,386,916,325	2,314,133,230	2,037,901,348
Unregulated Services	25,855,580	21,761,200	20,733,152
TOTAL	2,412,771,905	2,335,894,430	2,058,634,500
Other Operating Revenue:			
Regulated Services	54,501,692	43,887,873	44,621,400
Unregulated Services	574,740,600	573,364,700	514,246,300
TOTAL	629,242,292	617,252,573	558,867,700
Net Operating Revenue (NOR)			
Regulated Services	2,441,418,017	2,358,021,103	2,082,522,748
Unregulated Services	600,596,180	595,125,900	534,979,452
Total	3,042,014,197	2,953,147,003	2,617,502,200
Total Operating Expenses:			
Regulated Services	2,375,734,100	2,262,771,100	2,160,287,500
Unregulated Services	544,403,900	546,333,900	498,657,500
Total	2,920,138,000	2,809,105,000	2,658,945,000
Net Operating Profit (Loss):			
Regulated Services	65,683,917	95,250,003	-77,764,752
Unregulated Services	56,192,280	48,792,000	36,321,952
Total	121,876,197	144,042,003	-41,442,800
Total Non-Operating Profit (Loss):	-125,166,000	280,684,400	-67,515,000
Non-Operating Revenue	81,364,000	239,133,900	16,154,000
Non-Operating Expenses	206,530,000	-41,550,500	83,669,000
Total Excess Profit (Loss):	-3,289,803	424,726,403	-108,957,800
% Net Operating Profit of Regulated NOR	2.69	4.04	-3.73
% Net Total Operating Profit of Total NOR	4.01	4.88	-1.58
% Total Excess Profit of Total Revenue	-0.11	13.30	-4.14

LEVINDALE

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	74,237,915	55,385,277	63,226,315
Unregulated Services	33,408,387	33,152,355	32,331,135
TOTAL	107,646,302	88,537,632	95,557,450
Net Patient Revenue (NPR):			
Regulated Services	62,903,329	45,873,438	51,807,185
Unregulated Services	27,351,004	26,985,489	26,478,506
TOTAL	90,254,333	72,858,927	78,285,691
Other Operating Revenue:			
Regulated Services	1,227,272	1,782,259	6,247,472
Unregulated Services	937,295	132,713	165,380
TOTAL	2,164,567	1,914,972	6,412,852
Net Operating Revenue (NOR)			
Regulated Services	64,130,601	47,655,697	58,054,657
Unregulated Services	28,288,299	27,118,202	26,643,886
Total	92,418,900	74,773,899	84,698,543
Total Operating Expenses:			
Regulated Services	46,951,946	45,060,792	45,914,923
Unregulated Services	38,194,096	38,669,490	34,921,907
Total	85,146,042	83,730,282	80,836,830
Net Operating Profit (Loss):			
Regulated Services	17,178,655	2,594,905	12,139,734
Unregulated Services	-9,905,797	-11,551,288	-8,278,021
Total	7,272,858	-8,956,383	3,861,713
Total Non-Operating Profit (Loss):	-2,714,061	4,556,655	971,334
Non-Operating Revenue	-2,714,061	4,556,655	971,334
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	4,558,797	-4,399,728	4,833,047
% Net Operating Profit of Regulated NOR	26.79	5.45	20.91
% Net Total Operating Profit of Total NOR	7.87	-11.98	4.56
% Total Excess Profit of Total Revenue	5.08	-5.55	5.64

MEDSTAR FRANKLIN SQUARE

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	609,274,994	604,526,007	590,598,154
Unregulated Services	237,164,763	202,760,555	178,756,120
TOTAL	846,439,757	807,286,563	769,354,274
Net Patient Revenue (NPR):			
Regulated Services	525,436,568	491,064,953	500,159,267
Unregulated Services	108,073,284	92,300,047	80,003,397
TOTAL	633,509,852	583,365,001	580,162,665
Other Operating Revenue:			
Regulated Services	6,430,735	23,408,091	2,111,068
Unregulated Services	10,451,248	10,917,462	16,166,903
TOTAL	16,881,983	34,325,554	18,277,971
Net Operating Revenue (NOR)			
Regulated Services	531,867,303	514,473,045	502,270,335
Unregulated Services	118,524,532	103,217,510	96,170,301
Total	650,391,835	617,690,554	598,440,636
Total Operating Expenses:			
Regulated Services	512,777,069	468,815,665	422,780,556
Unregulated Services	156,708,942	144,581,180	127,058,244
Total	669,486,011	613,396,845	549,838,800
Net Operating Profit (Loss):			
Regulated Services	19,090,234	45,657,380	79,489,779
Unregulated Services	-38,184,410	-41,363,670	-30,887,943
Total	-19,094,176	4,293,709	48,601,836
Total Non-Operating Profit (Loss):	-177,523	1,241,350	-507,611
Non-Operating Revenue	-325,389	1,570,650	538,573
Non-Operating Expenses	-147,866	329,300	1,046,184
Total Excess Profit (Loss):	-19,271,700	5,535,059	48,094,225
% Net Operating Profit of Regulated NOR	3.59	8.87	15.83
% Net Total Operating Profit of Total NOR	-2.94	0.70	8.12
% Total Excess Profit of Total Revenue	-2.96	0.89	8.03

MEDSTAR GOOD SAMARITAN

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	290,128,587	287,494,143	269,019,867
Unregulated Services	77,363,556	60,836,288	52,857,047
TOTAL	367,492,143	348,330,431	321,876,914
Net Patient Revenue (NPR):			
Regulated Services	248,308,811	229,502,213	218,626,284
Unregulated Services	31,486,588	30,547,195	26,085,669
TOTAL	279,795,398	260,049,408	244,711,953
Other Operating Revenue:			
Regulated Services	3,757,201	9,000,121	9,671,450
Unregulated Services	11,239,623	11,468,477	9,960,931
TOTAL	14,996,824	20,468,599	19,632,382
Net Operating Revenue (NOR)			
Regulated Services	252,066,011	238,502,334	228,297,735
Unregulated Services	42,726,211	42,015,673	36,046,600
Total	294,792,222	280,518,007	264,344,335
Total Operating Expenses:			
Regulated Services	236,480,754	226,292,444	214,016,425
Unregulated Services	75,165,709	66,512,833	49,959,717
Total	311,646,463	292,805,277	263,976,142
Net Operating Profit (Loss):			
Regulated Services	15,585,257	12,209,891	14,281,310
Unregulated Services	-32,439,498	-24,497,161	-13,913,117
Total	-16,854,241	-12,287,270	368,193
Total Non-Operating Profit (Loss):	3,348,877	3,755,666	704,888
Non-Operating Revenue	3,246,852	3,966,729	1,492,331
Non-Operating Expenses	-102,025	211,063	787,443
Total Excess Profit (Loss):	-13,505,364	-8,531,604	1,073,080
% Net Operating Profit of Regulated NOR	6.18	5.12	6.26
% Net Total Operating Profit of Total NOR	-5.72	-4.38	0.14
% Total Excess Profit of Total Revenue	-4.53	-3.00	0.40

MEDSTAR HARBOR HOSPITAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	201,748,417	199,007,063	183,866,230
Unregulated Services	53,352,061	42,848,490	42,724,264
TOTAL	255,100,478	241,855,554	226,590,494
Net Patient Revenue (NPR):			
Regulated Services	171,380,326	160,174,428	147,126,115
Unregulated Services	22,024,335	19,544,906	19,168,825
TOTAL	193,404,661	179,719,334	166,294,940
Other Operating Revenue:			
Regulated Services	5,703,676	2,774,095	11,607,187
Unregulated Services	14,181,554	17,475,160	16,138,649
TOTAL	19,885,230	20,249,255	27,745,836
Net Operating Revenue (NOR)			
Regulated Services	177,084,002	162,948,523	158,733,302
Unregulated Services	36,205,889	37,020,066	35,307,474
Total	213,289,890	199,968,589	194,040,776
Total Operating Expenses:			
Regulated Services	168,127,219	157,385,194	145,001,426
Unregulated Services	50,270,520	49,756,064	46,181,192
Total	218,397,738	207,141,258	191,182,619
Net Operating Profit (Loss):			
Regulated Services	8,956,783	5,563,329	13,731,876
Unregulated Services	-14,064,631	-12,735,998	-10,873,718
Total	-5,107,848	-7,172,669	2,858,157
Total Non-Operating Profit (Loss):	479,038	718,976	52,069
Non-Operating Revenue	419,674	857,936	492,502
Non-Operating Expenses	-59,365	138,959	440,434
Total Excess Profit (Loss):	-4,628,810	-6,453,692	2,910,226
% Net Operating Profit of Regulated NOR	5.06	3.41	8.65
% Net Total Operating Profit of Total NOR	-2.39	-3.59	1.47
% Total Excess Profit of Total Revenue	-2.17	-3.21	1.50

MEDSTAR MONTGOMERY MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	192,883,685	189,414,285	183,546,863
Unregulated Services	48,749,814	38,713,783	25,246,384
TOTAL	241,633,499	228,128,069	208,793,247
Net Patient Revenue (NPR):			
Regulated Services	165,505,846	157,541,746	154,762,541
Unregulated Services	24,411,299	19,413,546	12,760,216
TOTAL	189,917,144	176,955,292	167,522,757
Other Operating Revenue:			
Regulated Services	2,349,101	5,042,430	2,099,111
Unregulated Services	596,860	1,939,829	5,413,124
TOTAL	2,945,960	6,982,259	7,512,235
Net Operating Revenue (NOR)			
Regulated Services	167,854,946	162,584,176	156,861,652
Unregulated Services	25,008,158	21,353,375	18,173,340
Total	192,863,105	183,937,551	175,034,992
Total Operating Expenses:			
Regulated Services	165,949,011	150,594,525	144,443,758
Unregulated Services	39,626,915	33,713,151	27,042,525
Total	205,575,926	184,307,676	171,486,283
Net Operating Profit (Loss):			
Regulated Services	1,905,935	11,989,651	12,417,894
Unregulated Services	-14,618,757	-12,359,776	-8,869,185
Total	-12,712,822	-370,125	3,548,709
Total Non-Operating Profit (Loss):	981,872	1,170,710	336,414
Non-Operating Revenue	812,248	1,083,370	405,514
Non-Operating Expenses	-169,624	-87,340	69,100
Total Excess Profit (Loss):	-11,730,950	800,585	3,885,122
% Net Operating Profit of Regulated NOR	1.14	7.37	7.92
% Net Total Operating Profit of Total NOR	-6.59	-0.20	2.03
% Total Excess Profit of Total Revenue	-6.06	0.43	2.21

MEDSTAR SOUTHERN MARYLAND HOSPITAL CEN

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	299,185,641	296,310,185	281,382,413
Unregulated Services	33,291,557	31,395,101	24,232,815
TOTAL	332,477,198	327,705,286	305,615,228
Net Patient Revenue (NPR):			
Regulated Services	254,863,540	240,212,058	232,377,115
Unregulated Services	16,594,518	15,050,182	12,552,679
TOTAL	271,458,058	255,262,240	244,929,794
Other Operating Revenue:			
Regulated Services	5,607,028	7,228,499	6,978,296
Unregulated Services	80,878	-249,789	201,070
TOTAL	5,687,906	6,978,709	7,179,366
Net Operating Revenue (NOR)			
Regulated Services	260,470,568	247,440,556	239,355,410
Unregulated Services	16,675,396	14,800,393	12,753,749
Total	277,145,964	262,240,949	252,109,159
Total Operating Expenses:			
Regulated Services	258,261,875	226,206,866	205,766,288
Unregulated Services	39,722,146	40,630,996	34,649,131
Total	297,984,021	266,837,862	240,415,418
Net Operating Profit (Loss):			
Regulated Services	2,208,693	21,233,690	33,589,123
Unregulated Services	-23,046,750	-25,830,603	-21,895,382
Total	-20,838,057	-4,596,913	11,693,741
Total Non-Operating Profit (Loss):	-46,462	135,185	131,205
Non-Operating Revenue	-49,737	135,185	134,405
Non-Operating Expenses	-3,275	0	3,200
Total Excess Profit (Loss):	-20,884,519	-4,461,728	11,824,946
% Net Operating Profit of Regulated NOR	0.85	8.58	14.03
% Net Total Operating Profit of Total NOR	-7.52	-1.75	4.64
% Total Excess Profit of Total Revenue	-7.54	-1.70	4.69

MEDSTAR ST. MARY'S HOSPITAL

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	204,364,194	206,507,408	199,026,195
Unregulated Services	34,336,640	29,169,003	12,933,828
TOTAL	238,700,833	235,676,410	211,960,023
Net Patient Revenue (NPR):			
Regulated Services	178,963,251	171,434,271	169,062,031
Unregulated Services	18,156,949	17,608,465	8,035,571
TOTAL	197,120,200	189,042,735	177,097,602
Other Operating Revenue:			
Regulated Services	2,410,654	5,775,954	440,217
Unregulated Services	1,437,313	2,146,895	2,339,804
TOTAL	3,847,967	7,922,849	2,780,021
Net Operating Revenue (NOR)			
Regulated Services	181,373,905	177,210,224	169,502,248
Unregulated Services	19,594,262	19,755,360	10,375,375
Total	200,968,167	196,965,584	179,877,624
Total Operating Expenses:			
Regulated Services	158,185,301	143,704,997	139,857,846
Unregulated Services	31,521,314	32,584,634	22,977,096
Total	189,706,615	176,289,631	162,834,942
Net Operating Profit (Loss):			
Regulated Services	23,188,604	33,505,228	29,644,403
Unregulated Services	-11,927,051	-12,829,274	-12,601,721
Total	11,261,552	20,675,953	17,042,682
Total Non-Operating Profit (Loss):	2,212,794	793,465	1,323,389
Non-Operating Revenue	143,597	110,190	1,325,689
Non-Operating Expenses	-2,069,197	-683,275	2,300
Total Excess Profit (Loss):	13,474,347	21,469,418	18,366,071
% Net Operating Profit of Regulated NOR	12.78	18.91	17.49
% Net Total Operating Profit of Total NOR	5.60	10.50	9.47
% Total Excess Profit of Total Revenue	6.70	10.89	10.14

MEDSTAR UNION MEMORIAL HOSPITAL

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	442,852,891	453,671,280	431,562,934
Unregulated Services	148,115,366	133,532,659	117,807,797
TOTAL	590,968,257	587,203,939	549,370,732
Net Patient Revenue (NPR):			
Regulated Services	392,956,967	367,149,854	367,931,369
Unregulated Services	66,498,473	60,444,204	52,923,207
TOTAL	459,455,440	427,594,057	420,854,577
Other Operating Revenue:			
Regulated Services	5,679,794	22,680,301	4,625,049
Unregulated Services	9,550,979	8,435,540	17,234,301
TOTAL	15,230,772	31,115,841	21,859,351
Net Operating Revenue (NOR)			
Regulated Services	398,636,760	389,830,154	372,556,419
Unregulated Services	76,049,452	68,879,744	70,157,509
Total	474,686,213	458,709,898	442,713,927
Total Operating Expenses:			
Regulated Services	384,331,913	364,574,112	329,743,972
Unregulated Services	116,424,249	104,847,530	100,901,289
Total	500,756,162	469,421,642	430,645,261
Net Operating Profit (Loss):			
Regulated Services	14,304,847	25,256,042	42,812,446
Unregulated Services	-40,374,797	-35,967,787	-30,743,780
Total	-26,069,949	-10,711,744	12,068,667
Total Non-Operating Profit (Loss):	-3,868,881	14,921,399	2,717,353
Non-Operating Revenue	3,745,557	15,236,590	5,302,546
Non-Operating Expenses	7,614,438	315,191	2,585,194
Total Excess Profit (Loss):	-29,938,831	4,209,655	14,786,019
% Net Operating Profit of Regulated NOR	3.59	6.48	11.49
% Net Total Operating Profit of Total NOR	-5.49	-2.34	2.73
% Total Excess Profit of Total Revenue	-6.26	0.89	3.30

MERCY MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	628,565,000	619,894,600	548,689,700
Unregulated Services	4,524,767	4,514,993	3,940,123
TOTAL	633,089,767	624,409,593	552,629,823
Net Patient Revenue (NPR):			
Regulated Services	543,501,058	533,017,150	467,797,043
Unregulated Services	4,524,767	4,514,993	3,940,123
TOTAL	548,025,825	537,532,143	471,737,166
Other Operating Revenue:			
Regulated Services	25,966,248	13,504,173	18,436,159
Unregulated Services	7,074,789	17,824,492	17,582,372
TOTAL	33,041,037	31,328,664	36,018,531
Net Operating Revenue (NOR)			
Regulated Services	569,467,306	546,521,323	486,233,202
Unregulated Services	11,599,556	22,339,485	21,522,495
Total	581,066,862	568,860,807	507,755,697
Total Operating Expenses:			
Regulated Services	519,261,181	497,407,597	465,261,610
Unregulated Services	29,873,492	34,117,649	31,350,579
Total	549,134,673	531,525,246	496,612,189
Net Operating Profit (Loss):			
Regulated Services	50,206,124	49,113,726	20,971,592
Unregulated Services	-18,273,935	-11,778,164	-9,828,084
Total	31,932,189	37,335,562	11,143,508
Total Non-Operating Profit (Loss):	-24,446,599	51,905,000	-6,139,000
Non-Operating Revenue	23,576,083	53,565,000	6,665,000
Non-Operating Expenses	48,022,682	1,660,000	12,804,000
Total Excess Profit (Loss):	7,485,590	89,240,562	5,004,508
% Net Operating Profit of Regulated NOR	8.82	8.99	4.31
% Net Total Operating Profit of Total NOR	5.50	6.56	2.19
% Total Excess Profit of Total Revenue	1.24	14.34	0.97

MERITUS MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	430,476,300	429,740,600	362,959,000
Unregulated Services	23,561,502	19,209,171	17,357,300
TOTAL	454,037,802	448,949,771	380,316,300
Net Patient Revenue (NPR):			
Regulated Services	367,921,730	369,962,704	304,201,600
Unregulated Services	13,219,671	11,643,286	9,999,100
TOTAL	381,141,401	381,605,991	314,200,700
Other Operating Revenue:			
Regulated Services	10,783,472	21,994,029	17,856,600
Unregulated Services	9,322,315	7,815,171	6,212,600
TOTAL	20,105,787	29,809,200	24,069,200
Net Operating Revenue (NOR)			
Regulated Services	378,705,202	391,956,733	322,058,200
Unregulated Services	22,541,986	19,458,457	16,211,700
Total	401,247,188	411,415,191	338,269,900
Total Operating Expenses:			
Regulated Services	347,434,163	306,473,359	294,409,794
Unregulated Services	37,562,302	33,554,535	31,982,506
Total	384,996,465	340,027,894	326,392,300
Net Operating Profit (Loss):			
Regulated Services	31,271,039	85,483,374	27,648,406
Unregulated Services	-15,020,316	-14,096,078	-15,770,806
Total	16,250,723	71,387,297	11,877,600
Total Non-Operating Profit (Loss):	-39,660,252	42,270,000	6,792,500
Non-Operating Revenue	-37,455,579	42,298,000	6,838,200
Non-Operating Expenses	2,204,673	28,000	45,700
Total Excess Profit (Loss):	-23,409,529	113,657,297	18,670,100
% Net Operating Profit of Regulated NOR	8.26	21.81	8.58
% Net Total Operating Profit of Total NOR	4.05	17.35	3.51
% Total Excess Profit of Total Revenue	-6.43	25.05	5.41

NORTHWEST HOSPITAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	301,664,524	274,312,444	268,079,109
Unregulated Services	53,218,504	51,317,095	53,561,426
TOTAL	354,883,028	325,629,539	321,640,535
Net Patient Revenue (NPR):			
Regulated Services	260,293,639	230,429,054	219,172,090
Unregulated Services	29,878,438	29,288,011	30,244,443
TOTAL	290,172,077	259,717,065	249,416,533
Other Operating Revenue:			
Regulated Services	5,837,860	19,021,128	10,986,887
Unregulated Services	2,548,045	3,548,853	4,208,838
TOTAL	8,385,905	22,569,981	15,195,725
Net Operating Revenue (NOR)			
Regulated Services	266,131,499	249,450,182	230,158,977
Unregulated Services	32,426,483	32,836,864	34,453,281
Total	298,557,982	282,287,046	264,612,258
Total Operating Expenses:			
Regulated Services	240,746,541	222,822,392	195,049,069
Unregulated Services	64,580,794	57,335,243	59,145,656
Total	305,327,335	280,157,635	254,194,725
Net Operating Profit (Loss):			
Regulated Services	25,384,958	26,627,791	35,109,908
Unregulated Services	-32,154,311	-24,498,379	-24,692,375
Total	-6,769,353	2,129,412	10,417,533
Total Non-Operating Profit (Loss):	-12,378,353	20,351,000	4,551,000
Non-Operating Revenue	-12,378,353	20,351,000	4,551,000
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	-19,147,706	22,480,412	14,968,533
% Net Operating Profit of Regulated NOR	9.54	10.67	15.25
% Net Total Operating Profit of Total NOR	-2.27	0.75	3.94
% Total Excess Profit of Total Revenue	-6.69	7.43	5.56

SHADY GROVE ADVENTIST HOSPITAL

FISCAL YEAR ENDING	December 2021	December 2020	December 2019
Gross Patient Revenue:			
Regulated Services	495,127,100	474,518,900	470,396,800
Unregulated Services	16,253,627	17,310,402	20,590,462
TOTAL	511,380,727	491,829,302	490,987,262
Net Patient Revenue (NPR):			
Regulated Services	418,257,656	404,941,617	399,471,978
Unregulated Services	5,571,408	6,378,261	7,157,567
TOTAL	423,829,064	411,319,878	406,629,545
Other Operating Revenue:			
Regulated Services	21,117,325	19,157,253	721,528
Unregulated Services	10,439,409	9,871,817	10,743,880
TOTAL	31,556,734	29,029,070	11,465,408
Net Operating Revenue (NOR)			
Regulated Services	439,374,981	424,098,870	400,193,506
Unregulated Services	16,010,817	16,250,078	17,901,447
Total	455,385,798	440,348,948	418,094,953
Total Operating Expenses:			
Regulated Services	385,177,238	372,035,949	354,233,923
Unregulated Services	43,136,100	36,571,592	40,085,737
Total	428,313,338	408,607,541	394,319,660
Net Operating Profit (Loss):			
Regulated Services	54,197,743	52,062,921	45,959,583
Unregulated Services	-27,125,283	-20,321,514	-22,184,290
Total	27,072,460	31,741,407	23,775,293
Total Non-Operating Profit (Loss):	6,006,212	5,154,362	6,305,997
Non-Operating Revenue	6,006,212	5,154,362	6,305,997
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	33,078,672	36,895,769	30,081,290
% Net Operating Profit of Regulated NOR	12.34	12.28	11.48
% Net Total Operating Profit of Total NOR	5.94	7.21	5.69
% Total Excess Profit of Total Revenue	7.17	8.28	7.09

SINAI HOSPITAL

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	940,026,414	897,075,345	824,393,685
Unregulated Services	244,585,232	218,426,690	193,350,387
TOTAL	1,184,611,646	1,115,502,035	1,017,744,072
Net Patient Revenue (NPR):			
Regulated Services	804,616,796	758,440,984	689,783,508
Unregulated Services	103,455,884	96,548,793	82,503,618
TOTAL	908,072,680	854,989,777	772,287,126
Other Operating Revenue:			
Regulated Services	21,562,272	24,371,972	33,572,786
Unregulated Services	36,827,823	33,632,000	34,892,900
TOTAL	58,390,095	58,003,972	68,465,685
Net Operating Revenue (NOR)			
Regulated Services	826,179,068	782,812,956	723,356,293
Unregulated Services	140,283,707	130,180,793	117,396,518
Total	966,462,775	912,993,749	840,752,811
Total Operating Expenses:			
Regulated Services	715,834,671	672,695,291	624,406,041
Unregulated Services	196,501,424	190,619,710	180,904,704
Total	912,336,095	863,315,001	805,310,745
Net Operating Profit (Loss):			
Regulated Services	110,344,397	110,117,665	98,950,252
Unregulated Services	-56,217,717	-60,438,917	-63,508,186
Total	54,126,680	49,678,748	35,442,066
Total Non-Operating Profit (Loss):	-42,611,000	91,437,000	19,821,000
Non-Operating Revenue	-42,611,000	91,437,000	19,821,000
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	11,515,680	141,115,748	55,263,066
% Net Operating Profit of Regulated NOR	13.36	14.07	13.68
% Net Total Operating Profit of Total NOR	5.60	5.44	4.22
% Total Excess Profit of Total Revenue	1.25	14.05	6.42

SUBURBAN HOSPITAL

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	392,501,910	370,254,626	323,439,291
Unregulated Services	719,009	821,189	987,026
TOTAL	393,220,919	371,075,815	324,426,317
Net Patient Revenue (NPR):			
Regulated Services	337,029,398	318,252,329	274,215,001
Unregulated Services	719,009	821,189	987,026
TOTAL	337,748,407	319,073,518	275,202,027
Other Operating Revenue:			
Regulated Services	3,412,502	3,079,371	5,596,924
Unregulated Services	16,411,948	29,702,007	34,378,076
TOTAL	19,824,450	32,781,377	39,975,000
Net Operating Revenue (NOR)			
Regulated Services	340,441,900	321,331,699	279,811,924
Unregulated Services	17,130,957	30,523,196	35,365,102
Total	357,572,857	351,854,895	315,177,027
Total Operating Expenses:			
Regulated Services	316,142,049	297,164,021	270,319,563
Unregulated Services	41,401,100	38,700,700	40,552,437
Total	357,543,149	335,864,721	310,872,000
Net Operating Profit (Loss):			
Regulated Services	24,299,851	24,167,678	9,492,361
Unregulated Services	-24,270,143	-8,177,504	-5,187,334
Total	29,708	15,990,174	4,305,027
Total Non-Operating Profit (Loss):	-42,082,464	60,489,545	608,000
Non-Operating Revenue	3,661,112	60,489,545	3,721,000
Non-Operating Expenses	45,743,576	0	3,113,000
Total Excess Profit (Loss):	-42,052,756	76,479,719	4,913,027
% Net Operating Profit of Regulated NOR	7.14	7.52	3.39
% Net Total Operating Profit of Total NOR	0.01	4.54	1.37
% Total Excess Profit of Total Revenue	-11.64	18.55	1.54

TIDALHEALTH MCCREADY PAVILION

FISCAL YEAR ENDING	June 2022	June 2021	
Gross Patient Revenue:			
Regulated Services	5,787,875	5,296,499	0
Unregulated Services	0	262,900	0
TOTAL	5,787,875	5,559,399	0
Net Patient Revenue (NPR):			
Regulated Services	4,781,775	4,415,599	0
Unregulated Services	0	145,300	0
TOTAL	4,781,775	4,560,899	0
Other Operating Revenue:			
Regulated Services	0	0	0
Unregulated Services	0	0	0
TOTAL	0	0	0
Net Operating Revenue (NOR)			
Regulated Services	4,781,775	4,415,599	0
Unregulated Services	0	145,300	0
Total	4,781,775	4,560,899	0
Total Operating Expenses:			
Regulated Services	7,076,800	6,906,000	0
Unregulated Services	1,673,100	2,246,200	0
Total	8,749,900	9,152,200	0
Net Operating Profit (Loss):			
Regulated Services	-2,295,025	-2,490,401	0
Unregulated Services	-1,673,100	-2,100,900	0
Total	-3,968,125	-4,591,301	0
Total Non-Operating Profit (Loss):	0	0	0
Non-Operating Revenue	0	0	0
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	-3,968,125	-4,591,301	0
% Net Operating Profit of Regulated NOR	-48.00	-56.40	0.00
% Net Total Operating Profit of Total NOR	-82.98	-100.67	0.00
% Total Excess Profit of Total Revenue	-82.98	-100.67	0.00

TIDALHEALTH PENINSULA REGIONAL, INC.

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	519,263,843	508,153,000	460,021,446
Unregulated Services	18,879,400	41,705,300	137,555,800
TOTAL	538,143,243	549,858,300	597,577,246
Net Patient Revenue (NPR):			
Regulated Services	442,248,543	432,966,328	383,508,046
Unregulated Services	14,084,200	23,379,000	69,250,600
TOTAL	456,332,743	456,345,328	452,758,646
Other Operating Revenue:			
Regulated Services	4,412,400	19,367,700	18,598,100
Unregulated Services	12,292,600	11,952,200	11,043,900
TOTAL	16,705,000	31,319,900	29,642,000
Net Operating Revenue (NOR)			
Regulated Services	446,660,943	452,334,028	402,106,146
Unregulated Services	26,376,800	35,331,200	80,294,500
Total	473,037,743	487,665,228	482,400,646
Total Operating Expenses:			
Regulated Services	404,379,923	363,703,291	355,824,715
Unregulated Services	41,116,077	60,182,709	132,993,285
Total	445,496,000	423,886,000	488,818,000
Net Operating Profit (Loss):			
Regulated Services	42,281,020	88,630,737	46,281,431
Unregulated Services	-14,739,277	-24,851,509	-52,698,785
Total	27,541,743	63,779,228	-6,417,354
Total Non-Operating Profit (Loss):	-66,174,000	90,351,000	35,777,000
Non-Operating Revenue	-66,174,000	94,011,000	35,777,000
Non-Operating Expenses	0	3,660,000	0
Total Excess Profit (Loss):	-38,632,257	154,130,228	29,359,646
% Net Operating Profit of Regulated NOR	9.47	19.59	11.51
% Net Total Operating Profit of Total NOR	5.82	13.08	-1.33
% Total Excess Profit of Total Revenue	-9.50	26.50	5.67

UM CAPITAL REGION MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	386,755,056	349,896,130	339,579,422
Unregulated Services	594,000	744,110	617,524
TOTAL	387,349,056	350,640,239	340,196,946
Net Patient Revenue (NPR):			
Regulated Services	305,326,990	269,214,902	285,779,824
Unregulated Services	473,086	538,079	483,523
TOTAL	305,800,077	269,752,981	286,263,347
Other Operating Revenue:			
Regulated Services	19,609,181	64,093,153	38,477,794
Unregulated Services	962,819	1,609,847	1,514,206
TOTAL	20,572,000	65,703,000	39,992,000
Net Operating Revenue (NOR)			
Regulated Services	324,936,171	333,308,056	324,257,617
Unregulated Services	1,435,905	2,147,925	1,997,730
Total	326,372,077	335,455,981	326,255,347
Total Operating Expenses:			
Regulated Services	310,678,725	293,646,698	267,430,866
Unregulated Services	54,878,861	54,400,071	54,746,134
Total	365,557,586	348,046,769	322,177,000
Net Operating Profit (Loss):			
Regulated Services	14,257,446	39,661,358	56,826,751
Unregulated Services	-53,442,955	-52,252,146	-52,748,404
Total	-39,185,509	-12,590,788	4,078,347
Total Non-Operating Profit (Loss):	-1,341,000	-615,000	1,117,000
Non-Operating Revenue	-334,000	15,000	1,117,000
Non-Operating Expenses	1,007,000	630,000	0
Total Excess Profit (Loss):	-40,526,509	-13,205,788	5,195,347
% Net Operating Profit of Regulated NOR	4.39	11.90	17.53
% Net Total Operating Profit of Total NOR	-12.01	-3.75	1.25
% Total Excess Profit of Total Revenue	-12.43	-3.94	1.59

UM LAUREL MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	34,414,585	26,333,899	31,679,107
Unregulated Services	0	0	0
TOTAL	34,414,585	26,333,899	31,679,107
Net Patient Revenue (NPR):			
Regulated Services	23,271,008	22,001,031	23,059,190
Unregulated Services	0	0	0
TOTAL	23,271,008	22,001,031	23,059,190
Other Operating Revenue:			
Regulated Services	51,000	0	304,810
Unregulated Services	0	0	146,190
TOTAL	51,000	0	451,000
Net Operating Revenue (NOR)			
Regulated Services	23,322,008	22,001,031	23,364,000
Unregulated Services	0	0	146,190
Total	23,322,008	22,001,031	23,510,190
Total Operating Expenses:			
Regulated Services	31,792,997	33,033,306	38,547,000
Unregulated Services	6,822,032	4,353,951	5,993,000
Total	38,615,029	37,387,257	44,540,000
Net Operating Profit (Loss):			
Regulated Services	-8,470,989	-11,032,275	-15,183,000
Unregulated Services	-6,822,032	-4,353,951	-5,846,810
Total	-15,293,021	-15,386,226	-21,029,810
Total Non-Operating Profit (Loss):	251,000	-61,000	147,000
Non-Operating Revenue	0	0	147,000
Non-Operating Expenses	-251,000	61,000	0
Total Excess Profit (Loss):	-15,042,021	-15,447,226	-20,882,810
% Net Operating Profit of Regulated NOR	-36.32	-50.14	-64.98
% Net Total Operating Profit of Total NOR	-65.57	-69.93	-89.45
% Total Excess Profit of Total Revenue	-64.50	-70.21	-88.27

UM-BALTIMORE WASHINGTON MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	514,054,373	475,475,060	438,784,135
Unregulated Services	9,527,000	8,830,000	9,091,047
TOTAL	523,581,373	484,305,060	447,875,182
Net Patient Revenue (NPR):			
Regulated Services	443,233,728	414,315,577	375,323,247
Unregulated Services	3,302,272	3,068,423	3,143,800
TOTAL	446,536,000	417,384,000	378,467,047
Other Operating Revenue:			
Regulated Services	5,286,256	24,282,791	26,037,831
Unregulated Services	91,744	2,428,209	4,019,169
TOTAL	5,378,000	26,711,000	30,057,000
Net Operating Revenue (NOR)			
Regulated Services	448,519,984	438,598,368	401,361,078
Unregulated Services	3,394,016	5,496,632	7,162,969
Total	451,914,000	444,095,000	408,524,047
Total Operating Expenses:			
Regulated Services	405,603,829	392,614,049	356,523,644
Unregulated Services	39,577,171	41,493,951	41,996,356
Total	445,181,000	434,108,000	398,520,000
Net Operating Profit (Loss):			
Regulated Services	42,916,155	45,984,319	44,837,434
Unregulated Services	-36,183,155	-35,997,319	-34,833,387
Total	6,733,000	9,987,000	10,004,047
Total Non-Operating Profit (Loss):	-21,947,000	30,198,000	-515,000
Non-Operating Revenue	27,179,000	34,240,000	1,842,000
Non-Operating Expenses	49,126,000	4,042,000	2,357,000
Total Excess Profit (Loss):	-15,214,000	40,185,000	9,489,047
% Net Operating Profit of Regulated NOR	9.57	10.48	11.17
% Net Total Operating Profit of Total NOR	1.49	2.25	2.45
% Total Excess Profit of Total Revenue	-3.18	8.40	2.31

UM-BOWIE HEALTH CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	18,495,626	18,240,271	19,451,935
Unregulated Services	3,097,000	4,830,000	0
TOTAL	21,592,626	23,070,271	19,451,935
Net Patient Revenue (NPR):			
Regulated Services	12,866,997	13,099,000	13,903,920
Unregulated Services	1,274,000	2,221,000	0
TOTAL	14,140,997	15,320,000	13,903,920
Other Operating Revenue:			
Regulated Services	28,000	0	0
Unregulated Services	0	0	0
TOTAL	28,000	0	0
Net Operating Revenue (NOR)			
Regulated Services	12,894,997	13,099,000	13,903,920
Unregulated Services	1,274,000	2,221,000	0
Total	14,168,997	15,320,000	13,903,920
Total Operating Expenses:			
Regulated Services	14,602,485	14,104,374	15,970,300
Unregulated Services	4,637,900	5,906,000	325,700
Total	19,240,385	20,010,374	16,296,000
Net Operating Profit (Loss):			
Regulated Services	-1,707,488	-1,005,375	-2,066,380
Unregulated Services	-3,363,900	-3,685,000	-325,700
Total	-5,071,388	-4,690,375	-2,392,080
Total Non-Operating Profit (Loss):	145,000	-41,000	67,000
Non-Operating Revenue	0	0	67,000
Non-Operating Expenses	-145,000	41,000	0
Total Excess Profit (Loss):	-4,926,388	-4,731,375	-2,325,080
% Net Operating Profit of Regulated NOR	-13.24	-7.68	-14.86
% Net Total Operating Profit of Total NOR	-35.79	-30.62	-17.20
% Total Excess Profit of Total Revenue	-34.77	-30.88	-16.64

UM-CHARLES REGIONAL MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	175,776,450	169,385,146	155,189,529
Unregulated Services	2,406,582	1,952,354	1,923,452
TOTAL	178,183,032	171,337,500	157,112,981
Net Patient Revenue (NPR):			
Regulated Services	148,767,000	144,395,398	128,881,555
Unregulated Services	2,406,582	1,170,956	1,078,425
TOTAL	151,173,582	145,566,354	129,959,979
Other Operating Revenue:			
Regulated Services	1,927,000	7,326,059	7,759,295
Unregulated Services	0	494,941	849,705
TOTAL	1,927,000	7,821,000	8,609,000
Net Operating Revenue (NOR)			
Regulated Services	150,694,000	151,721,456	136,640,849
Unregulated Services	2,406,582	1,665,898	1,928,130
Total	153,100,582	153,387,354	138,568,979
Total Operating Expenses:			
Regulated Services	142,479,255	126,657,282	122,176,524
Unregulated Services	12,873,745	12,891,718	11,361,436
Total	155,353,000	139,549,000	133,537,960
Net Operating Profit (Loss):			
Regulated Services	8,214,745	25,064,174	14,464,325
Unregulated Services	-10,467,163	-11,225,820	-9,433,306
Total	-2,252,418	13,838,354	5,031,019
Total Non-Operating Profit (Loss):	-3,678,000	3,316,000	-885,000
Non-Operating Revenue	4,173,000	4,796,000	485,000
Non-Operating Expenses	7,851,000	1,480,000	1,370,000
Total Excess Profit (Loss):	-5,930,418	17,154,354	4,146,019
% Net Operating Profit of Regulated NOR	5.45	16.52	10.59
% Net Total Operating Profit of Total NOR	-1.47	9.02	3.63
% Total Excess Profit of Total Revenue	-3.77	10.84	2.98

UM-HARFORD MEMORIAL HOSPITAL

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	119,935,431	109,164,111	100,311,405
Unregulated Services	335,000	528,654	605,707
TOTAL	120,270,431	109,692,766	100,917,112
Net Patient Revenue (NPR):			
Regulated Services	99,536,000	90,511,346	80,851,293
Unregulated Services	335,000	528,654	605,707
TOTAL	99,871,000	91,040,000	81,457,000
Other Operating Revenue:			
Regulated Services	3,834,000	6,358,151	7,222,000
Unregulated Services	0	9,849	0
TOTAL	3,834,000	6,368,000	7,222,000
Net Operating Revenue (NOR)			
Regulated Services	103,370,000	96,869,496	88,073,293
Unregulated Services	335,000	538,504	605,707
Total	103,705,000	97,408,000	88,679,000
Total Operating Expenses:			
Regulated Services	95,704,640	88,026,000	82,958,600
Unregulated Services	9,896,360	10,832,000	9,862,400
Total	105,601,000	98,858,000	92,821,000
Net Operating Profit (Loss):			
Regulated Services	7,665,360	8,843,496	5,114,693
Unregulated Services	-9,561,360	-10,293,496	-9,256,693
Total	-1,896,000	-1,450,000	-4,142,000
Total Non-Operating Profit (Loss):	-13,592,000	21,001,000	1,046,000
Non-Operating Revenue	15,808,000	21,001,000	1,046,000
Non-Operating Expenses	29,400,000	0	0
Total Excess Profit (Loss):	-15,488,000	19,551,000	-3,096,000
% Net Operating Profit of Regulated NOR	7.42	9.13	5.81
% Net Total Operating Profit of Total NOR	-1.83	-1.49	-4.67
% Total Excess Profit of Total Revenue	-12.96	16.51	-3.45

UM-QUEEN ANNE'S FREESTANDING EMERGENCY

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	8,125,994	8,274,204	7,448,491
Unregulated Services	0	0	0
TOTAL	8,125,994	8,274,204	7,448,491
Net Patient Revenue (NPR):			
Regulated Services	6,747,000	6,678,546	6,046,317
Unregulated Services	0	0	0
TOTAL	6,747,000	6,678,546	6,046,317
Other Operating Revenue:			
Regulated Services	135,000	203,000	631,000
Unregulated Services	0	0	0
TOTAL	135,000	203,000	631,000
Net Operating Revenue (NOR)			
Regulated Services	6,882,000	6,881,546	6,677,317
Unregulated Services	0	0	0
Total	6,882,000	6,881,546	6,677,317
Total Operating Expenses:			
Regulated Services	7,637,000	5,762,200	4,906,800
Unregulated Services	623,000	290,800	1,146,200
Total	8,260,000	6,053,000	6,053,000
Net Operating Profit (Loss):			
Regulated Services	-755,000	1,119,346	1,770,517
Unregulated Services	-623,000	-290,800	-1,146,200
Total	-1,378,000	828,546	624,317
Total Non-Operating Profit (Loss):	0	0	0
Non-Operating Revenue	0	0	0
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	-1,378,000	828,546	624,317
% Net Operating Profit of Regulated NOR	-10.97	16.27	26.52
% Net Total Operating Profit of Total NOR	-20.02	12.04	9.35
% Total Excess Profit of Total Revenue	-20.02	12.04	9.35

UM-REHABILITATION & ORTHOPAEDIC INSTIT

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	135,127,734	128,090,957	114,262,341
Unregulated Services	372,227	1,604,052	1,005,300
TOTAL	135,499,960	129,695,008	115,267,641
Net Patient Revenue (NPR):			
Regulated Services	116,733,734	112,396,821	102,220,208
Unregulated Services	372,227	637,179	728,967
TOTAL	117,105,960	113,034,000	102,949,175
Other Operating Revenue:			
Regulated Services	2,458,768	5,623,712	9,230,257
Unregulated Services	1,120,232	1,559,288	1,500,743
TOTAL	3,579,000	7,183,000	10,731,000
Net Operating Revenue (NOR)			
Regulated Services	119,192,501	118,020,533	111,450,466
Unregulated Services	1,492,459	2,196,467	2,229,710
Total	120,684,960	120,217,000	113,680,175
Total Operating Expenses:			
Regulated Services	103,360,706	106,775,081	102,942,041
Unregulated Services	11,858,294	4,479,919	5,346,959
Total	115,219,000	111,255,000	108,289,000
Net Operating Profit (Loss):			
Regulated Services	15,831,796	11,245,452	8,508,425
Unregulated Services	-10,365,835	-2,283,452	-3,117,250
Total	5,465,960	8,962,000	5,391,175
Total Non-Operating Profit (Loss):	-5,068,000	8,447,000	201,000
Non-Operating Revenue	-5,068,000	8,816,000	201,000
Non-Operating Expenses	0	369,000	0
Total Excess Profit (Loss):	397,960	17,409,000	5,592,175
% Net Operating Profit of Regulated NOR	13.28	9.53	7.63
% Net Total Operating Profit of Total NOR	4.53	7.45	4.74
% Total Excess Profit of Total Revenue	0.34	13.49	4.91

UM-SHOCK TRAUMA

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	255,045,568	244,113,394	220,774,523
Unregulated Services	822,463	899,071	710,117
TOTAL	255,868,031	245,012,465	221,484,639
Net Patient Revenue (NPR):			
Regulated Services	215,985,537	209,225,929	183,955,883
Unregulated Services	822,463	899,071	710,117
TOTAL	216,808,000	210,125,000	184,666,000
Other Operating Revenue:			
Regulated Services	4,076,000	3,546,000	3,608,000
Unregulated Services	0	0	0
TOTAL	4,076,000	3,546,000	3,608,000
Net Operating Revenue (NOR)			
Regulated Services	220,061,537	212,771,929	187,563,883
Unregulated Services	822,463	899,071	710,117
Total	220,884,000	213,671,000	188,274,000
Total Operating Expenses:			
Regulated Services	190,569,100	174,012,800	157,626,900
Unregulated Services	2,795,900	2,385,200	2,012,100
Total	193,365,000	176,398,000	159,639,000
Net Operating Profit (Loss):			
Regulated Services	29,492,437	38,759,129	29,936,983
Unregulated Services	-1,973,437	-1,486,129	-1,301,983
Total	27,519,000	37,273,000	28,635,000
Total Non-Operating Profit (Loss):	0	0	0
Non-Operating Revenue	0	0	0
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	27,519,000	37,273,000	28,635,000
% Net Operating Profit of Regulated NOR	13.40	18.22	15.96
% Net Total Operating Profit of Total NOR	12.46	17.44	15.21
% Total Excess Profit of Total Revenue	12.46	17.44	15.21

UM-SHORE MEDICAL CENTER AT CAMBRIDGE

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	23,879,668	36,868,084	38,594,808
Unregulated Services	5,786,824	2,782,208	2,357,565
TOTAL	29,666,492	39,650,292	40,952,373
Net Patient Revenue (NPR):			
Regulated Services	18,668,361	33,971,039	31,063,967
Unregulated Services	1,949,640	1,395,241	974,544
TOTAL	20,618,001	35,366,280	32,038,511
Other Operating Revenue:			
Regulated Services	322,275	1,078,346	3,187,107
Unregulated Services	110,725	8,654	77,893
TOTAL	433,000	1,087,000	3,265,000
Net Operating Revenue (NOR)			
Regulated Services	18,990,635	35,049,385	34,251,074
Unregulated Services	2,060,365	1,403,895	1,052,437
Total	21,051,001	36,453,280	35,303,511
Total Operating Expenses:			
Regulated Services	22,137,535	28,082,509	25,977,130
Unregulated Services	6,053,465	6,475,491	8,580,870
Total	28,191,000	34,558,000	34,558,000
Net Operating Profit (Loss):			
Regulated Services	-3,146,900	6,966,876	8,273,944
Unregulated Services	-3,993,099	-5,071,596	-7,528,434
Total	-7,139,999	1,895,280	745,511
Total Non-Operating Profit (Loss):	0	0	0
Non-Operating Revenue	0	0	0
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	-7,139,999	1,895,280	745,511
% Net Operating Profit of Regulated NOR	-16.57	19.88	24.16
% Net Total Operating Profit of Total NOR	-33.92	5.20	2.11
% Total Excess Profit of Total Revenue	-33.92	5.20	2.11

UM-SHORE REGIONAL HEALTH AT CHESTERTOWN

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	54,346,448	44,183,000	44,652,158
Unregulated Services	2,680,252	3,065,025	2,960,575
TOTAL	57,026,699	47,248,025	47,612,733
Net Patient Revenue (NPR):			
Regulated Services	47,554,455	35,679,039	35,211,673
Unregulated Services	1,018,545	1,293,014	960,110
TOTAL	48,573,000	36,972,053	36,171,783
Other Operating Revenue:			
Regulated Services	887,216	1,123,407	5,452,868
Unregulated Services	424,784	457,593	537,883
TOTAL	1,312,000	1,581,000	5,990,751
Net Operating Revenue (NOR)			
Regulated Services	48,441,671	36,802,445	40,664,541
Unregulated Services	1,443,329	1,750,607	1,497,993
Total	49,885,000	38,553,053	42,162,534
Total Operating Expenses:			
Regulated Services	35,804,495	37,841,701	34,381,753
Unregulated Services	8,876,505	9,105,299	9,439,644
Total	44,681,000	46,947,000	43,821,397
Net Operating Profit (Loss):			
Regulated Services	12,637,176	-1,039,256	6,282,788
Unregulated Services	-7,433,175	-7,354,691	-7,941,651
Total	5,204,000	-8,393,947	-1,658,863
Total Non-Operating Profit (Loss):	-324,000	634,000	-45,000
Non-Operating Revenue	-324,000	705,000	10,000
Non-Operating Expenses	0	71,000	55,000
Total Excess Profit (Loss):	4,880,000	-7,759,947	-1,703,863
% Net Operating Profit of Regulated NOR	26.09	-2.82	15.45
% Net Total Operating Profit of Total NOR	10.43	-21.77	-3.93
% Total Excess Profit of Total Revenue	9.85	-19.77	-4.04

UM-SHORE REGIONAL HEALTH AT EASTON

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	285,433,473	247,289,146	237,513,527
Unregulated Services	39,206,124	33,497,000	29,182,159
TOTAL	324,639,596	280,786,146	266,695,686
Net Patient Revenue (NPR):			
Regulated Services	247,710,351	209,291,732	197,945,917
Unregulated Services	17,203,649	15,663,926	12,177,364
TOTAL	264,913,999	224,955,658	210,123,280
Other Operating Revenue:			
Regulated Services	3,167,904	10,020,389	12,550,543
Unregulated Services	7,409,096	1,151,611	7,546,457
TOTAL	10,577,000	11,172,000	20,097,000
Net Operating Revenue (NOR)			
Regulated Services	250,878,255	219,312,121	210,496,459
Unregulated Services	24,612,744	16,815,537	19,723,821
Total	275,490,999	236,127,658	230,220,280
Total Operating Expenses:			
Regulated Services	180,470,544	160,589,613	159,566,268
Unregulated Services	51,269,456	53,171,387	58,508,732
Total	231,740,000	213,761,000	218,075,000
Net Operating Profit (Loss):			
Regulated Services	70,407,711	58,722,509	50,930,191
Unregulated Services	-26,656,712	-36,355,851	-38,784,911
Total	43,750,999	22,366,658	12,145,280
Total Non-Operating Profit (Loss):	-20,369,000	28,052,000	2,068,000
Non-Operating Revenue	-20,369,000	28,052,000	2,699,000
Non-Operating Expenses	0	0	631,000
Total Excess Profit (Loss):	23,381,999	50,418,658	14,213,280
% Net Operating Profit of Regulated NOR	28.06	26.78	24.20
% Net Total Operating Profit of Total NOR	15.88	9.47	5.28
% Total Excess Profit of Total Revenue	9.17	19.08	6.10

UM-ST. JOSEPH MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	431,502,933	416,739,095	372,898,286
Unregulated Services	5,926,278	7,461,810	6,631,932
TOTAL	437,429,211	424,200,905	379,530,218
Net Patient Revenue (NPR):			
Regulated Services	371,749,613	357,801,028	316,620,539
Unregulated Services	5,274,387	6,640,972	5,902,461
TOTAL	377,024,000	364,442,000	322,523,000
Other Operating Revenue:			
Regulated Services	2,366,320	11,271,322	20,696,253
Unregulated Services	2,593,680	3,792,678	5,360,747
TOTAL	4,960,000	15,064,000	26,057,000
Net Operating Revenue (NOR)			
Regulated Services	374,115,933	369,072,350	337,316,792
Unregulated Services	7,868,067	10,433,650	11,263,208
Total	381,984,000	379,506,000	348,580,000
Total Operating Expenses:			
Regulated Services	327,302,815	305,618,333	290,647,657
Unregulated Services	55,723,185	48,132,667	49,656,343
Total	383,026,000	353,751,000	340,304,000
Net Operating Profit (Loss):			
Regulated Services	46,813,118	63,454,017	46,669,135
Unregulated Services	-47,855,118	-37,699,017	-38,393,135
Total	-1,042,000	25,755,000	8,276,000
Total Non-Operating Profit (Loss):	-937,000	-1,774,000	-1,186,000
Non-Operating Revenue	-937,000	-1,774,000	-1,186,000
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	-1,979,000	23,981,000	7,090,000
% Net Operating Profit of Regulated NOR	12.51	17.19	13.84
% Net Total Operating Profit of Total NOR	-0.27	6.79	2.37
% Total Excess Profit of Total Revenue	-0.52	6.35	2.04

UM-UPPER CHESAPEAKE MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	366,388,840	347,850,019	312,240,520
Unregulated Services	3,200,679	3,278,603	2,476,877
TOTAL	369,589,519	351,128,622	314,717,397
Net Patient Revenue (NPR):			
Regulated Services	317,079,321	294,951,397	257,831,953
Unregulated Services	3,200,679	3,278,603	1,947,047
TOTAL	320,280,000	298,230,000	259,779,000
Other Operating Revenue:			
Regulated Services	5,380,903	20,824,074	25,256,845
Unregulated Services	169,097	4,369,926	1,225,155
TOTAL	5,550,000	25,194,000	26,482,000
Net Operating Revenue (NOR)			
Regulated Services	322,460,224	315,775,471	283,088,797
Unregulated Services	3,369,776	7,648,529	3,172,203
Total	325,830,000	323,424,000	286,261,000
Total Operating Expenses:			
Regulated Services	270,200,776	261,461,782	255,977,292
Unregulated Services	30,444,224	33,304,218	27,679,708
Total	300,645,000	294,766,000	283,657,000
Net Operating Profit (Loss):			
Regulated Services	52,259,448	54,313,689	27,111,505
Unregulated Services	-27,074,448	-25,655,689	-24,507,505
Total	25,185,000	28,658,000	2,604,000
Total Non-Operating Profit (Loss):	-23,964,000	30,356,000	-1,053,000
Non-Operating Revenue	26,100,000	34,014,000	1,565,000
Non-Operating Expenses	50,064,000	3,658,000	2,618,000
Total Excess Profit (Loss):	1,221,000	59,014,000	1,551,000
% Net Operating Profit of Regulated NOR	16.21	17.20	9.58
% Net Total Operating Profit of Total NOR	7.73	8.86	0.91
% Total Excess Profit of Total Revenue	0.35	16.51	0.54

UMMC MIDTOWN CAMPUS

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	245,010,325	238,162,665	216,538,489
Unregulated Services	3,947,919	3,714,655	4,658,857
TOTAL	248,958,244	241,877,319	221,197,346
Net Patient Revenue (NPR):			
Regulated Services	201,317,081	194,556,345	180,483,143
Unregulated Services	2,981,919	3,714,655	4,658,857
TOTAL	204,299,000	198,271,000	185,142,000
Other Operating Revenue:			
Regulated Services	1,049,060	848,026	18,125,403
Unregulated Services	27,356,940	23,865,974	22,565,597
TOTAL	28,406,000	24,714,000	40,691,000
Net Operating Revenue (NOR)			
Regulated Services	202,366,141	195,404,372	198,608,546
Unregulated Services	30,338,859	27,580,628	27,224,454
Total	232,705,000	222,985,000	225,833,000
Total Operating Expenses:			
Regulated Services	207,147,111	188,617,781	180,775,342
Unregulated Services	59,991,889	57,346,219	51,447,311
Total	267,139,000	245,964,000	232,222,652
Net Operating Profit (Loss):			
Regulated Services	-4,780,970	6,786,591	17,833,205
Unregulated Services	-29,653,030	-29,765,591	-24,222,857
Total	-34,434,000	-22,979,000	-6,389,652
Total Non-Operating Profit (Loss):	-1,160,000	-1,286,000	-983,000
Non-Operating Revenue	-1,160,000	-1,286,000	-983,000
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	-35,594,000	-24,265,000	-7,372,652
% Net Operating Profit of Regulated NOR	-2.36	3.47	8.98
% Net Total Operating Profit of Total NOR	-14.80	-10.31	-2.83
% Total Excess Profit of Total Revenue	-15.37	-10.95	-3.28

UNIVERSITY OF MARYLAND MEDICAL CENTER

FISCAL YEAR ENDING	June 2022	June 2021	June 2020
Gross Patient Revenue:			
Regulated Services	1,807,461,729	1,736,124,541	1,602,321,913
Unregulated Services	31,613,671	37,084,360	28,806,711
TOTAL	1,839,075,400	1,773,208,902	1,631,128,625
Net Patient Revenue (NPR):			
Regulated Services	1,552,393,415	1,508,103,277	1,372,923,644
Unregulated Services	31,314,585	36,667,723	28,488,356
TOTAL	1,583,708,000	1,544,771,000	1,401,412,000
Other Operating Revenue:			
Regulated Services	36,938,807	49,627,450	54,892,348
Unregulated Services	177,726,193	151,254,550	140,239,652
TOTAL	214,665,000	200,882,000	195,132,000
Net Operating Revenue (NOR)			
Regulated Services	1,589,332,222	1,557,730,727	1,427,815,992
Unregulated Services	209,040,778	187,922,273	168,728,008
Total	1,798,373,000	1,745,653,000	1,596,544,000
Total Operating Expenses:			
Regulated Services	1,579,289,840	1,524,984,774	1,381,323,834
Unregulated Services	181,935,160	165,977,226	151,216,166
Total	1,761,225,000	1,690,962,000	1,532,540,000
Net Operating Profit (Loss):			
Regulated Services	10,042,382	32,745,954	46,492,159
Unregulated Services	27,105,618	21,945,046	17,511,841
Total	37,148,000	54,691,000	64,004,000
Total Non-Operating Profit (Loss):	-56,592,000	48,828,000	-6,072,000
Non-Operating Revenue	-56,592,000	48,828,000	-6,072,000
Non-Operating Expenses	0	0	0
Total Excess Profit (Loss):	-19,444,000	103,519,000	57,932,000
% Net Operating Profit of Regulated NOR	0.63	2.10	3.26
% Net Total Operating Profit of Total NOR	2.07	3.13	4.01
% Total Excess Profit of Total Revenue	-1.12	5.77	3.64

UPMC - WESTERN MARYLAND

FISCAL YEAR ENDING	December 2021	December 2020	June 2020
Gross Patient Revenue:			
Regulated Services	357,297,100	317,291,500	202,274,300
Unregulated Services	83,742,620	68,840,700	47,849,700
TOTAL	441,039,720	386,132,200	250,124,000
Net Patient Revenue (NPR):			
Regulated Services	301,478,620	263,149,900	168,140,900
Unregulated Services	56,871,270	44,511,300	31,082,800
TOTAL	358,349,890	307,661,200	199,223,700
Other Operating Revenue:			
Regulated Services	8,250,690	363,100	163,300
Unregulated Services	4,141,940	3,026,200	2,182,700
TOTAL	12,392,630	3,389,300	2,346,000
Net Operating Revenue (NOR)			
Regulated Services	309,729,310	263,513,000	168,304,200
Unregulated Services	61,013,210	47,537,500	33,265,500
Total	370,742,520	311,050,500	201,569,700
Total Operating Expenses:			
Regulated Services	237,708,128	219,103,095	146,034,700
Unregulated Services	93,964,842	78,784,005	50,384,300
Total	331,672,970	297,887,100	196,419,000
Net Operating Profit (Loss):			
Regulated Services	72,021,182	44,409,905	22,269,500
Unregulated Services	-32,951,632	-31,246,505	-17,118,800
Total	39,069,550	13,163,400	5,150,700
Total Non-Operating Profit (Loss):	3,724,850	176,261,000	2,248,600
Non-Operating Revenue	6,334,080	176,261,000	2,248,600
Non-Operating Expenses	2,609,230	0	0
Total Excess Profit (Loss):	42,794,400	189,424,400	7,399,300
% Net Operating Profit of Regulated NOR	23.25	16.85	13.23
% Net Total Operating Profit of Total NOR	10.54	4.23	2.56
% Total Excess Profit of Total Revenue	11.35	38.87	3.63

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Details of the Disclosure of Hospital Financial and Statistical Data: Specialty Hospitals

ALL SPECIALTY HOSPITALS

Year Ending	FY 2022	FY 2021	FY 2020
Gross Patient Revenue	339,906,894	319,034,512	326,012,229
Net Patient Revenue (NPR)	273,322,820	258,945,680	264,034,411
Other Operating Revenue	108,789,931	25,390,253	92,905,813
Net Operating Revenue (NOR)	382,112,751	284,335,932	356,940,224
Operating Expenses	392,644,075	296,716,170	355,776,558
Inpatient Admissions (IPAs)	11,682	10,595	11,379
Net Operating Profit (Loss)	(10,531,324)	(12,380,238)	1,163,766
Total Non-Operating Profit (Loss)	(3,492,335)	52,149,555	8,552,537
Total Excess Profits (Loss)	(14,023,659)	39,769,317	9,716,303

Adventist Rehab Hospital of MD Takoma Park*

FISCAL YEAR ENDING	CY2021	CY2020
Gross Patient Revenue	32,538,372	24,991,074
Net Patient Revenue (NPR)	22,382,267	17,343,123
Other Operating Revenue	115	1,152,154
Net Operating Revenue (NOR)	22,382,382	18,495,277
Operating Expenses	18,362,768	16,140,906
Inpatient Admissions (IPAs)	886	724
Net Operating Profit (Loss)	4,019,614	2,354,371
Total Non-Operating Profit (Loss)	(899,041)	(288,898)
Total Excess Profits (Loss)	3,120,573	2,065,473

Adventist Rehab Hospital of MD Rockville*

FISCAL YEAR ENDING	CY2021	CY2020	CY2019
Gross Patient Revenue	45,203,257	41,537,844	76,780,929
Net Patient Revenue (NPR)	30,791,805	28,603,097	50,403,111
Other Operating Revenue	1,211,994	2,644,809	338,013
Net Operating Revenue (NOR)	32,003,799	31,247,906	50,741,124
Operating Expenses	30,221,210	29,471,256	43,014,458
Inpatient Admissions (IPAs)	1,090	997	1,948
Net Operating Profit (Loss)	1,782,589	1,776,650	7,726,666
Total Non-Operating Profit (Loss)	(1,538,633)	(705,461)	(3,049,463)
Total Excess Profits (Loss)	243,957	1,071,189	4,677,203

Brook Lane Health Services

FISCAL YEAR ENDING	FY2022	FY2021	FY2020
Gross Patient Revenue	26,289,600	26,587,460	23,974,500
Net Patient Revenue (NPR)	21,693,300	22,475,350	20,293,800
Other Operating Revenue	580,300	468,200	475,200
Net Operating Revenue (NOR)	22,273,600	22,943,550	20,769,000
Operating Expenses	24,790,900	22,043,690	21,687,900
Inpatient Admissions (IPAs)	1,471	1,655	1,516
Net Operating Profit (Loss)	(2,517,300)	899,860	(918,900)
Total Non-Operating Profit (Loss)	0	2,216,600	2,694,000
Total Excess Profits (Loss)	(2,517,300)	3,116,460	1,775,100

*The HSCRC does not set rates for the Adventist Rehab facilities as more than 66 2/3% of their patient revenue comes from governmental payers.

Mt. Washington Pediatric Hospital

FISCAL YEAR ENDING	FY2022	FY2021	FY 2020
Gross Patient Revenue	69,697,681	73,483,043	71,758,600
Net Patient Revenue (NPR)	59,322,840	59,843,665	60,081,600
Other Operating Revenue	1,592,786	6,011,180	2,378,100
Net Operating Revenue (NOR)	60,915,626	65,854,845	62,459,700
Operating Expenses	64,585,597	61,477,775	61,914,500
Inpatient Admissions (IPAs)	410	542	577
Net Operating Profit (Loss)	(3,669,971)	4,377,070	545,300
Total Non-Operating Profit (Loss)	3,660,021	10,579,226	1,387,100
Total Excess Profits (Loss)	(9,950)	14,956,296	1,932,400

Sheppard Pratt Hospital

FISCAL YEAR ENDING	FY2022	FY2021	FY 2020
Gross Patient Revenue	166,177,984	152,435,092	153,498,200
Net Patient Revenue (NPR)	139,132,608	130,680,445	133,255,900
Other Operating Revenue	105,404,736	15,113,910	89,714,500
Net Operating Revenue (NOR)	244,537,344	145,794,355	222,970,400
Operating Expenses	254,683,600	167,582,543	229,159,700
Inpatient Admissions (IPAs)	7,825	6,677	7,338
Net Operating Profit (Loss)	(10,146,256)	(21,788,188)	(6,189,300)
Total Non-Operating Profit (Loss)	(4,714,682)	40,348,088	7,520,900
Total Excess Profits (Loss)	(14,860,938)	18,559,900	1,331,600

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Exhibit 1. Change in Uncompensated Care, Regulated Operations

Listed in Alphabetical Order by Region

		2021			2022			
Hospital Area	Hospital	Gross Revenues	Charity & Bad Debts	UCC %	Gross Revenues	Charity & Bad Debts	UCC %	% Change UCC Amount
M E T R O	ADVENTIST HEALTHCARE FORT WASHINGTON	53,626,500	3,916,368	7.30	63,872,312	4,703,545	7.36	20.1
	ADVENTIST WHITE OAK HOSPITAL	328,724,800	22,062,518	6.71	331,339,300	25,001,527	7.55	13.3
	ANNE ARUNDEL MEDICAL CENTER	699,721,900	17,892,986	2.56	724,138,500	20,108,612	2.78	12.4
	ASCENSION SAINT AGNES HOSPITAL	434,079,800	19,090,341	4.40	472,142,600	25,671,397	5.44	34.5
	DOCTORS COMMUNITY MEDICAL CENTER	253,008,900	11,928,000	4.71	263,081,000	16,981,866	6.45	42.4
	GERMANTOWN EMERGENCY CENTER	12,504,400	3,377,173	27.01	14,669,400	3,476,503	23.70	2.9
	GRACE MEDICAL CENTER	34,045,881	3,711,610	10.90	28,774,744	166,170	0.58	-95.5
	GREATER BALTIMORE MEDICAL CENTER	526,375,702	17,074,000	3.24	495,095,020	9,131,546	1.84	-46.5
	HOLY CROSS HOSPITAL	554,474,700	38,658,610	6.97	573,097,200	42,723,865	7.45	10.5
	HOLY CROSS HOSPITAL-GERMANTOWN	131,583,100	8,808,610	6.69	141,903,900	8,176,427	5.76	-7.2
	HOWARD COUNTY GENERAL HOSPITAL	320,587,891	14,161,000	4.42	344,977,080	12,722,000	3.69	-10.2
	JOHNS HOPKINS BAYVIEW MEDICAL CENTER	754,928,731	33,895,000	4.49	778,281,041	36,065,000	4.63	6.4
	JOHNS HOPKINS HOSPITAL	2,759,868,230	64,329,000	2.33	2,832,180,125	74,430,800	2.63	15.7
	LEVINDALE	55,385,277	3,380,097	6.10	74,237,915	3,794,299	5.11	12.3
	MEDSTAR FRANKLIN SQUARE	604,526,007	19,886,997	3.29	609,274,994	24,291,804	3.99	22.1
	MEDSTAR GOOD SAMARITAN	287,494,143	11,191,435	3.89	290,128,587	11,956,899	4.12	6.8
	MEDSTAR HARBOR HOSPITAL CENTER	199,007,063	7,815,595	3.93	201,748,417	9,696,495	4.81	24.1

maryland
health services
cost review commission

		2021			2022			
Hospital Area	Hospital	Gross Revenues	Charity & Bad Debts	UCC %	Gross Revenues	Charity & Bad Debts	UCC %	% Change UCC Amount
	MEDSTAR MONTGOMERY MEDICAL CENTER	189,414,285	7,457,371	3.94	192,883,685	7,734,106	4.01	3.7
	MEDSTAR SOUTHERN MARYLAND HOSPITAL CEN	296,310,185	13,369,801	4.51	299,185,641	12,605,778	4.21	-5.7
	MEDSTAR UNION MEMORIAL HOSPITAL	453,671,280	13,662,870	3.01	442,852,891	14,312,807	3.23	4.8
	MERCY MEDICAL CENTER	619,894,600	29,004,554	4.68	628,565,000	24,115,898	3.84	-16.9
	NORTHWEST HOSPITAL CENTER	274,312,444	14,087,445	5.14	301,664,524	9,970,999	3.31	-29.2
	SHADY GROVE ADVENTIST HOSPITAL	474,518,900	30,685,072	6.47	495,127,100	31,016,814	6.26	1.1
	SINAI HOSPITAL	897,075,345	29,600,258	3.30	940,026,414	25,576,145	2.72	-13.6
	SUBURBAN HOSPITAL	370,254,626	14,076,852	3.80	392,501,910	13,824,614	3.52	-1.8
	UM CAPITAL REGION MEDICAL CENTER	349,896,130	36,770,801	10.51	386,755,056	56,988,933	14.74	55.0
	UM LAUREL MEDICAL CENTER	26,333,899	3,915,000	14.87	34,414,585	4,882,000	14.19	24.7
	UM-BALTIMORE WASHINGTON MEDICAL CENTER	475,475,060	26,032,000	5.47	514,054,373	25,555,000	4.97	-1.8
	UM-BOWIE HEALTH CENTER	18,240,271	3,028,000	16.60	18,495,626	3,014,000	16.30	-0.5
	UM-QUEEN ANNE'S FREESTANDING EMERGENCY	8,274,204	962,018	11.63	8,125,994	962,018	11.84	0.0
	UM-REHABILITATION & ORTHOPAEDIC INSTIT	128,090,957	4,741,937	3.70	135,127,734	5,108,000	3.78	7.7
	UM-SHOCK TRAUMA	244,113,394	15,138,000	6.20	255,045,568	16,169,000	6.34	6.8
	UM-ST. JOSEPH MEDICAL CENTER	416,739,095	15,407,162	3.70	431,502,933	15,948,109	3.70	3.5
	UM-UPPER CHESAPEAKE MEDICAL CENTER	347,850,019	19,655,000	5.65	366,388,840	18,445,000	5.03	-6.2
	UMMC MIDTOWN CAMPUS	238,162,665	12,028,000	5.05	245,010,325	13,464,000	5.50	11.9
	UNIVERSITY OF MARYLAND MEDICAL CENTER	1,736,124,541	66,859,362	3.85	1,807,461,729	70,528,914	3.90	5.5
METRO		*15,574,694,924*	*657,660,846*	*4.22*	*16,134,132,061*	*699,320,891*	*4.33*	*6.3*

maryland health services cost review commission

		2021			2022			
Hospital Area	**Hospital**	**Gross Revenues**	**Charity & Bad Debts**	**UCC %**	**Gross Revenues**	**Charity & Bad Debts**	**UCC %**	**% Change UCC Amount**
R U R A L	ATLANTIC GENERAL HOSPITAL	122,134,900	4,576,900	3.75	124,940,915	3,434,313	2.75	-25.0
	CALVERT HEALTH MEDICAL CENTER	163,995,400	4,121,538	2.51	170,683,940	4,250,059	2.49	3.1
	CARROLL HOSPITAL CENTER	251,514,387	8,038,400	3.20	258,148,447	6,945,247	2.69	-13.6
	CHRISTIANACARE, UNION HOSPITAL	180,732,852	11,792,462	6.52	181,753,068	9,035,981	4.97	-23.4
	FREDERICK HEALTH HOSPITAL, INC	388,587,600	16,385,800	4.22	400,842,400	16,398,686	4.09	0.1
	GARRETT COUNTY MEMORIAL HOSPITAL	66,256,459	4,058,455	6.13	71,160,321	4,613,257	6.48	13.7
	MEDSTAR ST. MARY'S HOSPITAL	206,507,408	6,102,272	2.95	204,364,194	6,700,731	3.28	9.8
	MERITUS MEDICAL CENTER	429,740,600	21,399,877	4.98	430,476,300	19,752,800	4.59	-7.7
	TIDALHEALTH MCCREADY PAVILION	5,296,499	277,900	5.25	5,787,875	290,300	5.02	4.5
	TIDALHEALTH PENINSULA REGIONAL, INC.	508,153,000	18,301,272	3.60	519,263,843	19,396,100	3.74	6.0
	UM-CHARLES REGIONAL MEDICAL CENTER	169,385,146	10,272,000	6.06	175,776,450	11,140,000	6.34	8.5
	UM-HARFORD MEMORIAL HOSPITAL	109,164,111	7,017,000	6.43	119,935,431	7,849,000	6.54	11.9
	UM-SHORE MEDICAL CENTER AT CAMBRIDGE	36,868,084	2,625,505	7.12	23,879,668	1,344,000	5.63	-48.8
	UM-SHORE REGIONAL HEALTH AT CHESTERTOW	44,183,000	2,609,436	5.91	54,346,448	3,647,000	6.71	39.8
	UM-SHORE REGIONAL HEALTH AT EASTON	247,289,146	9,254,344	3.74	285,433,473	11,472,650	4.02	24.0
	UPMC - WESTERN MARYLAND	317,291,500	15,205,800	4.79	357,297,100	15,886,990	4.45	4.5
R U R A L		*3,247,100,092*	*142,038,960*	*4.37*	*3,384,089,872*	*142,157,114*	*4.20*	*0.1*
	ALL ACUTE HOSPITALS	*18,821,795,017*	*799,699,806*	*4.25*	*19,518,221,932*	*841,478,005*	*4.31*	*5.2*

maryland health services cost review commission

Exhibit 2. Change in Total Operating Profit/Loss, Regulated and Unregulated Operations

Listed by Alphabetical Order

	2021			2022				
Hospital	Regulated Operating	Unregulated Operating	Total Operating	Regulated Operating	Unregulated Operating	Total Operating	% Change Reg. Operating	% Change Total Operating
ADVENTIST HEALTHCARE FORT WASHINGTON	3,242,799	-3,070,983	171,816	5,025,121	-4,426,612	598,509	54.96	248.34
ADVENTIST WHITE OAK HOSPITAL	21,431,508	-18,934,177	2,497,331	22,567,500	-21,045,259	1,522,241	5.30	-39.05
ANNE ARUNDEL MEDICAL CENTER	90,146,140	-39,287,212	50,858,928	27,523,805	-44,470,474	-16,946,669	-69.47	-133.32
ASCENSION SAINT AGNES HOSPITAL	81,808,723	-48,557,548	33,251,175	72,479,206	-63,872,988	8,606,217	-11.40	-74.12
ATLANTIC GENERAL HOSPITAL	23,768,407	-25,471,266	-1,702,859	20,867,022	-21,497,992	-630,970	-12.21	62.95
CALVERT HEALTH MEDICAL CENTER	13,173,965	-8,462,881	4,711,084	13,294,516	-8,310,331	4,984,186	0.92	5.80
CARROLL HOSPITAL CENTER	30,012,219	-9,396,365	20,615,854	21,479,304	-10,940,090	10,539,214	-28.43	-48.88
CHRISTIANACARE, UNION HOSPITAL	8,401,028	-3,549,956	4,851,072	-11,279,243	-16,852,784	-28,132,027	-234.26	-679.91
DOCTORS COMMUNITY MEDICAL CENTER	11,360,207	-12,554,207	-1,194,000	-4,674,659	-10,679,450	-15,354,108	-141.15	-1185.94
FREDERICK HEALTH HOSPITAL, INC	57,213,205	-20,532,235	36,680,970	15,931,461	-12,072,427	3,859,033	-72.15	-89.48
GARRETT COUNTY MEMORIAL HOSPITAL	10,350,242	-9,200,699	1,149,544	6,690,337	-11,597,292	-4,906,955	-35.36	-526.86
GERMANTOWN EMERGENCY CENTER	-3,165,753	-141,516	-3,307,269	-1,219,293	-225,488	-1,444,781	61.48	56.31
GRACE MEDICAL CENTER	-16,746,085	-7,625,291	-24,371,376	-6,745,547	-3,130,503	-9,876,050	59.72	59.48
GREATER BALTIMORE MEDICAL CENTER	72,856,916	-57,837,916	15,019,000	43,639,052	-73,012,778	-29,373,726	-40.10	-295.58
HOLY CROSS HOSPITAL	75,563,327	-24,940,803	50,622,523	38,479,723	-34,046,765	4,432,959	-49.08	-91.24
HOLY CROSS HOSPITAL-GERMANTOWN	7,044,294	-8,467,997	-1,423,703	-959,957	-7,553,880	-8,513,837	-113.63	-498.01
HOWARD COUNTY GENERAL HOSPITAL	8,117,352	4,670,092	12,787,444	-8,743,451	-6,553,036	-15,296,487	-207.71	-219.62
JOHNS HOPKINS BAYVIEW MEDICAL CENTER	-3,921,970	6,526,382	2,604,412	-22,336,231	-2,209,771	-24,546,002	-469.52	-1042.48

maryland
health services
cost review commission

Hospital	2021			2022			% Change Reg. Operating	% Change Total Operating
	Regulated Operating	Unregulated Operating	Total Operating	Regulated Operating	Unregulated Operating	Total Operating		
JOHNS HOPKINS HOSPITAL	95,250,003	48,792,000	144,042,003	65,683,917	56,192,280	121,876,197	-31.04	-15.39
LEVINDALE	2,594,905	-11,551,288	-8,956,383	17,178,655	-9,905,797	7,272,858	562.01	181.20
MEDSTAR FRANKLIN SQUARE	45,657,380	-41,363,670	4,293,709	19,090,234	-38,184,410	-19,094,176	-58.19	-544.70
MEDSTAR GOOD SAMARITAN	12,209,891	-24,497,161	-12,287,270	15,585,257	-32,439,498	-16,854,241	27.64	-37.17
MEDSTAR HARBOR HOSPITAL CENTER	5,563,329	-12,735,998	-7,172,669	8,956,783	-14,064,631	-5,107,848	61.00	28.79
MEDSTAR MONTGOMERY MEDICAL CENTER	11,989,651	-12,359,776	-370,125	1,905,935	-14,618,757	-12,712,822	-84.10	-3334.74
MEDSTAR SOUTHERN MARYLAND HOSPITAL CEN	21,233,690	-25,830,603	-4,596,913	2,208,693	-23,046,750	-20,838,057	-89.60	-353.31
MEDSTAR ST. MARY'S HOSPITAL	33,505,228	-12,829,274	20,675,953	23,188,604	-11,927,051	11,261,552	-30.79	-45.53
MEDSTAR UNION MEMORIAL HOSPITAL	25,256,042	-35,967,787	-10,711,744	14,304,847	-40,374,797	-26,069,949	-43.36	-143.38
MERCY MEDICAL CENTER	49,113,726	-11,778,164	37,335,562	50,206,124	-18,273,935	31,932,189	2.22	-14.47
MERITUS MEDICAL CENTER	85,483,374	-14,096,078	71,387,297	31,271,039	-15,020,316	16,250,723	-63.42	-77.24
NORTHWEST HOSPITAL CENTER	26,627,791	-24,498,379	2,129,412	25,384,958	-32,154,311	-6,769,353	-4.67	-417.90
SHADY GROVE ADVENTIST HOSPITAL	52,062,921	-20,321,514	31,741,407	54,197,743	-27,125,283	27,072,460	4.10	-14.71
SINAI HOSPITAL	110,117,665	-60,438,917	49,678,748	110,344,397	-56,217,717	54,126,680	0.21	8.95
SUBURBAN HOSPITAL	24,167,678	-8,177,504	15,990,174	24,299,851	-24,270,143	29,708	0.55	-99.81
TIDALHEALTH MCCREADY PAVILION	-2,490,401	-2,100,900	-4,591,301	-2,295,025	-1,673,100	-3,968,125	7.85	13.57
TIDALHEALTH PENINSULA REGIONAL, INC.	88,630,737	-24,851,509	63,779,228	42,281,020	-14,739,277	27,541,743	-52.30	-56.82
UM CAPITAL REGION MEDICAL CENTER	39,661,358	-52,252,146	-12,590,788	14,257,446	-53,442,955	-39,185,509	-64.05	-211.22
UM LAUREL MEDICAL CENTER	-11,032,275	-4,353,951	-15,386,226	-8,470,989	-6,822,032	-15,293,021	23.22	0.61
UM-BALTIMORE WASHINGTON MEDICAL CENTER	45,984,319	-35,997,319	9,987,000	42,916,155	-36,183,155	6,733,000	-6.67	-32.58
UM-BOWIE HEALTH CENTER	-1,005,375	-3,685,000	-4,690,375	-1,707,488	-3,363,900	-5,071,388	-69.84	-8.12
UM-CHARLES REGIONAL MEDICAL CENTER	25,064,174	-11,225,820	13,838,354	8,214,745	-10,467,163	-2,252,418	-67.23	-116.28

maryland
health services
cost review commission

Hospital	2021			2022				
	Regulated Operating	Unregulated Operating	Total Operating	Regulated Operating	Unregulated Operating	Total Operating	% Change Reg. Operating	% Change Total Operating
UM-HARFORD MEMORIAL HOSPITAL	8,843,496	-10,293,496	-1,450,000	7,665,360	-9,561,360	-1,896,000	-13.32	-30.76
UM-QUEEN ANNE'S FREESTANDING EMERGENCY	1,119,346	-290,800	828,546	-755,000	-623,000	-1,378,000	-167.45	-266.32
UM-REHABILITATION & ORTHOPAEDIC INSTITUTE	11,245,452	-2,283,452	8,962,000	15,831,796	-10,365,835	5,465,960	40.78	-39.01
UM-SHOCK TRAUMA	38,759,129	-1,486,129	37,273,000	29,492,437	-1,973,437	27,519,000	-23.91	-26.17
UM-SHORE MEDICAL CENTER AT CAMBRIDGE	6,966,876	-5,071,596	1,895,280	-3,146,900	-3,993,099	-7,139,999	-145.17	-476.73
UM-SHORE REGIONAL HEALTH AT CHESTERTOWN	-1,039,256	-7,354,691	-8,393,947	12,637,176	-7,433,175	5,204,000	1315.98	162.00
UM-SHORE REGIONAL HEALTH AT EASTON	58,722,509	-36,355,851	22,366,658	70,407,711	-26,656,712	43,750,999	19.90	95.61
UM-ST. JOSEPH MEDICAL CENTER	63,454,017	-37,699,017	25,755,000	46,813,118	-47,855,118	-1,042,000	-26.23	-104.05
UM-UPPER CHESAPEAKE MEDICAL CENTER	54,313,689	-25,655,689	28,658,000	52,259,448	-27,074,448	25,185,000	-3.78	-12.12
UMMC MIDTOWN CAMPUS	6,786,591	-29,765,591	-22,979,000	-4,780,970	-29,653,030	-34,434,000	-170.45	-49.85
UNIVERSITY OF MARYLAND MEDICAL CENTER	32,745,954	21,945,046	54,691,000	10,042,382	27,105,618	37,148,000	-69.33	-32.08
UPMC - WESTERN MARYLAND	44,409,905	-31,246,505	13,163,400	72,021,182	-32,951,632	39,069,550	62.17	196.80
ALL ACUTE HOSPITALS	***1,602,630,043***	***-854,513,107***	***748,116,936***	***1,099,509,308***	***-951,655,849***	***147,853,459***	***-459.34***	***-10364.50***

maryland
health services
cost review commission

Exhibit 3A. Total Excess Profit/Loss, Operating and Non-Operating Activities

Listed by Alphabetical Order

	2021	2022	
Hospital	Excess|Profit Loss	Excess|Profit Loss	% Change in Excess
ACUTE HOSPITAL TOTALS	2,175,928,697	-502,706,172	-123.10
ADVENTIST HEALTHCARE FORT WASHINGTON	171,816	638,394	271.56
ADVENTIST WHITE OAK HOSPITAL	2,847,186	1,832,910	-35.62
ANNE ARUNDEL MEDICAL CENTER	173,264,665	-27,828,669	-116.06
ASCENSION SAINT AGNES HOSPITAL	36,686,580	5,009,778	-86.34
ATLANTIC GENERAL HOSPITAL	6,755,713	1,466,362	-78.29
CALVERT HEALTH MEDICAL CENTER	888,193	5,133,608	477.98
CARROLL HOSPITAL CENTER	71,451,031	-17,821,696	-124.94
CHRISTIANACARE, UNION HOSPITAL	15,479,263	-34,671,027	-323.98
DOCTORS COMMUNITY MEDICAL CENTER	-1,189,000	-16,920,815	-1323.11
FREDERICK HEALTH HOSPITAL, INC	83,912,970	-7,571,967	-109.02
GARRETT COUNTY MEMORIAL HOSPITAL	2,136,750	-6,541,229	-406.13
GERMANTOWN EMERGENCY CENTER	-3,317,589	-1,444,646	56.45
GRACE MEDICAL CENTER	-24,449,316	-9,941,339	59.34
GREATER BALTIMORE MEDICAL CENTER	26,040,000	-62,518,726	-340.09
HOLY CROSS HOSPITAL	146,799,633	-27,707,041	-118.87
HOLY CROSS HOSPITAL-GERMANTOWN	-1,895,200	-9,098,837	-380.10
HOWARD COUNTY GENERAL HOSPITAL	54,816,887	-37,585,990	-168.57
JOHNS HOPKINS BAYVIEW MEDICAL CENTER	27,982,412	-34,320,002	-222.65
JOHNS HOPKINS HOSPITAL	424,726,403	-3,289,803	-100.77
LEVINDALE	-4,399,728	4,558,797	203.62
MEDSTAR FRANKLIN SQUARE	5,535,059	-19,271,700	-448.18
MEDSTAR GOOD SAMARITAN	-8,531,604	-13,505,364	-58.30
MEDSTAR HARBOR HOSPITAL CENTER	-6,453,692	-4,628,810	28.28
MEDSTAR MONTGOMERY MEDICAL CENTER	800,585	-11,730,950	-1565.30
MEDSTAR SOUTHERN MARYLAND HOSPITAL CENTER	-4,461,728	-20,884,519	-368.08
MEDSTAR ST. MARY'S HOSPITAL	21,469,418	13,474,347	-37.24
MEDSTAR UNION MEMORIAL HOSPITAL	4,209,655	-29,938,831	-811.19

maryland
health services
cost review commission

	2021	2022	
Hospital	Excess|Profit Loss	Excess|Profit Loss	% Change in Excess
MERCY MEDICAL CENTER	89,240,562	7,485,590	-91.61
MERITUS MEDICAL CENTER	113,657,297	-23,409,529	-120.60
NORTHWEST HOSPITAL CENTER	22,480,412	-19,147,706	-185.18
SHADY GROVE ADVENTIST HOSPITAL	36,895,769	33,078,672	-10.35
SINAI HOSPITAL	141,115,748	11,515,680	-91.84
SUBURBAN HOSPITAL	76,479,719	-42,052,756	-154.99
TIDALHEALTH MCCREADY PAVILION	-4,591,301	-3,968,125	13.57
TIDALHEALTH PENINSULA REGIONAL, INC.	154,130,228	-38,632,257	-125.06
UM CAPITAL REGION MEDICAL CENTER	-13,205,788	-40,526,509	-206.88
UM LAUREL MEDICAL CENTER	-15,447,226	-15,042,021	2.62
UM-BALTIMORE WASHINGTON MEDICAL CENTER	40,185,000	-15,214,000	-137.86
UM-BOWIE HEALTH CENTER	-4,731,375	-4,926,388	-4.12
UM-CHARLES REGIONAL MEDICAL CENTER	17,154,354	-5,930,418	-134.57
UM-HARFORD MEMORIAL HOSPITAL	19,551,000	-15,488,000	-179.22
UM-QUEEN ANNE'S FREESTANDING EMERGENCY	828,546	-1,378,000	-266.32
UM-REHABILITATION & ORTHOPAEDIC INSTITUTE	17,409,000	397,960	-97.71
UM-SHOCK TRAUMA	37,273,000	27,519,000	-26.17
UM-SHORE MEDICAL CENTER AT CAMBRIDGE	1,895,280	-7,139,999	-476.73
UM-SHORE REGIONAL HEALTH AT CHESTERTOWN	-7,759,947	4,880,000	162.89
UM-SHORE REGIONAL HEALTH AT EASTON	50,418,658	23,381,999	-53.62
UM-ST. JOSEPH MEDICAL CENTER	23,981,000	-1,979,000	-108.25
UM-UPPER CHESAPEAKE MEDICAL CENTER	59,014,000	1,221,000	-97.93
UMMC MIDTOWN CAMPUS	-24,265,000	-35,594,000	-46.69
UNIVERSITY OF MARYLAND MEDICAL CENTER	103,519,000	-19,444,000	-118.78
UPMC - WESTERN MARYLAND	189,424,400	42,794,400	-77.41

maryland
health services
cost review commission

TO: HSCRC Commissioners

FROM: HSCRC Staff

DATE: May 10, 2023

RE: Hearing and Meeting Schedule

June 14, 2023	HSCRC Offices 4160 Patterson Avenue Baltimore, MD GoTo Webinar
July 12, 2023	HSCRC Offices 4160 Patterson Avenue Baltimore, MD GoTo Webinar

The Agenda for the Executive and Public Sessions will be available for your review on the Wednesday 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.