



# **MedChi**

## **Fall House of Delegates**

**Gene Ransom, CEO**  
**September 24, 2016**  
**Arundel Mills, MD**

# Agenda



## **OPERATIONAL UPDATE**

- Finances
- CRISP Services
- Spring Meeting Follow Up
- Medicaid Update

## **BIG ISSUES**

- Waiver / Gainsharing
- Tort Reform



# OPERATIONS

# Finances – POSITIVE Variances



## POSITIVE VARIANCES

### ■ Outreach

- Staff has grown by three FTEs and revenue has increased commensurately.
- Salaries have increased by 3 FTEs and their related incentive payments. MedChi earns revenue on these incentives and outreach is profitable.

### ■ Sugar Free Kids

- Grant efforts have surpassed budgeted levels. The grant provides for overhead above actual grant expenses.
- Salaries and contractors have grown on increased grant grassroots activity. MedChi earns revenue on these efforts and grant is profitable.

# Finances - NEGATIVE Variances

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## NEGATIVE VARIANCES

- **Dues** - Dues collected through July 2026 were \$883k vs July 2016 budgeted of \$1,071k vs July 2015 of last year of \$941k.
- **Building Repairs** - MedChi will incur an estimated \$50k budget variance to repair the non-functioning main elevator.
- **HCAM** - Reflected in the outreach revenue positive variance is a negative variance on the HCAM contract. MedChi's budget reflected a contract value of \$103k and the contract was reduced to \$64k.

# What is CRISP?

CRISP is a non-profit health information exchange, or HIE, organization serving Maryland and the District of Columbia.


- **Health Information Exchange** allows clinical information to move electronically among disparate health information systems. The goal of HIE is to deliver the right health information to the right place at the right time providing safer, more timely, efficient, effective, equitable, patient-centered care
- **CRISP's Mission:** To advance the health and wellness of our patients by deploying health information technology solutions adopted through cooperation and collaboration

# CRISP Services for Providers

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- **Maryland Prescription Drug Monitoring Program**
  - Monitor the prescribing and dispensing of drugs that contain controlled dangerous substances
- **Encounter Notification Service (ENS)**
  - Be notified in real time about patient visits to the hospital
- **Query Portal**
  - Search for your patients' prior hospital and medication records
- **Direct Secure Messaging**
  - Use secure email instead of fax/phone for referrals and other care coordination

# Prescription Drug Monitoring Program (PDMP)

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The PDMP program is overseen by the Department of Health and Mental Hygiene, Alcohol and Drug Abuse Administration

- **The program aims to:**
  - Monitor the prescribing/dispensing of controlled dangerous substances
  - Assist healthcare providers, public health and safety authorities with reducing the non-medical use, abuse and diversion of prescription drugs
- **The PDMP data is:**
  - Reported by CDS dispensers, including pharmacies and healthcare practitioners
  - Securely stored
  - Disclosed only to persons authorized by state law
- **CRISP serves as the access point for clinical licensed providers**
  - All other uses, such as investigators from law enforcement, health professional licensing boards or DHMH agencies, will register with and submit data requests to Health Information Designs (HID) via <http://www.hidesigns.com/mdpdmp>



# Encounter Notification Service (ENS)

- CRISP currently receives information pertaining to **ER visits and inpatient admissions** in real-time:
  - All Maryland hospitals
  - Most D.C. hospitals
  - All Delaware hospitals ( ADT early 2014)
- CRISP has the ability to communicate this information, in the form of **real time hospitalization alerts** to PCPs, care coordinators, and others responsible for patient care.
- There is **no charge for** CRISP services for office-based providers, as they are supported financially by Maryland hospitals, health plans and other sources. ENS is live and currently enrolling new participants



# Our CRISP Team



Unique Moore



Rachel Hennick



Steve Politowski



Leslie Parker



Yelena Shapiro



Jeff Bahen

# MedChi Network Services (MNS)



## **Revenue Cycle Management**

Management of your finances to optimize billing and collections

## **Integrated Electronic Health Records and Practice Management**

Credible guidance and services for health information technology

## **HIPAA Policy Review**

Review of practice current HIPAA policies, and analysis and summary of the policies to determine if compliance requirements are being met.

## **Coding and Compliance Support**

Certified Professional Coder support to perform coding reviews, training, and risk mitigation

## **Insurance Credentialing**

Data gathering and retention of Provider's essential credentialing information

## **Payer Contracting**

Identify appropriate payers and initiate Individual or Group Participation Agreements, as well as negotiate contract terms with payers

# CME Education - Dispensing

- MedChi's Dispensing CME collaboration with the University of Maryland School of Pharmacy (UMSOP) continues to provide the required credits for physicians with Dispensing Permits.
  - More than 200 physicians have completed the online courses as of June 2016.
  - The online education platform now provides the 6 CME credits needed for physician renewals in 2016. We are working to increase the CME credits to 8 by 2017.
  - MedChi is receiving revenue from this project. This collaboration has not only provided much needed CME for Maryland physicians, but has also led to further collaborations between MedChi and the UMSOP.



# Spring HOD Follow Up



| <b>Resolution</b> | <b>Topic</b>                                             | <b>Action</b>                                                                                                         |
|-------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|
| Res. 3-16         | Broadening Associate Member Category                     | Referred to participants in July 2016 Annual Component Meeting. They discussed are collecting additional information. |
| Res. 4-16         | Aid in Dying Survey                                      | Survey completed and distributed.                                                                                     |
| Res. 5-16         | Organizational Membership Category                       | Referred to participants in July 2016 Annual Component Meeting. They discussed are collecting additional information. |
| Res. 6-16         | Empowering Specialty Societies at the House of Delegates | Referred to Bylaws Committee and Report 5-16 filed with the House of Delegates for approval.                          |



# BIG ISSUES

# Medicaid Update



## **MedChi has had as a major objective to increase payment to physicians in Medicaid.**

- Effective October 1, 2016, an additional 2% will be added to the Medicaid reimbursement rate, thus, increasing the rate from 92% to 94% of Medicare. This increase applies to evaluation and management codes paid by both managed care organizations and the State under its fee-for-service program.
- During the beginning of the 2016 Session, MedChi again prioritized full restoration of the Medicaid rates in its legislative agenda. While Governor Hogan did not include an increase in the fiscal 2017 budget, the Maryland General Assembly once again “fenced off” funds to increase the rate to 96%, which required approval by the Governor.
- MedChi applauds the work of both the Maryland General Assembly and Governor Larry Hogan to continue to restore Medicaid rates and provide Medicare parity.

# Direction of Health Care

- Integrated care delivery models are causing the industry to shift away from a fee-for-service model
- Payors are looking to make fixed payments to care providers for treating a specific patient population
- Savings from care coordination and preventive services are available to incentivize providers
- MACRA / MIPS and the Maryland Waiver present both threats and opportunities to physicians.





# Physician Payments Are Changing: MACRA



## **The Medicare Access and CHIP**

**Reauthorization Act (MACRA)** encourages the creation of Alternative Payment Models (APMs) and provides incentives for physicians to participate in them. MACRA explicitly encourages the development of “Physician-Focused Payment Models” and the law provides considerable flexibility defining APMs that they can support the wide range of health problems physicians treat.

# MIPS: First Step to a Fresh Start

## MIPS is a new program

- Streamlines 3 currently independent programs to work as one and to ease clinician burden.
- Adds a fourth component to promote ongoing improvement and innovation to clinical activities.



**Quality**



**Resource  
Use**



**Clinical practice  
improvement  
activities**



**Advancing  
Care  
Information**

- MIPS provides clinicians the flexibility to choose the activities and measures that are most meaningful to their practice to demonstrate performance.

# Hospital Payments Have Changed: Focus Shifts from Rates to Revenues



## Old Model Volume Driven

Units/Cases



Rate Per Unit  
or Case

Hospital Revenue

Unknown at the beginning of  
year. More units/more  
revenue

## New Model Population and Value Driven

Revenue Base Year



Updates for Trend,  
Population, Value

Allowed  
Revenue Target Year

Known at the beginning of year.  
More units does not create more  
revenue

# Direction of the Waiver From MedChi's Perspective



- The State owes CMS a blueprint / strategic plan by the end of the year for Phase II of the Waiver.
- The State intends to align community providers with hospitals using a series of incentives and programs.
  - Two Gainsharing programs are under review by CMS
  - A Medicaid ACO-like model is being worked on by DHMH
  - A new Primary Care model is being developed by DHMH Deputy Secretary Howard Haft
  - Other models will be created



# MedChi/Physician Goals for Waiver



- No Rate Setting – We do not want a hospital-like rate setting program. MedChi wants physicians to have more flexibility and allow for innovation.
- MACRA Compliant - MedChi wants to make sure whatever is created is compliant with Federal rules. In a perfect world, CMS would give credit to Maryland physicians for the risk being taken by hospitals and consider the entire waiver an Alternative Payment Model (APM).
- APMs - No disadvantage with regard to Alternative Payment Models. Other states have been allowed to implement programs that Maryland cannot adopt because of the Waiver.
- Checks and Balances - Fairness for all parties, including patients, physicians and hospitals.
- Protect Patient Rights - Whatever systems or programs that are created should focus on patients' rights. Patients should not have to worry that they are not getting the best healthcare because of a payment system.

# Tort Reform



**In 2016, the Trial Lawyers initiated a number of bills which did not pass the legislature:**

- SB 574 / HB 869 sought to triple the current “cap” on noneconomic damages for any “catastrophic injury” medical malpractice case. After long hearings in both the Senate Judicial Proceedings and the House Judiciary Committees, neither bill was voted on.
- Other bills defeated include:
  - **HB 606** - “The Apology Bill.” This bill passed the House but did not receive a vote in the Senate Committee
  - **HB814 / SB 849** - Task Force to Study Health Courts
  - **HB 992** - Repeal Health Care Alternative Dispute Resolution Office
  - **SB 513 / HB 377** – No-Fault Birth Injury Fund



# Copsey v. Park: Amicus Brief

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## ISSUES:

- Did the Circuit Court err in admitting evidence of the negligence of subsequent treating physicians and instructing the jury on superseding causation?
- Is it reversible error for the Trial Court to admit evidence of the negligence of non-party, subsequent treating physicians, including evidence that they were once defendants in the instant suit?
- Is it reversible error for the Trial Court to instruct the jury on superseding cause when the negligence of all the treating physicians amounted to one indivisible injury, that being death?

# Six Things You Can Do **TODAY** to Help Yourself and MedChi!

- Have the MedChi Agency do an Insurance Review – no cost, no obligation
- Have MedChi Network Services do a practice assessment – no cost, no obligation
- Help our Membership Committee grow our membership – Is your practice at 100%?
- Take a stack of MD Rx cards if you have uninsured or underinsured patients
- Visit with our exhibitors and thank them for supporting MedChi
- Join MMPAC and get involved in our advocacy effort by using our Legislative Action Center
- Do something before you leave today!






# Thanks to the MedChi Staff



Laura Berg      Chae Kwak      Yelena Shapiro      Jason Hohl      Ethel Wright  
Ginger Tinsley      Meg Fielding      Unique Moore      Steve Johnson      Russ Kujan  
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Thank you for allowing me to represent  
the physicians of Maryland!

