



House of Delegates

Operations Report

Gene M. Ransom III

Chief Executive Officer

MedChi, The Maryland State Medical Society



Fall
2022

We wouldn't be us, without you.

We want to thank you all for your hard work and dedication.



Your Advocate.



Your Resource.



Your Profession.



The Center for the Employed Physician was established by the Center for a Healthy Maryland through a grant from The Physicians Foundation. Through this project resources and educational programming were developed to assist physicians who are currently employed or are considering entering into an employment arrangement. To inform the content of the tools and services to be created, 442 Maryland physicians responded to a survey, giving feedback about their concerns regarding practicing medicine in an employed setting. Physicians considering employment most requested a resource that would aid in contract negotiations, while physicians who are currently practicing in employed settings most requested current compensation models. Both groups were also concerned about maintaining autonomy.

- Salary Survey
- Model Contract
- Job Opportunities

Center for the Employed Physician



Salary Survey

Released this year and IDEA Task force will be working on findings regarding Gender disparity

Model Contract



Contract Seminars

- Dr. Williams and the Medical Economics Council is doing a series on contract negotiations





MedChi is committed to helping practices remain independent. As your Medical Society, MedChi developed the **Center for the Private Practice of Medicine** to provide business support tailored to the time constraints of your practice. Please take a moment to review some of the key business services we provide to strengthen your practice. Our goal is to help your practice by providing credible support that meets your needs.

HIPPA & Records
MedChi CTO
Practice Management
Help
Ancillary Suggestions
Insurance Needs
Technology Help



MedChi is committed to helping practices remain independent. As your Medical Society, MedChi developed the Center for the Private Practice of Medicine to provide business support tailored to the time constraints of your practice. Our goal is to strengthen your practice by providing credible support that meets your needs with key business services and resources

Center for the Private Practice of Medicine

Network Adequacy Regs



August 8, 2022

Sent via email networkadequacy.mia@maryland.gov

Kathleen Birrane
Commissioner
Maryland Insurance Administration
200 St. Paul Place, Suite 2700
Baltimore, MD 21202

Re: *COMAR Proposed Draft 31.10.44: Network Adequacy*

Dear Commissioner Birrane:

MedChi, the Maryland State Medical Society, appreciates the opportunity to comment on the proposed draft revisions to the network adequacy regulations. MedChi applauds the Maryland Insurance Administration's (MIA) ongoing commitment to a thorough and deliberative approach in continuing to define the State's network adequacy requirements, including extensive stakeholder involvement. To that end, as you are aware, MedChi, along with a number of other physician specialty organizations, submitted written comments on the proposed draft regulations focused specifically on ensuring network adequacy for providers employed or contracted to work in in-network hospitals. This letter is being submitted to provide MedChi's additional comments on the proposed revisions, including specific provisions related to telehealth services.

Overall, MedChi believes that the changes proposed are positive and will have a meaningful impact on both consumers and providers in ensuring robust networks. Particularly notable is the focus on timely access to behavioral health services and the incorporation of multiple provisions that address the issues relative to network adequacy for behavioral health services raised by both providers and consumers.

Equally notable are MIA's efforts to balance the importance of recognizing and supporting the current flexibility to use telehealth services, while also continuing to ensure that carriers maintain adequate networks to insure timely access to in-person services. While MedChi supports the basic framework reflected in the draft revisions, it does believe that further strengthening and clarification of the language is necessary to ensure that both patients and providers are able to access and select the appropriate care delivery venue – in-person or telehealth – based on the patient's clinical needs and preferences without unreasonable carrier limitations. To that end, MedChi urges MIA to incorporate patient preference for in-person or telehealth as an essential component for determining "clinically appropriate, available, and accessible." Further, while not tied directly to network adequacy, a patient's provider should retain the authority to determine, in conjunction with their patient's preferences as appropriate, whether services will be rendered in-person or by telehealth without the carrier having the authority to impose prior authorization or

other utilization review mechanisms based upon the selection of in-person versus telehealth service delivery. This is especially critical given the "credit" that is provided for telehealth under the draft revisions.

With the noted comments on the need for further clarifying provisions relative to telehealth and delivery venue determination, as well as the comments reflected in the joint letter regarding hospital-based physicians, MedChi wishes to reiterate its support for the draft revisions to the network adequacy regulations and looks forward to working with MIA, other provider and consumer stakeholders, and the carriers to ensure timely access to medically necessary health care services.

Sincerely,

Gene M. Ransom, CEO

cc: Pamela Metz Kasemeyer, Schwartz, Metz, Wise & Kauffman, P.A., Counsel
Danna L. Kauffman, Schwartz, Metz, Wise & Kauffman, P.A., Counsel



CareFirst Rate Filing Concerns



August 8, 2022

Your Advocate.
Your Resource.
Your Profession.

Sent via email healthinsuranceratereview@maryland.gov

Kathleen Birrane
Commissioner
Maryland Insurance Administration
200 St. Paul Place, Suite 2700
Baltimore, MD 21202

Re: 2022-2023 Rate Filings

Dear Commissioner Birrane:

On behalf of the State's Medical Society (MedChi) and our patients, we are writing to express our strong concern that the rate increases requested for 2023 premiums in both the individual and small group markets appear excessive and will have a detrimental impact on patients. In the individual market, the requested rate increase is + 11%, with averages ranging from +7.2% to an astounding +25.9%. In the small group market, carriers have requested an overall average rate increase of +10%, with averages ranging from +3% to +12.6%.

To better understand the impact of these percentages, these percentages translate to an average *monthly* premium increase of \$116 for a family of four (two adults with two teens) in the individual market and a staggering \$173 for that same family in the small group market. These rate increases reflect the purchase of the lowest bronze plan, which has a family deductible between \$5900-\$8700 per person, meaning that, while certain well visits and screenings may be covered, sick and other visits must be covered out-of-pocket until the deductible is satisfied. The MIA has noted that this requested premium increase is higher than in previous years. However, it is worth noting that even when claims were decreased as a result of the pandemic in 2021 and 2022 (i.e., cancellations of elective surgery, delaying of primary care visits) carriers still received overall rate increases.

These rate increases are coming at a time of unprecedented challenges and costs for Maryland's individuals and small business owners. Inflation is at a 40-year high. Recently, Moody's Analytics reported that consumers are paying \$493 more per month to purchase the same goods and services as a year ago. Consequently, we are concerned that increasing premiums at the requested amount may result in: 1) a drop in health care coverage because either individuals or small businesses will no longer be able to absorb the premium costs; or 2) individuals and/or small businesses will need to switch from a gold/silver plan to a bronze plan. This will have the effect of lowering monthly premiums but increasing out-of-pocket costs. Over the last several years, the Maryland legislature has sought to tackle issues arising out of medical debt, which may only be exacerbated if these rate increases are permitted to move forward.

It is also hard to fathom why insurance carriers need rate increases that are double or triple the increase recently granted by the Maryland Health Services Cost Review Commission (HSCRC) to hospitals. The HSCRC only granted hospitals a 3.25% rate increase for their upcoming fiscal year, an increase opposed by many carriers. Ironically, while hospital profits are

publicly reported in Maryland, insurance carriers are not required to report profits. This begs the question that if claims were down during the height of the coronavirus pandemic where did all the unused premiums go? Physicians in Maryland also struggle with low reimbursement levels from carriers as compared to our colleagues in other states. According to the Health Care Institute,¹ commercial carriers in Maryland pay on average 104% of Medicare whereas the average payment in the country is around 140%.²

We thank you for the opportunity to comment on this very important issue. Again, Maryland consumers are facing unprecedented challenges in trying to make ends meet and cover everyday essentials. We urge the MIA to use prudence and caution in approving any rate increases for the 2023 rate year and to consider all factors.

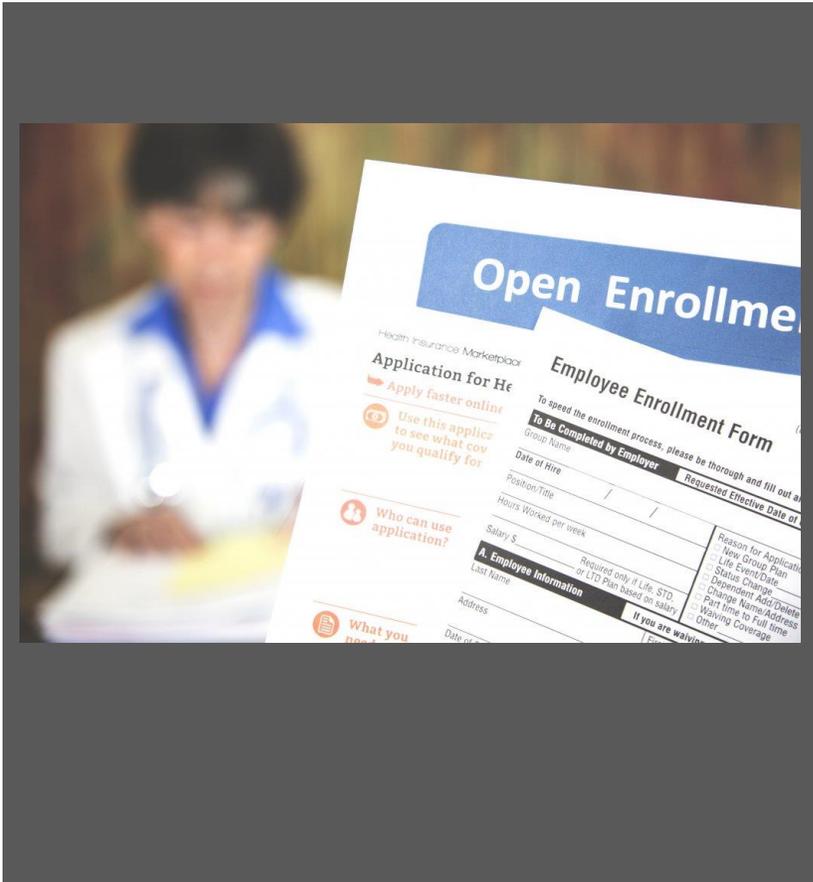
Sincerely,

Gene M. Ransom, III
Chief Executive Officer



¹ Health Care Institute, "Comparing Commercial and Medicare Professional Services Prices," 2020.

² Even within Maryland, reimbursement rates fluctuate with reimbursement at 94% of Medicare in Salisbury, Maryland.



Opinion: CareFirst dispute shines light on issues caused by insurance monopoly

By Gene Ransom

The writer is CEO of the Maryland State Medical Society, MedChi.

A contract [dispute](#) between Maryland's world-renowned and award-winning hospital system, Johns Hopkins, and insurer CareFirst BlueCross BlueShield, concerns everyone, but it shouldn't come as a surprise. Structural problems with the health insurance system are at the root of this dispute, and it's time we had a conversation about health insurance concentration in Maryland.

MedChi, The Maryland State Medical Society, has raised concerns about the Maryland health insurance market for years. Several years ago, we proposed legislation simply requesting a study of the insurance concentration in the state, which did not even receive a vote due to CareFirst's opposition. According to the most recent "[AMA Competition in Health Insurance Study](#)," CareFirst controls more than 50% of most Maryland markets; in some parts of Maryland, they control 70% of the market. This large market share makes it very difficult for practitioners to negotiate fair rates with CareFirst.

These challenges are compounded by Maryland's unique hospital reimbursement system, where Medicare and Medicaid pay more for hospital-based care in Maryland than the rest of the nation, and commercial insurers pay less. Even though we know that CareFirst and other insurers pay about 25% less for hospital care compared to the rest of the country, it doesn't equate to lower premiums paid by employers and individuals. In fact, MedChi just raised concerns about CareFirst's recent rate filing that included a premium rate increase request. Between 2017 and 2020, CareFirst increased its commercial premiums by an average of 3.3% annually in Maryland (and 4.7% in Washington, D.C.). CareFirst may claim that rate increases to providers will cause premium increases, but given these facts, it's not clear why paying physicians, or Johns Hopkins, reasonable rates would translate into higher premiums.

If CareFirst is underpaying doctors and nurses and getting a discount on hospital care, but not charging its members lower premiums, the question is where is all that money going? We know it's not going to caregivers. Physician reimbursement in Maryland is one of the worst in the nation. According to a recent study by the Maryland Healthcare Commission, Maryland is ranked third worst in the nation for physician reimbursement.

The non-payment of practitioners by the dominant carrier is exacerbated by the fact that the cost of providing care keeps going up. According to Johns Hopkins, CareFirst has increased what it pays their doctors and nurses by just 10% even though the cost to deliver care has gone up 21%. I have heard from other physician members these numbers are similar in their practices as well.

Hopefully the parties will reach a fair agreement by the Dec. 5 deadline.

Everyone wants Johns Hopkins doctors and nurses to stay in the CareFirst network, and that there is no impact on the cost of care at Hopkins for people with CareFirst health insurance. No matter how this is resolved, we need to look at the balance of power in the health insurance market; competition would result in a better marketplace for physicians, patients, and the public health of Maryland.

Center for Value-Based Care



Center For Value-Based Care

MedChi leads the charge in protecting physician interests as Maryland healthcare shifts to value-based care. In the 2022 General Assembly Session, MedChi worked to make sure the CareFirst value-based bill included physician and patient protections. MedChi was a strong supporter of the Maryland Primary Care Program, the largest per capita, most successful value-based care program for Maryland adult primary care.



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- ✓ EQIP
- ✓ Maryland Insurance Issues on Value-Based Care
- ✓ MCPCP
- ✓ Total Cost of Care

EQIP – IT'S A BIG DEAL

The Episode Quality Improvement Program

EQIP is an episode-based payment program for non-hospital providers designed to:

- Help the State meet the financial targets of Total Cost of Care (TCOC) Model
- Include more providers in a value-based payment framework (that is, to have responsibility and share in rewards for reducing Medicare TCOC spending)
- Encourage multi-payer alignment in a value-based payment framework
- Include more episodes than in Centers for Medicare & Medicaid Services (CMS) Innovation Center (CMMI) models
- Broaden access to Medicare's 5% Advanced APM (AAPM) MACRA opportunity

EQIP will provide the State with input on:

- Episodes to include (prioritization), and
- Episode design, recognizing there are annual opportunities for updates and participation.
- In year one we started with Ortho, GI, Cardiology

In year two we will be adding ER, Urology, Eye, Derm, Allergy.

EQIP sign up period is over for 2023 start. Great results, we have physicians in all 4 new specialties and over 8,300 physicians / Care Partners submitted for CMS vetting*

- Representation from **43** specialties
- **66** EQIP Entities
- Participation in all **45** available EQIP Entities
- *Final participation will not be determined until 1/1/23



health services
cost review commission

Maryland Primary Care Program

MedChi
*Care Transformation
Organization*

We are working
to keep this
program and
improve policy
with CMMI.

MedChi CTO:

- The CTO team did a great job recruiting for new practices, so we are optimistic that we will add 6 – 8 new practices for next year

MHCC Practice Transformation Grant:

- In addition to the initial \$500,000, MedChi CTO has been awarded \$250,000 to recruit 25 additional practices – we need your help identifying practices.

Crisis at HSCRC

Total Cost of Care - Guardrail Concerns

MedCh
The Maryland Health Care Society

Your Advocate.
Your Resource.
Your Profession.

August 1, 2012

The Honorable John E. Kim
Chairman
Health Services Cost Review Commission
4340 Patuxent Ave
Baltimore, MD 21115

Re: Guardrails and Possible Corrective Action

Dear Chairman Kim,

I wanted to express my concerns regarding the recent national and Maryland financial performance information which indicates that MedCh has not been able to maintain the guardrails of the Total Cost of Care (TCC) Agreement for a second consecutive year. Specifically regarding the State's financial concerns, the other goal of the TCC Agreement is to ensure that the performance of the Maryland Health Care Society (HCS) is in line with the Commission. The goal of the TCC Agreement is to ensure that the Maryland Health Care Society (HCS) is in line with the Commission. The goal of the TCC Agreement is to ensure that the Maryland Health Care Society (HCS) is in line with the Commission.

The issue of the guardrails and Maryland's financial performance is the result of a number of ongoing issues, not least the Commission's oversight and the fact that the State is not able to maintain the guardrails. MedCh would urge that the Commission consider a group of initiatives to develop solutions to prevent the negative outcome. In addition to hospital and other policy reports, MedCh would welcome the opportunity to have a seat at the table.

MedCh would urge the Commission to be proactive in developing corrective actions to address these issues. The Commission should:

- Investigate the current state of the Commission's operations;
- Conduct a cost and quality review of the organization or system;
- Coordinate and monitor with the larger state goals of the month, including the need to balance cost savings against access and investments in clinical services.

Thank you for your time and attention to this important issue. Please let MedCh know how it may best assist the Commission.

Sincerely,


Gene M. Kavanon II
Chief Executive Officer
MedCh, The Maryland Health Care Society



Academic Section



To support greater collaboration between the Maryland State Medical Society (MedChi) and the clinical and executive leadership of Maryland's Academic Medical Centers (AMC), the University of Maryland Medical Center, and Johns Hopkins Hospital, MedChi created an AMC section in 2022. The purpose of this new section is to provide a forum for discussion of issues of interest between MedChi and its AMC-affiliated members, ensuring that MedChi is best supporting the missions of the organizations.



Topics to be discussed by the group include, but are not limited to:

- Draft policies under consideration by the Health Services Cost Review Commission (HSCRC) or Maryland Health Care Commission (MHCC)
- Legislation under consideration by the Maryland General Assembly (MGA)
- Other topics as agreed upon by the members
- Topics specific to individual members

A small group comprised of clinical, and policy leads from the AMCs and MedChi will meet monthly to review key policies and develop collaborative policy positions. Outputs of these meetings may include:

- Individual and joint policy papers, including letters of support or concern
- Communications messaging
- Advocacy strategies



Building Update

- Work has begun on front of building
- Old elevator continues to be an issue
- Floors finished in old finance area
- These repair were approve by Board but not budgeted and need to be reported to the House under the Rules

The Maryland State Medical Society, Files Amicus Brief on COVID Denial Case



In The
**Court of Appeals
of Maryland**

Misc. No. 1
September Term, 2022
COA-MISC-0001-2022

TAPESTRY, INC.,

Appellant,

vs.

FACTORY MUTUAL INSURANCE COMPANY,

Appellee.

*Certified Question from the United States District Court
for the District of Maryland
(Honorable George L. Russell, III, Judge)*

**AMICUS BRIEF OF MEDCHI,
THE MARYLAND STATE MEDICAL SOCIETY**

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Amicus Brief Victory – Sharma

- As for pending cases, the Court of Appeals of Maryland ruled in our favor in this matter in which we filed a writ of certiorari in the case of *Wadsworth v. Sharma*, September 2021 Term, Case No. 40, to consider whether Maryland's Wrongful Death Statute permits beneficiaries to recover damages if the alleged negligence of a health care provider shortens the life of a terminally ill patient. In *Wadsworth*, the plaintiffs alleged Mrs. Wadsworth had an abnormal PET/CT scan in 2013 that showed she had stage IV metastatic cancer in her breast, but the defendant, Dr. Sharma did not conduct any follow up care after receiving this result. It was not until 2016 that Mrs. Wadsworth's breast cancer was discovered in another PET/CT scan, and she underwent aggressive treatment. Mrs. Wadsworth ultimately died in 2017. The plaintiffs alleged that Dr. Sharma's failure to act in 2013 shortened Mrs. Wadsworth's life by thirty months. On Dr. Sharma's motion for summary judgment, a judge sitting the Circuit Court for Baltimore County granted summary judgment, and the plaintiffs appealed.
- On the issue of whether the plaintiffs could recover under Maryland's Wrongful Death Statute, the Court of Special Appeals of Maryland held that the plaintiff must prove that Dr. Sharma's alleged failure to act on the 2013 PET/CT scan caused Mrs. Wadsworth's death. The Court explained that there was no evidence that had Mrs. Wadsworth's cancer been treated in 2013, she would have survived because the cancer was already stage IV metastatic cancer. The Court further reiterated that Maryland continues to reject the loss of chance doctrine, and in any event, such doctrine would still not allow recovery because Mrs. Wadsworth's chances of survival if the cancer had been diagnosed in 2013 were zero according to the plaintiffs' own experts. The plaintiffs appealed.
- Given that the Court of Appeals of Maryland could have expand recovery for wrongful death beneficiaries, MedChi and Medical Mutual submitted an amicus curie brief urging the Court to affirm the Court of Special Appeals decision and defending our interpretation of the current wrongful death recovery scheme. The court ruled 7-2 in our favor.





BYLAWS COUNCIL

Bylaws, Rules & Regulations Committee

COMMUNICATIONS COUNCIL

LEGISLATIVE COUNCIL

Boards & Commissions Committee

Health Insurance Committee

Public Health Committee

MEDICAL ECONOMICS COUNCIL

Payer Relations Committee

Private Practice of Medicine Subcommittee

MEDICAL POLICY COUNCIL

Addictions Committee

Cannabis Committee

Ethics and Judicial Affairs Committee

Opioid Committee

Public Health Committee

OPERATIONS COUNCIL

CME Review Committee (CMERC)

Committee on Scientific Activities (COSA)

Finance Committee

TASK FORCES

Global Budgeting Task Force

IDEA (Inclusion, Diversity, Advocacy, Empower) Task Force

SUBSIDIARIES & AFFILIATES

MMPAC

MedChi Agency

Alliance

CENTER FOR A HEALTHY MARYLAND

Development Committee

Finance Committee

Grants & Education Committee

History of Medicine Committee

Physician Health Committee

Physician Health Oversight Committee

SECTIONS

Medical Students

Residents & Fellows

Early Career Physicians

IM

We have Five Retiring
Board Members
You for All You Have Done,
for MedChi and Your
Fellow Physicians!

- Dr. Shannon Pryor
- Dr. Brooke Buckley
- Dr. Anuradha Reddy
- Dr. Douglas Mitchell
- Dr. Melvin Stern

*Thank
you!*



Questions?

Please visit us on the web,
at Medchi.org

Follow us on Facebook and
Twitter @MedChiupdates

MedChi, The Maryland
State Medical Society