



Maryland  
Hospital Association

January 17, 2024

Alyson Schuster, Ph.D.  
Deputy Director, Quality Methodologies  
Health Services Cost Review Commission  
4160 Patterson Avenue  
Baltimore, Maryland 21215

Dear Dr. Schuster:

On behalf of the Maryland Hospital Association's (MHA) 62 member hospitals and health systems, we appreciate the opportunity to comment on the Health Services Cost Review Commission's (HSCRC) *Draft Recommendations for the Maryland Hospital Acquired Conditions (MHAC) Program for Rate Year (RY) 2026*. We support the staff's recommendations, which are largely unchanged from the existing RY2025 policy.

MHA supports HSCRC's staff recommendation to retain the existing Potentially Preventable Complications (PPCs) in the payment policy and continue to monitor other clinically significant PPCs. Hospitals have significantly decreased the observed-over-expected (O/E) ratio for payment PPCs by more than 27% since 2018. Though, O/E ratios for monitored PPCs rose almost 20% from 2018 through 2023, this represents an improvement of roughly 50 basis points over the last year. Given these findings, MHA supports using the average of the top and bottom 20% O/E ratio results to avoid the cliff effect of using a single percentile for monitoring PPCs. Furthermore, we support the recommendation to use more than one year of performance data for small hospitals.

MHA looks forward to continuing our collaboration with the Commission on this and future policies.

Sincerely,

Brian Sims  
Vice President, Quality & Equity

cc: Joshua Sharfstein, M.D., Chairman  
Joseph Antos, Ph.D., Vice Chairman  
James N. Elliott, M.D.  
Ricardo. R. Johnson

Maulik Joshi, DrPH  
Adam Kane, Esq.  
Nicki McCann, JD  
Jonathan Kromm, Ph.D., Executive Director