



Maryland
Hospital Association

March 7, 2025

Dr. Jon Kromm
Executive Director
Health Services Cost Review Commission
4160 Patterson Avenue
Baltimore, MD 21215

Dear Dr. Kromm,

On behalf of the Maryland Hospital Association (MHA) and its member hospitals and health systems, thank you for the opportunity to comment on the Health Services Cost Review Commission (HSCRC) proposal to increase hospital rates to address the challenging surge of respiratory cases hospitals are confronting this season. As the HSCRC analysis notes, this year hospitals have faced an intense confluence of large numbers of patients with RSV, influenza, pneumonia, and COVID. MHA supports the proposal as it provides important funding to support acute care services for patients across the state.

The draft recommendation would increase hospital rates in RY 2026 on a one-time basis. The recommendation would also allow for staff discretion to approve on a case-by-case basis an adjustment to charges in the current rate year. MHA appreciates this accommodation as it would enable hospitals to access support earlier to address care and funding needs of the current respiratory season in real-time.

While the one-time nature of the funding allocation addresses current respiratory surge challenges, an unfortunate reality is that the increased intensity of the respiratory season is becoming a new normal. This new normal problem needs a new normal solution. We need to revise policies to address long-term underfunded growth in utilization and other health care needs of our aging patient population with more complex health care needs.

The policy proposal reduces the availability of surge funding for hospitals that have experienced offsetting declines in volume for other health care services. As all of the state's hospitals have experienced the challenge of respiratory surges in recent years, a long-term solution must support all hospitals facing a surge in cases.

MHA also appreciates the proposed action to provide hospitals with funding for RSV immunization for infants. This is a valuable but underfunded health intervention that our hospitals deliver for patients.

MHA looks forward to partnering with HSCRC to continue the efforts to strengthen our Maryland Model, which has been so effective in supporting quality and high value to care to the residents of our state.

Sincerely,



Melony G. Griffith
President & CEO

cc: Dr. Ryan Moran, Acting Secretary, Maryland Department of Health
Dr. Joshua Sharfstein, Chair
Dr. James Elliott
Ricardo Johnson
Dr. Maulik Joshi
Adam Kane
Nicki McCann
Dr. Farzaneh Sabi