



Maryland
Hospital Association

February 2, 2026

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 our member hospitals and health systems, we appreciate the opportunity to provide comment on the Health Services Cost Review Commission (HSCRC) recommendation for the Rate Year (RY) 2028 Readmissions Reduction Incentive Program (RRIP). We commend HSCRC for its continued commitment to advancing quality improvement through stable, incentive-based approaches.

MHA supports the RY 2028 RRIP recommendation. We appreciate staff's effort to maintain a familiar and predictable policy framework and minimize disruption for hospitals as Maryland transitions to the AHEAD Model. Preserving the core elements of RRIP during this period of significant change will enable hospitals to remain focused on performance improvement while contributing to broader discussions about multi-payer alignment under AHEAD's readmission quality requirements.

HSCRC is planning to reconvene the Clinical Adverse Events Measures Subgroup to discuss opportunities to improve its complication measurement approach and to identify strategies to align Maryland quality program measures with Centers for Medicare & Medicaid Services (CMS) quality program measures. As Maryland transitions to the AHEAD Model, a structured, collaborative venue that brings together the hospital field and policymakers will be essential to assess measures design, performance periods, and revenue adjustments and maintain consistency across state and federal programs.

MHA recommends the following policy refinements that can strengthen the RRIP design and help prepare for the AHEAD Model transition.

Out-of-State (OOS) Readmission Ratio Methodology Refinement

MHA appreciates HSCRC staff's responsiveness to members' concerns regarding OOS readmission ratio calculations and supports the proposed technical correction to address double counting of in-state and out-of-state (OOS) readmissions that was discovered when analyzing the use of the OOS readmission ratio that is derived from data in the Chronic Conditions Data Warehouse. Resolving this issue is essential to ensure accurate attribution and fair assessment of

hospital performance. The OOS calculation error has spanned multiple years and has disproportionately affected hospitals near state lines. Because of this, we recommend that the Commission apply the correction not only to RY 2027 but also to earlier rate years to ensure an accurate assessment for all prior year performance years. The Commission has previously implemented adjustments to retrospectively remedy issues adversely impacting hospitals across multiple years. In the annual payment update for RY 2026, HSCRC applied a revision to remedy a data issue impacting uncompensated care (UCC) funding determinations for RY 2023 through 2025. The Commission should follow this precedent for RRIP and implement a multi-year solution. We also encourage HSCRC to continue monitoring the OOS ratio following implementation of the correction, as additional refinement needs may emerge.

OOS Transfers

While HSCRC proposed a solution to address double counting of OOS transfers observed in Medicare data, the hospital field is concerned about inaccuracies in calculating readmissions across all payers due to OOS transfers. Hospitals identified inconsistencies in how OOS transfers are captured for patients enrolled in Medicare Advantage, Medicaid, or commercial coverage. These inconsistencies may influence performance results in ways not reflected in the limited analysis of Medicare OOS transfer data. A comprehensive, multi-payer approach is essential to improve the accuracy and fairness of the OOS transfer calculations and to strengthen insight into cross-border patient movement. MHA supports HSCRC's plan to incorporate broader data sources into future refinements and looks forward to the findings.

Planning for Future Alignment with the AHEAD Model

RY 2028 will assess CY 2026 performance, which is the first year of the AHEAD quality transition period. Given this, MHA supports HSCRC's intent to begin evaluating opportunities to align RRIP measures, targets, and revenue adjustments with AHEAD's readmission quality requirements. Early planning and transparent communication will be essential to ensure a smooth transition for hospitals. To support this work, MHA requests that HSCRC provide estimated impact modeling for the AHEAD readmission measurement options being considered, including the Hospital Readmission Reduction Program condition specific measures, the NCQA Plan All-Cause Readmission measure, and the CMS Hospital-Wide Readmission measure used in the AHEAD 3.0 Quality Hospital Global Budget methodology. Comparative modeling will help hospitals understand the implications of the potential alignment pathways and prepare for future rate year policy decisions.

The hospital field values HSCRC's commitment to collaborative, data-driven policymaking. As Maryland moves into the AHEAD Model, the transition will shape the state's quality programs for the next decade. This presents an important opportunity to better align state and federal programs, reduce administrative burden, and ensure policies remain fair, transparent, and actionable. Hospitals and health systems remain committed to improving patient outcomes and look forward to continued collaboration with HSCRC.

Sincerely,



Tequila Terry
Senior Vice President, Care Transformation & Finance

cc: Dr. Joshua Sharfstein, Chair
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