The State of Maryland

Executive Department

EXECUTIVE ORDER
01.01.2011.09

Maryland Health Quality and Cost Council
(Rescinds Executive Order 01.01.2007.24)

WHEREAS, Maryland is committed to being a national leader in the delivery of quality health care for its citizens;

WHEREAS, Maryland had undertaken a serious and collaborative effort to enhance the quality of health care and reduce its cost through the work of the Health Quality and Cost Council established in 2007 by Governor Martin O'Malley's Executive Order 01.01.2007.24;

WHEREAS, Since its inception, the Council has brought together private and public partners to build on existing quality and cost control efforts underway in the private sector, to leverage grant opportunities from the federal government, and to launch new initiatives;

WHEREAS, Through these efforts Maryland has become a national leader in advancing evidence-based medicine, patient-centered medical homes, strategies to encourage wellness, prevention, and chronic care management, the reduction of healthcare-associated infections, the reduction and elimination of racial and ethnic health disparities, and other efforts to improve quality and control costs;

WHEREAS, The federal Patient Protection and Affordable Care Act (ACA) offers an additional opportunity for states to address the urgent need to improve quality and rein in the runaway costs that threaten the long-term viability of our health care system;

WHEREAS, Health economists and other experts agree that current health care spending in the United States is unsustainable; in fact, in 2009, the country spent on health care an estimated $2.5 trillion, or 17.3% of gross domestic product, with this amount likely to increase to 19.6% by 2019;

WHEREAS, In the United Health Foundation's annual assessment of the health of state populations, Maryland is above average, ranking 21st overall and 20th in health determinants; the State performs even better in some specific indicators, placing 6th in smoking prevalence, 10th in immunization coverage, 2nd in per capita number of primary care physicians, 5th in percentage of children in poverty, 16th in self-reported health status, and 17th in cardiovascular disease;

WHEREAS, While Maryland's health and quality rankings show significant strengths, they also suggest the need for improvement; for example, the State ranks 33rd in health outcomes overall, 32nd in early prenatal care, 25th in obesity prevalence, 34th in diabetes, 32nd in cardiovascular and cancer deaths, 31st in premature deaths, 39th in indicators measuring the degree to which residents enjoy long and healthy lives, 35th in geographic disparities, 41st in infant mortality, and 50th in infectious diseases. With respect to treatment of these conditions, Maryland ranks 34th in avoidable hospital use and costs;

WHEREAS, Racial and ethnic health disparities also persist in the State, with rates of diabetes, infant mortality, obesity, and other indicators showing disparities for ten of the fourteen leading causes of death;

WHEREAS, Maryland in recent years also has made significant gains in certain areas, with rates of preventable hospitalizations, smoking prevalence, and cardiovascular and cancer deaths all decreasing markedly;

WHEREAS, Maryland's implementation of the ACA is projected to save the State $850 million over the next ten years and reduce the number of the State's uninsured by half;

WHEREAS, These substantial savings will begin to reverse themselves at the end of the decade unless the State succeeds in bending the cost curve and significantly reducing growth in health care spending;

WHEREAS, This coverage expansion will fall short of its potential to improve health without a dual focus on improvements in the quality of care afforded to both the current and newly insured;

WHEREAS, In Maryland, the private health care sector has begun to advance efforts to improve health care quality by reducing mistakes, waste and inefficiency, and by increasing accountability and quality

through the provision of comparative provider performance data to consumers; and

WHEREAS, This Administration seeks to facilitate, support, and supplement these efforts by providing coordination, leadership, and innovation between the private and public health care sectors toward their shared goal of promoting both better health and better health care value.

NOW, THEREFORE, I, MARTIN O'MALLEY, GOVERNOR OF THE STATE OF MARYLAND, BY VIRTUE OF THE AUTHORITY VESTED IN ME BY THE CONSTITUTION AND LAWS OF MARYLAND, HEREBY RESCIND EXECUTIVE ORDER 01.01.2007.24 AND PROCLAIM THE FOLLOWING EXECUTIVE ORDER, EFFECTIVE IMMEDIATELY:

A. There shall be a Maryland Health Quality and Cost Council (Council).

B. The Council shall consist of the following members:

(1) The Secretary of Health and Mental Hygiene (Secretary); and

(2) Fourteen additional members, to be appointed by the Governor, of which at least twelve shall be representative of the following groups:

(a) Health insurance carriers;

(b) Employers;

(c) Health care providers;

(d) Health care consumers;

(e) Public health experts on the elimination of racial and ethnic disparities; and

(f) Experts in health care quality and cost containment

C. To the extent practicable, the Council's composition shall reflect:

(1) The gender, racial, and ethnic diversity of the State; and

(2) The geographic regions of the State.

D. The Governor shall appoint the chair of the Council. If the Secretary is not the chair of the Council, the Governor shall appoint the Secretary as the co-chair or the vice-chair.

E. With the exception of the Secretary (who shall be a permanent member of the Council):

(1) The term of a member of the Council shall be three years;

(2) The terms of members appointed by the Governor are staggered, as provided in subsection L;

(3) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

F. A Member:

(1) May not serve more than two consecutive full terms; and

(2) Serves at the pleasure of the Governor.

G. The Council shall determine the times, places, and frequency of its meetings but shall meet at least four times each year.

H. A majority of the full authorized membership of the Council is a quorum.

I. The Council may act upon any matter with the authorization of a majority of the quorum present and voting.

J. A member of the Council may not receive compensation, but is entitled to reimbursement for expenses under the Standard State Travel Regulations as provided in the State budget.

K. The Secretary shall designate the staff necessary to provide support for the Council.

L. The terms of the initial appointed members of the Maryland Health Quality and Cost Council shall expire as follows:

(1) Four members in 2012;

(2) Five members in 2013; and

(3) Five members in 2014.

M. The Council shall:

(1) Coordinate and facilitate collaboration on health care quality improvement and cost containment initiatives among:

(a) Medical groups, hospitals, and other health care providers;

(b) Health insurance carriers and other health care purchasers;

(c) Health insurance exchanges;

(d) State and local governmental entities;

(e) Health care professional boards;

(f) Health advocacy groups; and

(g) Academic experts in health care.

(2) Develop and implement strategies that will improve the quality and cost-effectiveness of care for individuals with chronic illnesses and at risk of chronic illness, and that are workable and effective for minority communities, recognizing cultural and linguistic differences;

(3) Provide updates on health care quality and cost containment initiatives and priorities to the Governor and General Assembly, the Health Care Reform Coordinating Council, State and local governmental entities, professional boards, industry groups, consumers, and other public and private stakeholders;

(4) Appoint a workgroup to explore and develop health care strategies and initiatives, including financial, performance-based incentives, to reduce and eliminate health disparities, and

make recommendations regarding the development and implementation of those strategies. The initiatives should seek to:

(a) Improve quality and reduce costs;

(b) Build on existing efforts to address known disparities; and

(c) Identify best practice disparity programs in Maryland and across the country to determine if and how they should be implemented in Maryland.

(5) Support ongoing efforts to expand the use of health information technology in health care systems;

(6) Seek to leverage opportunities for demonstration and ongoing projects, federal grant funding, and other initiatives to improve quality and contain costs made available by the Affordable Care Act;

(7) Assess options and make recommendations regarding strategies for collecting and disseminating patient-centered outcomes research to develop and promote evidence-based practices among health care providers in the State;

(8) Examine and make recommendations on other issues relating generally to the mission of the Council to improve health care quality and contain health care costs; and

(9) Consider and recommend State public policy strategies for improving health and reducing cost.

N. The Council shall avoid duplication of existing health care quality improvement and cost containment efforts in the State.

O. The Council may:

(1) Adopt bylaws, rules, policies, or procedures to conduct business and carry out the purposes of the Council;

(2) Establish workgroups, committees, or task forces;

(3) Designate additional individuals with relevant expertise to serve on the workgroups, committees, or task forces; and

(4) Consult with other units of State and local government to carry out the duties of the Council.

P. On or before January 1 of each year, the Council shall submit a report to the Governor and the General Assembly, in accordance with Section 2-1246 of the State Government Article, Annotated Code of Maryland, describing:

(1) The activities of the Council during the year, including performance data where applicable; and

(2) Findings and recommendations for improving health care quality, increasing health equity, and reducing health care costs in the State.

GIVEN Under My Hand and the Great Seal of the State of Maryland, in the City of Annapolis, this 26th day of May, 2011.

Martin O'Malley
Governor

ATTEST:

John P. McDonough
Secretary of State