

# Maryland Health Quality & Cost Council Disparities Workgroup

## *Legislation Update*

**Monday, March 12, 2012**

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# Final Workgroup Recommendations

1. **Create Health Enterprise Zones (HEZ)**
2. **Create the “Maryland Health Innovation Prize”**
3. **Expand the scope of Maryland’s current reimbursement incentives for quality, and make them race and ethnicity-specific**

# Proposed Legislation

- **House Bill 439** – Maryland Health Improvement and Disparities Reduction Act of 2012
  - Assigned to Health and Government Operations
- **Senate Bill 234** – Maryland Health Improvement and Disparities Reduction Act of 2012
  - Assigned to Finance and Budget and Taxation

# Key Elements of Legislation

- **Creation of Health Enterprise Zones (HEZs)**
- **Standard measures regarding racial and ethnic variations in quality and health outcomes**

# Key Elements of Legislation

- **Health Enterprise Zones (HEZs)**
  - Allows Secretary of Health and Mental Hygiene to designate certain geographic areas as Health Enterprise Zones
  - Requires DHMH to work in consultation with Community Health Resources Commission to develop eligibility criteria and monitor progress
  - Authorizes nonprofit community-based organizations or local government agencies to apply for HEZ designation

# Key Elements of Legislation

- **Financial Incentives of HEZs**
  - **Loan Assistance Repayment Programs (LARP) to attract practitioners to HEZs**
  - **Tax credits to physicians and other health practitioners who establish or expand practices in HEZs**
  - **Priority status for state funds to support conversion to electronic health records**
  - **Priority to enter the Maryland Patient Centered Medical Home Program**

# HEZ Applications

- **The Community Health Resources Commission and the Secretary of DHMH shall prioritize HEZ applicants based on:**
  - Plan for long-term sustainable funding
  - Inclusion of funds from the private sector
  - Integration with the State Health Improvement Process
  - An evaluation plan to determine the impact of HEZ designation

# Disparities Reduction Reports

- System to evaluate quality of care and performance on objective basis
  - Establish and incorporate standard set of measures regarding racial and ethnic variations
  - Develop an evaluation system to track actions taken to reduce health disparities
  - Annual progress reports from (1) hospitals and (2) academic institutions describing efforts to reduce disparities

# Performance Data & Incentives

- **Health Services Cost Review Commission (HSCRC) and Maryland Health Care Commission (MHCC) will:**
  - **Study feasibility of inclusion of racial and ethnic performance data tracking in quality incentive programs**
  - **Report to the General Assembly by 01/01/13 regarding existing data (where feasible)**
  - **Provide report to the General Assembly by 01/01/13 regarding data limitations and strategies to overcome limitations**

# Other Measures

- **Maryland Health Quality and Cost Council will:**
  - **Convene a workgroup to study standards for cultural and linguistic competency**
  - **Determine feasibility of incorporation of standards for reporting and reimbursement purposes**
  - **Submit report to the Governor by 01/01/13**

# Stakeholder Meetings

- **Lt. Governor held two meetings with health care leaders to:**
  - **Review and discuss the Maryland Health Improvement and Disparities Reduction Act**
  - **Propose amendments to the bill**
- **Some of the participants were MedChi, the Maryland Nurses Association, and Insurers**

# Legislative Hearings

- **Two hearings regarding the Maryland Health Improvement and Disparities Reduction Act occurred:**
  - **Health and Government Operations Committee (02/28/12)**
  - **Finance and Budget and Taxation Committee (02/29/12)**
- **Very positive reception and feedback after both hearings**

# Special Thanks to the Workgroup Members

- **Oxiris Barbot, MD**
- **Claudia Baquet, MD, MPH**
- **Michael Chiaramonte, MBA**
- **Lisa Cooper, MD, MPH**
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- **John Ruffin, PhD**
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## **Ex-officio/Staff:**

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