

Healthcare Affordability State Policy Scorecard

Polling data repeatedly shows that healthcare affordability is the number one issue that state residents, on both sides of the political aisle, want their policymakers to work on. This scorecard identifies areas where Maryland is doing well and areas where it can improve.

STATE:

MARYLAND

RANK:

2

out of 42 states + DC

Maryland has relatively high healthcare spending per person with very high and recent spending growth. While a lower percentage of residents report affordability problems than in other states, affordability remains a concern for 25% of adults. Attention to price growth will be key.

	POLICY SCORE	OUTCOME SCORE	RECOMMENDATIONS
EXTEND COVERAGE TO ALL RESIDENTS 	7 OUT OF 10 POINTS Medicaid coverage for childless adults extends to 138% of FPL. Certain recent immigrants have some state coverage options.	8 OUT OF 10 POINTS In 2018, MD was in the top third of states in terms of covering the uninsured, ranking 16 out of 50 states, plus DC, for this measure.	<i>MD should consider adding affordability criteria to its insurance rate review, as well as coverage options for undocumented children and additional subsidies to reduce the cost of coverage in the Exchange.</i>
MAKE OUT-OF-POCKET COSTS AFFORDABLE 	8 OUT OF 10 POINTS MD has some protections against skimpy, confusing STLD health plans and comprehensive SMB protections.	10 OUT OF 10 POINTS MD has surpassed many other states in reducing healthcare affordability burdens (although 24% adults are still burdened). MD ranks 1 out of 49 states, plus DC, for this measure.	<i>With almost a quarter of adults facing affordability hardship, MD should consider implementing stronger protections against STLD health plans.</i>
REDUCE LOW-VALUE CARE 	10 OUT OF 10 POINTS MD requires some forms of patient safety reporting, has enacted non-payment policies for 'never events,' & has taken important steps to measure the provision of low-value care. MD performs above avg. for hospital antibiotic stewardship.	4 OUT OF 10 POINTS MD ranks poorly in terms of reducing C-sections for low-risk mothers (39 out of 50 states, plus DC) and ranks 19 out of 50 states, plus DC, in terms of per capita antibiotic prescribing.	<i>Curtailing low- and no-value care is a key part of a comprehensive approach to affordability. MD is the rare state that has taken initial steps to identify low-value care. Next, the state should enact a multi-stakeholder campaign to reduce the use of these services.</i>
CURB EXCESS PRICES IN THE SYSTEM 	6.2 OUT OF 10 POINTS MD is a leader in terms of policies to curb the rise of healthcare prices, with strong price transparency rules, a healthcare spending oversight entity and mandatory hospital spending targets, among other policies.	9.6 OUT OF 10 POINTS MD is a top-ranked state, keeping private payer prices below the national median, with a ranking 2 out of 42 states, plus DC, for this measure.	<i>Year-over-year increases in healthcare prices overwhelmingly drive state healthcare spending. Even states with lower price levels (like MD) should consider spending targets for other sectors of the healthcare marketplace.</i>

APCD = All-Payer Claims Database FPL = Federal Poverty Level EHR = Electronic Health Records OOP = Out-of-Pocket Costs SMB = Surprise Medical Bill STLD = Short-Term, Limited-Duration

See state notes on page 2.

Full report and additional details at www.HealthcareValueHub.org/Affordability-Scorecard/Maryland

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MARYLAND NOTES

Methodological Notes:

State rank reflects the weighted sum of the policy and outcome scoring components. In this summation, the Extend Coverage to All Residents category received the biggest weight (reflecting its large impact on the uninsured population) and Reduce Low-Value Care received the smallest weight, reflecting its smaller impact on spending. A lower state rank number (i.e. close to 1) reflects a higher overall score and better performance when compared to other states.

For a complete discussion of methodology, please see healthcarevaluehub.org/affordability-scorecard/methodology.

The Problem:

Maryland has surpassed many other states in reducing healthcare affordability burdens, ranking 1 out of 49 states, plus DC, for this measure, though 24% adults are still burdened. The most common burden reported was ‘made changes to medical drugs because of cost’ (18% of adults), followed by ‘trouble paying medical bills.’ According to the BEA, healthcare spending in Maryland totaled \$7,683 per person in 2018.* Moreover, between 2013 and 2018, healthcare spending per person grew 21.6%.* Maryland has much work to do to ensure wise health spending and affordability for residents.



Extend Coverage to All Residents:

Maryland uses reinsurance to reduce costs for those in the non-group market. Lawfully residing immigrant children and pregnant women are covered by Medicaid without a 5-year wait.



Make Out-of-Pocket Costs Affordable:

High-deductible health plans create barriers to care for many families. Between 2011 and 2016, the average deductible associated with employer coverage rose 17% per year in Maryland.* Maryland debated requiring standardized plans in the Exchange but postponed this until at least 2021.



Reduce Low-Value Care:

Addressing medical harm to increase patient safety can take many forms. One form is “never events,” serious reportable events identified by the National Quality Forum (NQF) that should never occur in a health care setting.

Ninety-six percent of Maryland hospitals have adopted the CDC’s ‘Core Elements’ of antibiotic stewardship – impressive, but short of the goal of 100% of hospitals.



Curb Excess Prices in the System:

Maryland is unique in the use of an all-payer rate setting system and global budgets for hospitals.

Though the state’s “Wear the Cost” price transparency website only has data for 4 procedures and has not been updated in several years, the site uniquely shows the portion of total cost that associated with potentially avoidable complications.

NOTE: The very high healthcare prices seen in Alaska (relative to the national median), means that most other states received a relatively good outcome score for this category.

* Informational data, not used in state score or ranking. DOI = Department of Insurance BEA = U.S. Bureau of Economic Analysis • Scorecard Updated: Jan. 7, 2020