

EXECUTIVE ORDER

01.01.2007.24

Maryland Health Quality and Cost Council

- WHEREAS, Maryland has been a national leader in the delivery of quality health care for its citizens;
- WHEREAS, Recent national studies suggest the need for improvement in the quality of the nation's health care. For example, estimates are that almost 100,000 Americans die each year from medical errors in hospitals, and patients receive only 55% of the care recommended for their health conditions;
- WHEREAS, Chronic illnesses, such as cardiovascular disease, cancer, and diabetes, are among the most prevalent, costly, and sometimes preventable health problems, accounting for 70% of all deaths and 75% of all medical care costs across the country;
- WHEREAS, Maryland's health and health care quality rankings among states also suggest the need for improvement; for example, the State ranks 25th in obesity prevalence, 27th in cardiovascular deaths, 29th in cancer deaths, 35th in premature deaths, and 39th in indicators measuring the degree to which residents enjoy long and healthy lives. With respect to treatment of these conditions, Maryland ranks 34th in avoidable hospital use and costs;
- WHEREAS, It is a high priority of the State and this Administration to provide the leadership, innovation and coordination necessary to improve the quality of health care provided to Maryland citizens, to address the escalating costs of health care, and to encourage advancements in wellness, prevention and chronic care management toward the overarching goal of a healthier State;
- WHEREAS, State and national trends show movement toward improving health care quality and reducing costs by creating incentives for practitioners to incorporate evidence-based standards of care and technology in their practices, and to institute measures designed to improve patient satisfaction;

WHEREAS, The federal government has supported demonstration projects that provide bonus payments for attainment of quality indicators, and in 2006 launched the Physician Voluntary Reporting Program that measures physician performance on sixteen evidence-based indicators;

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 and leadership between the private and public health care sectors toward their shared goal of promoting both better health and better health care value, *i.e.*, ensuring the appropriate care at the appropriate time at the appropriate cost for all Marylanders.

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 PROCLAIM THE FOLLOWING EXECUTIVE ORDER, EFFECTIVE IMMEDIATELY:

- A. There shall be a Maryland Health Quality and Cost Council.
- B. In this Executive Order, "Council" means the Maryland Health Quality and Cost Council.
- C. The Council shall consist of the following members:
 - (1) The Lieutenant Governor, who shall be the Chair of the Council;
 - (2) The Secretary of the Department of Health and Mental Hygiene, "Secretary", who shall be the Vice-Chair of the Council;
 - (3) At least seven additional members, to be appointed by the Governor, to serve at the pleasure of the Governor, of which at least five shall be representative of the following groups:

- (a) Health insurance carriers;
- (b) Employers;
- (c) Health care providers;
- (d) Health care consumers; and
- (e) Experts in health care quality.

D. To the extent practicable, members of the Council shall be representative of ongoing quality and cost containment efforts in Maryland.

E. With the exception of the Lieutenant Governor and the Secretary:

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

(2) A member may not serve more than two terms consecutively.

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

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

H. 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.

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

J. The Council shall:

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

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

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

(c) State and local governmental entities; and

(d) Professional boards;

(2) Make recommendations on health care quality and cost containment initiatives and priorities to policy makers, State and local governmental entities, professional boards, the Maryland Patient Safety Center, industry groups, consumers, and other stakeholders;

(3) Develop a chronic care management plan to improve the quality and cost-effectiveness of care for individuals with, or at risk for, chronic disease, including plans for:

(a) Patient self-management, in collaboration with a health care team;

(b) Incentives for provision of care consistent with evidence-based standards;

(c) Ways to engage communities to fight physical inactivity and obesity;

(d) Identification of information technology that supports care management; and

(e) Linkages between financing mechanisms and performance measures;

(4) Facilitate the integration of health information technology in health care systems; and

(5) Examine and make recommendations regarding other issues relating generally to the Council's mission to improve health care quality and reduce costs in the State.

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

L. On or before December 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 its activities for the previous year and making recommendations for improving health care quality 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 25th day of October, 2007.

Martin O'Malley
Governor

ATTEST:

Dennis Schnepfe
Interim Secretary of State