Hospital Payment Innovations in Maryland

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Wednesday, March 26, 2014
12:00 – 1:30pm
Mason Hall, Room D005
Light lunch and refreshments will be provided.

The state of Maryland announced in January 2014 that it is reforming the all-payer, hospital rate-setting system for all 46 hospitals in the state. Hospital payments will move toward population-based, global payments that provide a financial incentive to keep individuals in their service area healthy and out of the hospital. The state will provide each hospital with a global budget allocated to inpatient and outpatient services. Overall growth in hospital spending will be capped at 3.6%.

These payment innovations have brought Maryland to the forefront of health care reform and captured the interest of the nation. Dr. Karoline Mortensen will present findings from an evaluation of a “Total Patient Revenue” pilot program that provides a global budget to 10 rural hospitals in the state. She will present empirical results on the effects of global budgeting of hospital services on readmission rates.

Dr. Karoline Mortensen is an assistant professor in the Department of Health Services Administration in the School of Public Health at the University of Maryland, College Park. Her research focuses on the health care utilization of vulnerable populations.

Her recent work includes analyzing factors associated with Medicaid enrollees’ emergency department use, examining the relationships between Maryland physician fees and enrollee use of preventive services, and evaluating the impacts of Maryland’s hospital global budgeting innovations. Dr. Mortensen received her PhD in Health Services Organization and Policy from the University of Michigan in 2006.