The MD TCOC Model is part of an evolving Maryland Model that began in 2014 with the Maryland All-Payer Model (MDAPM), which introduced all-payer global budgets for hospitals in the state. With the start of the MD TCOC period in 2019, the state took on increasing responsibility for cost and quality—committing to $2 billion in Medicare savings over 8 years and meeting population health goals. The state and CMS also broadened incentives and supports to engage a wide range of providers in care transformation.

**Model components**
- Hospital global budgets across all payers
- Incentives to hospitals to reduce total cost of care
- Incentives to improve the efficiency and quality of episodes spanning hospital and non-hospital care
- Waivers allowing hospitals to align incentives with other providers
- Primary care practice transformation through Maryland Primary Care Program (MDPCP)
- Funding to hospitals and partners to reduce incidence of diabetes and overdose deaths

**PARTICIPANTS**
- Almost all hospitals in Maryland received quality-adjusted global budgets (52 hospitals).
- 85% participated in an episode incentive program.
- In 2021, 524 primary care practices participated in MDPCP, over a quarter (27%) of all primary care practices in the state.

**KEY TAKEAWAYS**

Many of the targeted outcomes improved during the first three years of the MD TCOC Model (2019-2021):

- Total Medicare spending decreased due to decreases in hospital spending that were greater than increases in non-hospital spending.
- Hospital admissions and emergency department (ED) visits decreased.
- Unplanned readmissions decreased and timely follow-up after hospital discharge increased.

For most outcomes, improvements were larger during the MD TCOC Model than at the end of MDAPM (2017-2018). These further improvements could be due to growing effects of global budgets, the broader accountability and incentives introduced since 2019, and synergies between the two.

However, the Model increased non-hospital spending substantially in 2021, lessening overall Medicare savings that year. The evaluation will examine impacts on non-hospital and total spending in future years to see whether 2021 was an aberration or part of a new trend.
In the MD TCOC period (2019-2021), the Model had favorable effects in three domains.

For most outcomes, impacts of the Model were more favorable during the MD TCOC period (2019-2021) than the last two years of MDAPM—indicating the MD TCOC Model led to further improvement.

However, the Model increased non-hospital spending substantially in 2021, lessening total Medicare savings that year compared to the first two model years.