



MARYLAND Department of Health

Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Robert R. Neall, Secretary

MARYLAND MEDICAL ASSISTANCE PROGRAM
Hospital Transmittal No. 265
MCO Transmittal No. 132
Behavioral Health Administrative Services Organization Transmittal No. 17
June 28, 2019

TO: HSCRC Regulated Hospitals
 Managed Care Organizations
 Behavioral Health Administrative Services Organization

FROM: Jill Spector, Director *Jill Spector*
 Medical Benefits Management

RE: Implementation of HSCRC Rate Adjustment

NOTE: **Please ensure that appropriate staff members in your organization are informed of the contents of this transmittal**

Effective July 1, 2019, the Health Services Cost Review Commission (HSCRC) will increase the public-payer differential by 1.7 percentage points, from 6 % to 7.7%. As a result, the Medicaid Fee-For-Service Program will pay enrolled HSCRC regulated in-State hospitals at 92.3% of charges (instead of 94%).

Effective July 1, 2019, the Substantial, Available and Affordable Coverage (SAAC) discount for HealthChoice Managed Care Organizations (MCOs) will increase from 4% to 5.7%. This means MCOs will pay 94.3% of charges. MCOs will continue to negotiate additional discounts such as working capital and prompt pay.

The new payer differentials will apply to reimbursement of inpatient claims with dates of discharge on or after July 1, 2019 and outpatient claims with dates of service on or after July 1, 2019.

If you have any questions, please contact Denise James, Division Chief for Hospital Services at (410)767-1939 or denise.james@maryland.gov.