



STATE OF MARYLAND

DHMH

Office of Health Services
Medical Care Programs

Maryland Department of Health and Mental Hygiene

Larry Hogan, Governor - Boyd Rutherford, Lt. Governor - Van Mitchell, Secretary

**MARYLAND MEDICAL ASSISTANCE PROGRAM
Managed Care Organizations Transmittal No. 112
July 5, 2016**

TO: Managed Care Organizations
Susan J. Tucker
FROM: Susan J. Tucker, Executive Director
Office of Health Services
RE: Reporting Provider Contract Terminations

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

The purpose of this transmittal is to remind Managed Care Organization (MCOs) of the new time frame for reporting provider contract terminations to the Department and to emphasize existing reporting requirements and processes.

MCO Initiated Termination of a Provider:

- Effective February 1, 2016 the MCO must provide written notice to the Department 90 days before the effective date of a contract termination in accordance with COMAR 10.09.65.17B(4). This requirement applies to all contract terminations.
- When an MCO terminates a primary care provider (PCP), the affected members have the right to change MCOs in accordance with COMAR 10.09.63.06A(1)(e). Regardless of the number of members assigned to the PCP, the MCO must provide the list of names and addresses of the affected members. The Department will notify all members assigned to that PCP regarding the time frame in which they must contact the Enrollment Broker if they wish to change MCOs. MCOs may now be required to reimburse the Department for the costs associated with the notification process.
- When the MCO terminates a provider and the action will affect between 50 and 99 members the MCO must report the following: 1) Date of termination; 2) Name or names of providers if it is a group; 3) Number of members that will be affected ; and 4) MCOs plan for transitioning enrollees to other providers.

- When an MCO terminates a provider and 99 or more members are affected, the MCO must also complete a Provider Contract Termination Survey.
- When an MCO terminates a provider for breach of contract, an untoward event, or quality of care, the MCO must provide written notice to the Department within 10 days of this action. Members do not have the right to change MCOs under these circumstances. All other reporting requirements listed above apply.

Note: When an MCO terminates a contract with a PCP, the number of affected members is the number of members assigned to the PCP. When an MCO terminates a contract with any other provider type, the number of affected members is the number of members who are in active treatment or who the number who have had an encounter with the provider in the previous 12 months, whichever is greater.

Contract Terminations Initiated By the Provider or Failure of Provider to Notify:

- When a provider terminates its contract with an MCO, the MCO must notify the Department within ten (10) days after the provider notifies the MCO or the MCO becomes aware of termination.
- When a provider terminates its contract with an MCO, members do not have the right to change MCOs. The MCO must inform the members in writing and assist them in selecting a new in-network PCP.

Please submit all notifications outlined above within the required time frames to dhmh.hcprovidernetwork@maryland.gov. Questions regarding this transmittal may be directed the Chief of the Division of Provider Network Management, at Bobbe.Frasier@maryland.gov.