



STATE OF MARYLAND

DHMHOffice of Health Services
Medical Care ProgramsMaryland Department of Health and Mental Hygiene
201 W. Preston Street • Baltimore, Maryland 21201

Robert L. Ehrlich, Jr., Governor – Michael S. Steele, Lt. Governor – Nelson J. Sabatini, Secretary

MARYLAND MEDICAL ASSISTANCE PROGRAM
Medical Day Care Transmittal No. 47

July 23, 2003

TO: Medical Day Care Centers *Susan J. Tucker*

FROM: Susan J. Tucker, Executive Director
Office of Health Services

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

RE: Fiscal Year 2004 Rates

As providers have been notified (Medical Day Care Transmittal No. 46, June 25, 2003), the Maryland Medical Assistance Program is proposing to amend Regulation .09 under COMAR 10.09.07 Medical Day Care Services. The amendment would maintain the Fiscal Year 2004 per diem rate at \$64.66.

Although the promulgation of the proposed amendment continues in process, at this time the Department is withdrawing its request for approval of emergency status for this provision. Therefore, current regulatory provisions at COMAR 10.09.07.09 remain in effect, requiring a rate adjustment in accordance with the increase in the March Consumer Price Index for All Urban Consumers, medical care component, Washington-Baltimore. Based upon a 3.3 percent increase in that index, Fiscal Year 2004 rates are set at **\$66.79** per day, effective July 1, 2003 until new regulations are approved.

Providers are advised to be prudent in their expenditure/budget planning, as adoption of the amendment will cause the per diem rate to revert to \$64.66.

Any provider that has already billed for services provided on or after July 1, 2003 at a lower per diem rate may submit an Adjustment Request Form (DHMH 4518A) to receive any difference from the originally billed amount. However, in accordance with COMAR 10.09.07.09E, the payment to a provider may not



exceed the lesser of the per diem rate and the provider's customary charge to the general public. This means that a provider may not bill for the Medicaid per diem rate for any recipient if there are private pay participants for whom the provider charges less than the Medicaid per diem rate for the same service, unless based upon an approved sliding fee schedule. Providers who elect to use a sliding fee schedule should continue to follow the guidelines in Medical Day Care Transmittal No. 25 dated January 12, 1989. Regardless of whether a provider uses a sliding fee schedule, any provider who chooses to set its private charge below the Medicaid rate must bill Medicaid no more than its private charge.

The proposed regulations are expected to be published in the *Maryland Register* on July 25, 2003, with a comment period to expire August 25, 2003. The Department intends to revise the proposed effective date to October 1, 2003, at which time the per diem rate of \$64.66 would be restored. Any questions regarding this transmittal may be directed to the supervisor for medical day care at 410-767-1444.

cc: League for Excellence in Adult Day Care
Maryland Association for Adult Day Services