



Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

Subject: Public Notice for Four Walls Requirement

Add'l info: The Maryland Department of Health (the Department) is amending the State Plan to elect the option to waive the Four Walls requirement for outpatient mental health clinics, authorized by changes made by the Centers for Medicare & Medicaid Services Final Rule, *Medicare and Medicaid Programs: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems; Quality Reporting Programs, Including the Hospital Inpatient Quality Reporting Program; Health and Safety Standards for Obstetrical Services in Hospitals and Critical Access Hospitals; Prior Authorization; Requests for Information; Medicaid and CHIP Continuous Eligibility; Medicaid Clinic Services Four Walls Exceptions; Individuals Currently or Formerly in Custody of Penal Authorities; Revision to Medicare Special Enrollment Period for Formerly Incarcerated Individuals; and All-Inclusive Rate Add-On Payment for High-Cost Drugs Provided by Indian Health Service and Tribal Facilities* to CFR 42 U.S.C. 1302 §440.90(d) Clinic services.

On October 25, 2023, the Department submitted an §1115 waiver amendment requesting to continue the Four Walls Requirement authority to allow clinics to bill telehealth services at the standard rates. This amendment is currently under review by CMS. The proposed State Plan Amendment would allow the Department to reimburse outpatient mental health clinics for services rendered if both the practitioner and the patient are in their homes.

The proposed effective date for this amendment is January 3, 2025. The Department assumes this State Plan Amendment will be budget neutral because it only opens modalities of access to covered services.

For questions about the notice, please contact Tyler Colomb by email at tyler.colomb@maryland.gov.

Released 1.2.2025