



STATE OF MARYLAND

DHMHOffice of Health Services
Medical Care ProgramsMaryland Department of Health and Mental Hygiene
201 W. Preston Street • Baltimore, Maryland 21201
Parris N. Glendening, Governor - Georges C. Benjamin, M.D., Secretary**MARYLAND MEDICAL ASSISTANCE PROGRAM
MANAGED CARE ORGANIZATION TRANSMITTAL No. 24**

February 23, 2001

TO: Managed Care Organizations (MCOs)
Hospital Administrators

FROM: Joseph M. Millstone, *JMM* Executive Director
Office of Health Services

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

SUBJECT: Process for Implementation of the HealthChoice Stop Loss Regulation Amendments for Affected MCOs

The purpose of this transmittal is to inform Managed Care Organizations (MCOs) and hospital administrators of the stop loss regulation amendments that became effective December 1, 2000. These regulations change the stop loss period of time from a contract to a calendar year. The regulations also extend the stop loss period for an inpatient enrollee who is admitted to the hospital before the end of a calendar year and remains hospitalized into the next calendar year.

The MCO has to incur \$61,000 of hospital costs one time only for an inpatient enrollee, who at the end of a calendar year continues with the same hospitalization into the next calendar year, before the Department will pay the stop loss portion of the hospitalization. The hospital is to provide the following information to obtain stop loss reimbursement from the Department:

1. Evidence of billing the original entity for \$61,000 of the hospital charges;
2. Claims for the total charges of the hospitalization(s);
3. Dates of services and diagnoses (admission date should be towards the end of the previous calendar year); and
4. Evidence of Delmarva certification for the hospital days beyond the \$61,000 charge to the MCO.

The hospital should forward documentation in support of the claim, together with the claim, to the Beneficiary Services Administration for the review and determination as to the disposition of each claim.

If you have questions regarding the contents of this transmittal, please call the Division of Health Choice Management at (410) 767-1482