**PROPOSAL**

**Maryland Register**

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**Title 10
MARYLAND DEPARTMENT OF HEALTH**

**Subtitle 09 MEDICAL CARE PROGRAMS**

**10.09.33 Health Homes**

Authority: Health-General Article, §2-104(b)*, 15-103, and 15-105*, Annotated Code of Maryland

**Notice of Proposed Action**

[19-168-P]

The Secretary of Health proposes to amend Regulation **.09** **under COMAR 10.09.33 Health Homes**.

**Statement of Purpose**

The purpose of this action is to update the monthly rate to comply with the Fiscal Year 2020 budget, which provides for a 3.5 percent rate increase for health home providers beginning July 1, 2019.

**Comparison to Federal Standards**

There is no corresponding federal standard to this proposed action.

**Estimate of Economic Impact**

**I. Summary of Economic Impact.**The Fiscal Year (FY) 2020 budget includes a 3.5 percent rate increase for health home services. The total impact for FY 2020 is $210,541.74.

|  |  |  |
| --- | --- | --- |
|   | Revenue (R+/R-) |   |
| **II. Types of Economic Impact.** | Expenditure(E+/E-) | Magnitude |
|   |  |
|  |  |  |
| A. On issuing agency: | (E+) | $210,541.74 |
| B. On other State agencies: | NONE |  |
| C. On local governments: | NONE |  |
|   |
|   | Benefit (+)Cost (-) | Magnitude |
|   |  |
|  |  |  |
| D. On regulated industries or trade groups: | (+) | $210,541.74 |
| E. On other industries or trade groups: | NONE |  |
| F. Direct and indirect effects on public: | NONE |  |
| **III. Assumptions.** (Identified by Impact Letter and Number from Section II.) |
| A. and D. This amount assumes:(1) Estimated impacts are based on FY 2018 utilization. Health home service utilization will remain consistent.(2) In FY 2020, the total impact of the rate increase on Medicaid expenditures for health home services will be equal to the difference between projected FY 2020 expenditures ($6,226,020.19) and FY 2019 expenditures ($6,015,478.45).(3) Total estimated reimbursement for claims in FY 2020 is calculated using estimated FY 2019 expenditures for health home services, plus a 3.5 percent rate increase.(4) Total estimated reimbursement for claims in FY 2019 is calculated using FY 2018 expenditures for health home services ($5,812,056.47), plus a 3.5 percent rate increase.(5) This amount is subject to 50 percent federal match ($105,270.87 federal funds, $105,270.87 general funds). |

**Economic Impact on Small Businesses**

The proposed action has a meaningful economic impact on small business. An analysis of this economic impact follows.

Small businesses, including opioid treatment programs (OTPs), psychiatric rehabilitative programs (PRPs), and mobile treatment programs (MTs) enrolled as Maryland Medicaid health home providers, will benefit from increased reimbursement.

**Impact on Individuals with Disabilities**

The proposed action has no impact on individuals with disabilities.

**Opportunity for Public Comment**

Comments may be sent to Jake Whitaker, Acting Director, Office of Regulation and Policy Coordination, Maryland Department of Health, 201 West Preston Street, Room 512, Baltimore, MD 21201, or call 410-767-6499 (TTY 800-735-2258), or email to mdh.regs@maryland.gov, or fax to 410-767-6483. Comments will be accepted through September 30, 2019. A public hearing has not been scheduled.

**.09 Payment Procedures.**

A.—B. (text unchanged)

C. Payment shall be made:

(1) (text unchanged)

(2) Effective **[**July 1, 2017**]** *July 1, 2019*,at a montly rate per participant of **[**$102.86**]** *$110.19*, on the condition that the requirements of this chapter are met.

ROBERT R. NEALL
Secretary of Health