**PROPOSAL**

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**Title 10
MARYLAND DEPARTMENT OF HEALTH**

**Subtitle 09 MEDICAL CARE PROGRAMS**

**10.09.48 Targeted Case Management for People with Developmental Disabilities**

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

**Notice of Proposed Action**

[19-176-P]

     The Secretary of Health proposes to amend Regulation **.08** under **COMAR 10.09.48 Targeted Case Management for People with Development Disabilities**.

**Statement of Purpose**

The purpose of this action is to implement a 3.5 percent rate increase for targeted case management providers in accordance with Health-General Article, §7-307(d), Annotated Code of Maryland.

**Comparison to Federal Standards**

There is no corresponding federal standard to this proposed action.

**Estimate of Economic Impact**

**I. Summary of Economic Impact.**The proposed action includes a 3.5 percent rate increase for targeted case management providers. In FY 2020, the total impact of the increase for the agency and the regulated industry equals $1,996,473.

|  |  |  |
| --- | --- | --- |
|   | Revenue (R+/R-) |   |
| **II. Types of Economic Impact.** | Expenditure(E+/E-) | Magnitude |
|   |  |
|  |  |  |
| A. On issuing agency: | (E+) | $1,996,473 |
| B. On other State agencies: | NONE |  |
| C. On local governments: | NONE |  |
|   |
|   | Benefit (+)Cost (-) | Magnitude |
|   |  |
|  |  |  |
| D. On regulated industries or trade groups: | (+) | $1,996,473 |
| 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 2019 utilization. Targeted case management service utilization will remain consistent.(2) The 3.5 percent rate increase changes the rate per unit from $19.26 to $19.93.(3) The total magnitude of the rate increase will equal the difference between the FY 2020 and FY 2019 rates per unit ($0.67) multiplied by projected units of service (2,979,810).(4) This amount reflects the impact of the rate increase on expenditures for Medicaid-eligible targeted case management services only. It does not include the impact on State-only costs for non-Medicaid coordination of community services. Therefore, this amount is subject to a 50 percent federal match ($998,236.50 federal funds, $998,236.50 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.

The proposed action has a meaningful economic impact on small businesses because it implements an increased reimbursement rate for targeted case management entities.

**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 October 15, 2019. A public hearing has not been scheduled.

**.08 Payment Procedures.**

A. (text unchanged)

B. Payment Rates.

(1)—(2) (text unchanged)

(3) For all other services, providers shall be reimbursed:

(a)—(f) (text unchanged)

(g) $18.61 per unit of service from July 1, 2017 through June 30, 2018; **[**and**]**

(h) $19.26 per unit of service **[**thereafter**]** *from July 1, 2018 through June 30, 2019; and*

*(i) $19.93 per unit of service thereafter*.

C.—E. (text unchanged)

ROBERT R. NEALL
Secretary of Health