**PROPOSAL**

**Maryland Register**

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**Title 10   
MARYLAND DEPARTMENT OF HEALTH**

**Subtitle 09 MEDICAL CARE PROGRAMS**

**10.09.65 Maryland Medicaid Managed Care Program: Managed Care Organizations**

Authority: Health-General Article, §§2-104, 15-102.3, and 15-103; Insurance Article, §§15-112, 15-605, and 15-1008; Annotated Code of Maryland

**Notice of Proposed Action**

[19-107-P]

     The Secretary of Health proposes to amend Regulation **.19** under **COMAR 10.09.65 Maryland Medicaid Managed Care Program: Managed Care Organizations**.

**Statement of Purpose**

The purpose of this action is to implement the calendar year 2019 HealthChoice Managed Care Organization capitation rates.

**Comparison to Federal Standards**

There is no corresponding federal standard to this proposed action.

**Estimate of Economic Impact**

**I. Summary of Economic Impact.**The HealthChoice CY 2019 MCO rate adjustment is a decrease of $12,273,269 compared to the FY 2019 appropriation and previously projected spending for the first half of FY 2020. Overall it is a 1.4 percent rate decrease.

|  |  |  |
| --- | --- | --- |
|  | Revenue (R+/R-) |  |
| II. Types of Economic Impact. | Expenditure (E+/E-) | Magnitude |
|  |  | |
|  |  |  |
| A. On issuing agency: | (E-) | $12,273,269 |
| B. On other State agencies: | NONE |  |
| C. On local governments: | NONE |  |
|  | Benefit (+) Cost (-) | Magnitude |
|  |  | |
|  |  |  |
| D. On regulated industries or trade groups: | (-) | $12,273,269 |
| 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. For CY 2019, there is a 1.4 percent decrease, or $12,273,269 decrease, to the Department’s expenses. | | |
| D. For CY 2019, there is a 1.4 percent decrease, or $12,273,269 decrease, to the MCO’s revenue. | | |

**Economic Impact on Small Businesses**

The proposed action has minimal or no economic impact on small businesses.

**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 July 8, 2019. A public hearing has not been scheduled.

**.19 MCO Reimbursement.**

A. (text unchanged)

B. Capitation Rate-Setting Methodology.

(1)—(3) (text unchanged)

(4) Except to the extent of adjustments required by §D of this regulation or by Regulations .19-1—.19-4 of this chapter, the Department shall make payments monthly at the rates specified in the following tables:

**[**(a)**]** — **[**(d)**]** (proposed for repeal)

*(a) Rate Table for Families and Children Effective January 1, 2019 — December 31, 2019*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | *Age/RAC* | *Gender* | *PMPM Baltimore City* | *PMPM Montgomery County* | *PMPM Rest of State* |
|  | *Under age 1 Birth Weight 1500 grams or less* | *Both* | *$10,633.45* | *$9,884.60* | *$10,042.70* |
|  | *Under age 1 Birth Weight over 1500 grams* | *Both* | *$503.91* | *$468.42* | *$475.91* |
|  | *1—5* | *Male* | *$201.37* | *$187.18* | *$190.18* |
|  |  | *Female* | *$171.52* | *$159.44* | *$161.99* |
|  | *6—14* | *Male* | *$115.66* | *$107.51* | *$109.23* |
|  |  | *Female* | *$110.78* | *$102.98* | *$104.63* |
|  | *15—20* | *Male* | *$137.88* | *$128.17* | *$130.22* |
|  |  | *Female* | *$189.12* | *$175.80* | *$178.62* |
|  | *21—44* | *Male* | *$271.41* | *$225.13* | *$235.22* |
|  |  | *Female* | *$384.69* | *$319.09* | *$333.38* |
|  | *45—64* | *Male* | *$519.10* | *$430.59* | *$449.87* |
|  |  | *Female* | *$638.23* | *$529.41* | *$553.12* |
| *ACG-adjusted cells* | | | | | |
| *ACG 100, 200, 300, 400, 500, 600, 700, 900, 1000, 1100, 1200, 1300, 1600, 1710, 1711, 1712, 1720, 1721, 1722, 1730, 1731, 1732, 1800, 1900, 2000, 2100, 2200, 2300, 2400, 2500, 2800, 2900, 3000, 3100, 3200, 3300, 3400, 3500, 3800, 4210, 5100, 5110, 5200 5230, 5310, 5339* | *RAC 1F* | *Both* | *$243.24* | *$201.77* | *$210.80* |
| *ACG 800, 1740, 1741, 1742, 1750, 2700, 3600, 1750, 1751, 1752, 2700, 3600, 3700, 3900, 4000, 4100, 4220, 4310, 4410, 4510, 4610, 4710, 4720, 4810, 5340* | *RAC 2F* | *Both* | *$391.81* | *$325.00* | *$339.55* |
| *ACG 1400, 1500, 1750, 1761, 1762, 1770, 1771, 1772, 2600, 4320, 4520, 4620, 4820* | *RAC 3F* | *Both* | *$506.38* | *$420.03* | *$438.85* |
| *ACG 4330, 4420, 4830, 4910, 4920, 5010, 5020, 5040* | *RAC 4F* | *Both* | *$704.46* | *$584.34* | *$610.52* |
| *ACG 4430, 4730, 4930, 5030, 5050* | *RAC 5F* | *Both* | *$997.30* | *$827.24* | *$864.30* |
| *ACG 4940, 5060* | *RAC 6F* | *Both* | *$1,281.41* | *$1,062.91* | *$1,110.52* |
| *ACG 5070* | *RAC 7F* | *Both* | *$2,083.82* | *$1,728.50* | *$1,805.92* |
| *ACG 100, 200, 300, 500, 600, 1100, 1600, 2000, 2400, 3400, 5100, 5110, 5200* | *RAC 1G* | *Both* | *$89.37* | *$83.08* | *$84.41* |
| *ACG 400, 700, 900, 1000, 1200, 1300, 1710, 1711, 1712, 1800, 1900, 2100, 2200, 2300, 2800, 2900, 3000, 3100, 5310* | *RAC 2G* | *Both* | *$114.64* | *$106.57* | *$108.27* |
| *ACG 1720, 1721, 1722, 1731, 1732, 1730, 2500, 3200, 3300, 3500, 3800, 4210, 5230, 5339* | *RAC 3G* | *Both* | *$144.33* | *$134.16* | *$136.31* |
| *ACG 800, 1740, 1741, 1742, 1750, 2700, 3600, 1750, 1751, 1752, 2700, 3600, 3700, 3900, 4000, 4100, 4220, 4310, 4410, 4510, 4610, 4710, 4720, 4810, 5340* | *RAC 4G* | *Both* | *$205.57* | *$191.09* | *$194.15* |
| *ACG 1400, 1500, 1750, 1761, 1762, 1770, 1771, 1772, 2600, 4320, 4520, 4620, 4820* | *RAC 5G* | *Both* | *$326.72* | *$303.71* | *$308.56* |
| *ACG 4330, 4420, 4830, 4910, 4920, 5010, 5020, 5040* | *RAC 6G* | *Both* | *$395.20* | *$367.37* | *$373.24* |
| *ACG 4430, 4730, 4930,4940, 5030, 5050, 5060, 5070* | *RAC 7G* | *Both* | *$1,030.02* | *$957.48* | *$972.79* |
| *SOBRA Mothers* |  |  | *$691.48* | *$573.58* | *$599.27* |
| *Persons with HIV* | *ALL* | *Both* | *$678.39* | *$678.39* | *$678.39* |

*(b) Rate Table for Disabled Individuals Effective January 1, 2019 — December 31, 2019*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | *Age/RAC* | *Gender* | *PMPM*  *Baltimore City* | *PMPM Montgomery County* | *PMPM Rest of State* |
|  | *Under Age 1* | *Both* | *$6,429.19* | *$6,429.19* | *$6,429.19* |
|  | *1—5* | *Male* | *$1,326.70* | *$1,326.70* | *$1,326.70* |
|  |  | *Female* | *$900.96* | *$900.96* | *$900.96* |
|  | *6—14* | *Male* | *$298.83* | *$298.83* | *$298.83* |
|  |  | *Female* | *$470.97* | *$470.97* | *$470.97* |
|  | *15—20* | *Male* | *$238.55* | *$238.55* | *$238.55* |
|  |  | *Female* | *$290.24* | *$290.24* | *$290.24* |
|  | *21—44* | *Male* | *$649.59* | *$471.43* | *$553.89* |
|  |  | *Female* | *$848.77* | *$615.99* | *$723.73* |
|  | *45—64* | *Male* | *$2,098.31* | *$1,522.84* | *$1,789.20* |
|  | *45—64* | *Female* | *$2,229.06* | *$1,617.73* | *$1,900.68* |
| *ACG-adjusted cells* | | | | | |
| *ACG 100, 200, 300, 1100, 1300, 1400, 1500, 1600, 1710, 1711, 1712, 1720, 1721, 1722, 1730, 1731, 1732, 1900, 2400, 2600, 2900, 3400, 5100, 5110, 5200, 5310* | *RAC 10* | *Both* | *$296.35* | *$215.07* | *$252.69* |
| *ACG 400, 500, 700, 900, 1000, 1200, 1740, 1741, 1742, 1750, 1751, 1752 1800, 2000, 2100, 2200, 2300, 2500, 2700, 2800, 3000, 3100, 3200, 3300, 3500, 3900, 4000, 4310, 5330* | *RAC 11* | *Both* | *$364.82* | *$264.76* | *$311.07* |
| *ACG 600, 1760, 1761, 1762, 3600, 3700, 4100, 4320, 4410, 4710, 4810, 4820* | *RAC 12* | *Both* | *$699.42* | *$507.60* | *$596.38* |
| *ACG 3800, 4210, 4220, 4330, 4420, 4720, 4910, 5320* | *RAC 13* | *Both* | *$783.85* | *$568.51* | *$667.95* |
| *ACG 800, 4430, 4510, 4610, 5040, 5340* | *RAC 14* | *Both* | *$1,096.47* | *$795.76* | *$934.94* |
| *ACG 1770, 1771, 1772, 4520, 4620, 4830, 4920, 5050* | *RAC 15* | *Both* | *$1,381.88* | *$1,002.89* | *$1,178.30* |
| *ACG 4730, 4930, 5010* | *RAC 16* | *Both* | *$1,423.21* | *$1,032.88* | *$1,213.54* |
| *ACG 4940, 5020, 5060* | *RAC 17* | *Both* | *$2,170.47* | *$1,575.21* | *$1,850.72* |
| *ACG 5030, 5070* | *RAC 18* | *Both* | *$3,872.14* | *$2,810.08* | *$3,301.70* |
| *Persons with AIDS* | *All* | *Both* | *$1,982.61* | *$1,269.36* | *$1,269.36* |
| *Persons with HIV* | *All* | *Both* | *$1,997.41* | *$1,997.41* | *$1,997.41* |

*(c) Rate Table for Supplemental Payments for Delivery/Newborn and Hepatitis C Therapy Effective January 1, 2019 — December 31, 2019*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | *Age* | *Gender* | *Baltimore City* | *Montgomery County* | *Rest of State* |
| *Supplemental Payment Cells* |  |  |  |  |  |
| *Delivery/Newborn-all births except live birth weight 1,500 grams or less and gestational age of 21 weeks or more* | *All* | *Both* | *$16,395.64* | *$12,953.96* | *$14,130.96* |
| *Delivery/Newborn — live birth weight 1,500 grams or less and a gestational age of 21 weeks or more* | *All* | *Both* | *$86,211.08* | *$86,211.08* | *$86,211.08* |
| *Delivery/Newborn by same enrollee — subsequent live birth weight 1,500 grams or less with a gestational age less than 21 weeks or does not meet the requirements in §B(4)(i) of this regulation* | *All* | *Both* | *$16,395.64* | *$12,953.96* | *$14,130.96* |
| *Hepatitis C Therapy* | *All* | *Both* | *$20,598.22* | *$20,598.22* | *$20,598.22* |

*(d) Rate Table for Childless Adult Population Effective January 1, 2019 — December 31, 2019*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | *Age/RAC* | *Gender* | *PMPM Baltimore City* | *Montgomery County* | *PMPM Rest of State* |
|  | *19—44* | *Male* | *$347.86* | *$277.04* | *$316.60* |
|  | *19—44* | *Female* | *$412.94* | *$328.87* | *$375.82* |
|  | *45—64* | *Male* | *$940.05* | *$748.66* | *$855.56* |
|  | *45—64* | *Female* | *$865.06* | *$688.94* | *$787.30* |
| *ACG-adjusted cells* |  |  |  |  |  |
| *ACG 100, 200, 300, 400, 500, 600, 700, 900, 1000, 1100, 1200, 1300, 1600, 1710, 1711, 1712, 1720, 1721, 1722, 1730, 1731, 1732, 1800, 1900, 2000, 2100, 2200, 2300, 2400, 2500, 2800, 2900, 3000, 3100, 3200, 3300, 3400, 3500, 3800, 4210, 5100, 5110, 5200 5230, 5310, 5339* | *RAC 1H* | *Both* | *$308.54* | *$245.72* | *$280.81* |
| *ACG 800, 1740, 1741, 1742, 1750, 2700, 3600, 1750, 1751, 1752, 2700, 3600, 3700, 3900, 4000, 4100, 4220, 4310, 4410, 4510, 4610, 4710, 4720, 4810, 5340* | *RAC 2H* | *Both* | *$464.28* | *$369.75* | *$422.55* |
| *ACG 1400, 1500, 1750, 1761, 1762, 1770, 1771, 1772, 2600, 4320, 4520, 4620, 4820* | *RAC 3H* | *Both* | *$483.85* | *$385.02* | *$439.99* |
| *ACG 4330, 4420, 4830, 4910, 4920, 5010, 5020, 5040* | *RAC 4H* | *Both* | *$838.59* | *$667.86* | *$763.22* |
| *ACG 4430, 4730, 4930, 5030, 5050* | *RAC 5H* | *Both* | *$1,049.48* | *$835.81* | *$955.15* |
| *ACG 4940, 5060* | *RAC 6H* | *Both* | *$1,356.64* | *$1,080.43* | *$1,234.70* |
| *ACG 5070* | *RAC 7H* | *Both* | *$2,178.60* | *$1,735.05* | *$1,982.78* |
| *HIV* | *19—64* | *Both* | *$577.22* | *$577.22* | *$577.22* |

(e)—(i) (text unchanged)

(5) (text unchanged)

C.—D. (text unchanged)

ROBERT R. NEALL  
Secretary of Health