**PROPOSAL**

**Maryland Register**

**Issue Date: August 2, 2019**

**Volume 46 • Issue 16 • Page 697-698**

**Title 10   
MARYLAND DEPARTMENT OF HEALTH**

**Subtitle 09 MEDICAL CARE PROGRAMS**

**10.09.69 Maryland Medicaid Managed Care Program: Rare and Expensive Case Management**

Authority: Health-General Article, §§15-102.1(b)(1) and 15-103(b)(4)(i), Annotated Code of Maryland

**Notice of Proposed Action**

[19-155-P]

     The Secretary of Health proposes to amend Regulation **.14**under **COMAR 10.09.69 Maryland Medicaid Managed Care Program: Rare and Expensive Case Management**.

**Statement of Purpose**

The purpose of this action is to implement a 3 percent rate increase for Rare and Expensive Case Management (REM) services effective July 1, 2019, pursuant to the Fiscal Year 2020 Budget Bill.

**Comparison to Federal Standards**

There is no corresponding federal standard to this proposed action.

**Estimate of Economic Impact**

**I. Summary of Economic Impact.**The Budget Bill (Fiscal Year 2020) includes a 3 percent rate increase for REM case management providers. The total impact for FY 2020 is $276,094.

|  |  |  |
| --- | --- | --- |
|  | Revenue (R+/R-) |  |
| **II. Types of Economic Impact.** | Expenditure  (E+/E-) | Magnitude |
|  |  | |
|  |  |  |
| A. On issuing agency: | (E+) | $276,094 |
| B. On other State agencies: | NONE |  |
| C. On local governments: | NONE |  |
|  | | |
|  | Benefit (+)  Cost (-) | Magnitude |
|  |  | |
|  |  |  |
| D. On regulated industries or trade groups: | (+) | $276,094 |
| 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. This amount assumes:  (1) In FY 2020, expenditures for REM case management services will be subject to blended FMAP due to the different federal match rates for the general REM population (3,484 individuals, or 89 percent of total REM population), the MCHIP population (398 individuals, or 10 percent of total REM population), and ACA New Adult population (53 individuals, or 1 percent of total REM population).  (2) Expenditures for REM case management services furnished to the general REM population are subject to 50 percent federal match ($122,225 federal funds, $122,225 general funds);      (3) From July 1, 2019—September 30, 2019, expenditures for REM case management services furnished to the MCHP population are subject to 88 percent federal match. From September 30, 2019—June 30, 2020, expenditures for REM case management services furnished to the MCHP population are subject to 76.5 percent federal match. Therefore, FY 2020 expenditures for REM case management services furnished to MCHP population are subject to 79.4 percent blended federal match ($22,166 federal funds, $5,760 general funds);  (4) From July 1, 2019—December 30, 2019, expenditures for REM case management services furnished to the ACA New Adult population are subject to 93 percent federal match. From January 1, 2020, expenditures for REM case management services furnished to the ACA New Adult population are subject to 90 percent federal match. Therefore, FY 2020 expenditures for REM case management services furnished to the ACA New Adult population are subject to 91.5 percent federal match ($3,403 federal funds, $316 general funds);  (5) Due to the blended FMAP, the proposed action represents an expenditure increase of $276,094 in FY 2020 ($147,793 federal funds, $128,301 general funds); | | |
| D. This amount assumes REM case management providers will reap a collective benefit of $276,094 in increased reimbursement rates. | | |

**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 September 3, 2019. A public hearing has not been scheduled.

**.14 Payment Procedures—Request for Payment.**

A.—C. (text unchanged)

D. Effective **[**July 1, 2018**]***July 1, 2019*, the Department shall pay **[**$400.21**]** *$412.22* for a case management assessment, as described in Regulation .05C of this chapter.

E. Effective **[**July 1, 2018**]** *July 1, 2019*, the Department shall make payments monthly for case management services at one of the rates specified below:

(1) Level of Care 1: **[**$295.51**]** *$304.38*;

(2) Level of Care 2: **[**$176.13**]** *$181.41*; or

(3) Level of Care 3: **[**$92.96**]** *$95.75*.

F. (text unchanged)

ROBERT R. NEALL  
Secretary of Health