

State of

Maryland

**MEDICAL CARE POLICY ADMINISTRATION  
DEPARTMENT OF HEALTH AND MENTAL HYGIENE**

201 WEST PRESTON STREET • BALTIMORE, MARYLAND 21201

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**MARYLAND MEDICAL ASSISTANCE PROGRAM  
Medical Day Care Transmittal No. 40**

June 15, 1999

Medical Day Care Centers

**FROM:** Joseph M. Millstone, Director  
Medical Care Policy Administration

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

Fiscal Year 2000 Per Diem Rate

In accordance with Regulation .09D under COMAR 10.09.07 Medical Day Care Services, per diem rates for medical day care providers are adjusted annually by the percentage change in the U.S. Department of Labor March Consumer Price Index for All Urban Consumers (CPI-U), Medical Care Services Component, Baltimore. **Effective January 1, 1998 there have been changes in the Consumer Price Index previously used. Medical Care Services is no longer available as a separate component and has been combined with other services and Medical Care Commodities into one major group, Medical Care. In addition, the Baltimore region is combined with the Washington region.**

The CPI-U, Medical Care component, Washington-Baltimore, increased 2.6% between March 1998 and March 1999. The FY 1999 per diem rate (\$59.15) will be increased by this percentage and the new rate, effective July 1, 1999, will be **\$60.69.**

(Continued on reverse side)

1-800-685-5861

Persons with a hearing or speech impairment -- call Maryland Relay Service at 1 - 800 - 735 - 2258



Medicaid reimbursement for medical day care services is not subject to cost settlement. However, in accordance with COMAR 10.09.07.09E, the payment to a provider may not exceed the lesser of the per diem rate (\$60.69, effective July 1, 1999) or the provider's customary charge to the general public. This means that a provider may not bill for the Medicaid per diem rate for any recipient if there are private pay participants for whom the provider charges less than the Medicaid per diem rate for the same service, unless based upon an approved sliding fee schedule. Providers who elect to use a sliding fee schedule should continue to follow the guidelines in Medical Day Care Transmittal No. 25 dated January 12, 1989. Regardless of whether a provider uses a sliding fee schedule, any provider who chooses to set its private charge below the Medicaid rate must bill Medicaid no more than its private charge.

Questions regarding this transmittal should be directed to the Medical Day Care Specialist at 410-767-1444 or, for non-local calls within Maryland, 1-800-685-5861.

JMM

cc: League for Excellence in Adult Day Care  
Maryland Association for Adult Day Services