



The Maryland State Medical Society

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DHMH Medical Care Programs Administration
Budget Hearing
House Appropriations Committee
Subcommittee on Health and Human Resources
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MedChi appreciates the opportunity to express its strong support for the Medicaid budget as submitted by the Governor. Under the leadership of Secretary Sharfstein and Mr. Milligan, the Department has addressed a number of important deficiencies that have long plagued the program. Physicians who participate in Medicaid are now able to apply for federal incentive dollars to invest in electronic medical records; the State finally has approved a contract to replace Maryland's antiquated MMIS system; and the Department has expanded opportunities for stakeholder participation in the development of regulatory reform initiatives that will enhance the efficiency and effectiveness of the program. To that end, MedChi would note that the budget before you, and related initiatives in the BRFA, reflect that enhanced process of public input and appropriately target those initiatives which will produce the greatest impact on cost, quality and access.

Further, the budget, as proposed, fulfills the commitment to dedicate the revenues attributable to the increase in alcohol tax enacted last Session to health care services. While that objective could not be achieved last year, MedChi applauds the Governor for honoring that commitment going forward and urges the Legislature to retain this allocation of alcohol tax revenues as submitted.

Of specific note, MedChi urges the retention of funding for the proposed reimbursement rate increase of E&M codes to Medicare rates. It is well recognized that adequate access to care is significantly constrained by lack of access to physician services. The proposed reimbursement increase is both dictated by the provisions of the federal ACA to promote access to care and reflects the need to address a significant lack of participation in the Medicaid program by Maryland physicians of all specialties due to inadequate reimbursement. These shortages create significant barriers to access and ultimately increase the cost of care. With the pending increase in enrollment that will occur with the implementation of federal health care reform, it is critical that Maryland build an adequate provider network to ensure timely access to needed services. The proposed rate increase is a critical component to the achievement of that objective and must be maintained.

For more information call:

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cc: Governor's Legislative Office