2019 KEY LEGISLATIVE ISSUE

PROTECT MEDICAID ACCESS – RESTORE E&M CODE REIMBURSEMENT TO MEDICARE PARITY

PROBLEM: Medicaid payment rates to physicians have historically been too low to ensure an adequate network for enrollees, negatively affecting access to medically necessary services. Access to care challenges leads to poor outcomes and results in an increase in the cost of care for Medicaid recipients. Appropriate payment rates not only encourage private practice physicians to participate in the Medicaid program, but also lessens the impact on employed and hospital-based physicians. Without an appropriate physician network, many enrollees often seek care in the hospital under emergency situations. Failure to restore Evaluation and Management (E&M) codes reimbursement to Medicare rates and the resulting cost of care impact could have a negatively effect on the successful implementation of Maryland’s Total Cost of Care Contract.

BACKGROUND:

- 2012: To address health care expansion and a significant lack of physician participation in Medicaid, the State increased reimbursement for E&M codes in Medicaid to 100% of Medicare rates for all physicians who accept Medicaid.
- 2015: Due to budget shortfalls, E&M codes were reduced mid-year from 100% of Medicare to 87% of Medicare. MedChi, through strong advocacy, fought for restoration and successfully won an increase to 92% of Medicare.
- 2016: MedChi requested full restoration of the rate and successfully worked with the General Assembly and Governor to Hogan to ultimately achieve an increase in rates to 94% of Medicare.
- 2017: MedChi continued to advocate for restoration of funding to full Medicare parity and despite a significant Medicaid deficit coupled with uncertainty of funding at the federal level was success in maintaining the 94% rate.
- 2018: Governor Hogan included $17.6 million dollars in the budget to maintain Medicaid rates for the FY 2019 fiscal year. This was particularly notable as numerous other provider reimbursement rates, such as developmental disability and community mental health providers and providers who contract with the Department of Human Services to care for children in out-of-home placements, were capped significantly below statutory mandates.

SOLUTION: Support enhanced physician participation and protect the integrity of the Medicaid program by advocating to restore E&M code reimbursement to 100% of Medicare rates.

WHAT TO DO: Call/write/e-mail your legislators. Request their support restoration of E & M Code reimbursement to Medicare rates. Contact MedChi for legislative contact information at 1-800-492-1056.