



The Maryland State Medical Society

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MDH Medical Care Programs Administration
Budget Hearing

Senate Budget and Taxation Committee
Subcommittee on Health and Human Services

House Appropriations Committee
Subcommittee on Health and Social Services

March 4, 2021

REQUEST: Maintain funding for E & M Code reimbursement as reflected in the Budget as submitted.

MedChi submits this letter to respectfully request that the General Assembly maintain the reimbursement in the Medicaid Program for evaluation and management (E&M) codes contained in the Governor's budget (supplemental). E&M codes generally refer to those billing codes used for doctor office visits or consultations. In 2012, the State increased payment rates to providers for evaluation and management (E&M) codes under the Medicaid program to 100% of the amount paid under the Medicare program. This action was in response to adoption of the Affordable Care Act (ACA), which resulted in significantly more people being covered under Medicaid. The need to increase reimbursement was necessary to ensure that an adequate number of physicians were available to care for recipients under the Program. Since that time, the reimbursement for these codes has fluctuated and now is at 93% of the Medicare program.

We appreciate the Governor's commitment to retain the current reimbursement rate, given the extraordinary revenue challenges the State has faced due to the COVID-19 pandemic and its continuing economic fallout. It reflects an understanding of the negative impact a reduction would have on the communities most affected by the pandemic. By definition, the Medicaid program is designed to assist low-income individuals and families. With rising unemployment or under-employment due to the pandemic, Medicaid enrollment has dramatically increased. Ensuring access to care for enrollees is as or more important now than it was following the passage of the ACA. Furthermore, social inequities and disparities that have become even more apparent recently also drive the need to ensure proper reimbursement rates. Access to proper health care and health care providers is a key means of addressing these inequities, and current reimbursement rates have proven a successful way to ensure that access.

In addition, medical practices which provide these services have struggled economically through this pandemic due to increased costs, staffing challenges, and reduced revenues. Maintaining these reimbursement levels will help ensure that physician offices remain financially viable and willing to continue to serve Maryland's most vulnerable populations. This is especially important in the rural communities that have a greater concentration often of sole practitioners. For these reasons, MedChi strongly urges the retention of provider reimbursement rates at the present level of 93%.

For more information call:

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