

Medicaid enrollment has significantly increased over the last decade, from 1.1 million individuals in 2014 to over 1.5 million currently - half of whom are children. This increase has resulted in greater access to quality health care for our most vulnerable populations and has been critical to beginning to address socioeconomic inequities and health disparities in our state. But the threat of Medicaid payment cuts in concert with federal Medicaid reductions outlined in HR 1 could jeopardize the number of physicians and medical practices that are able to accept Medicaid, and result in an inadequate network for already underserved residents.

Maryland must continue to protect its Medicaid investment and restore Medicaid Evaluation & Management (E&M) payment rates to 100% of Medicare E&M payment rates in the FY 2027 budget.

Adequate funding of E&M codes is also critical to ensure the success of the soon-to-be-implemented AHEAD Model, which places an increased emphasis on primary care, community-based preventive services, care coordination, and health equity. Ensuring that E&M services – the basis of primary care – are reimbursed at parity with Medicare is a strategic investment in access to care.

Issue	MedChi Advocacy
Increasing cost drivers, including workforce shortages and administrative burdens, are putting physician practices at risk. These cost drivers and the time it takes to provide high-quality healthcare to patients affect whether a physician can participate in certain programs, like Medicaid.	Ensuring sufficient payment for E&M codes will support the ongoing financial viability of physician practices and enable them to continue to contract with Medicaid to ensure access to health care services for vulnerable populations.
	Restore Medicaid E&M payment rates to 100% of Medicare E&M in FY 2027 to ensure consistent access for all Maryland communities.