

2021 KEY LEGISLATIVE ISSUE

PROTECT MEDICAID ACCESS – MAINTAIN E&M CODE PAYMENT

PROBLEM: The COVID-19 pandemic has significantly increased the Medicaid enrollment, making it even more important to ensure an adequate network for enrollees. Access to care challenges due to inadequate networks leads to poor health outcomes and may result in increased Medicaid costs when enrollees seek care in higher cost settings, such as emergency departments. The reliance on emergency departments negatively impacts Maryland's Total Cost of Care Contract. To ensure an adequate network and lessen the need for inappropriate use of emergency departments, the State must provide appropriate payment rates (Evaluation and Management (E&M) codes) to encourage private practice physicians to participate in the Medicaid program. Maintaining E&M codes at the current rate of 93% of Medicare will preserve the cost-saving benefits that have been attained through a greatly expanded practitioner network as the State works to exit the COVID-19 pandemic.

BACKGROUND:

- In 2012, the State increased payment for E&M codes in Medicaid to 100% of Medicare rates for all physicians who accept Medicaid. This was done to address health care expansion and the significant lack of physician participation in Medicaid. Physician participation greatly increased due to the increase in payment rates.
- In 2015, due to budget shortfalls, E&M codes were reduced mid-year from 100% of Medicare to 87% of Medicare. Through strong advocacy, MedChi fought for restoration and successfully won an increase to 92% of Medicare.
- In 2016, MedChi requested full restoration of the rate and successfully worked with the General Assembly and Governor Hogan to achieve an increase in rates to 94% of Medicare.
- In 2017, MedChi continued to advocate for restoration of funding to full Medicare parity. Despite a significant Medicaid deficit coupled with the uncertainty of funding at the federal level, funding was successfully maintained at 94%.
- Since 2018, MedChi has successfully advocated each year to have additional monies included in the budget to maintain near level-funding for E&M payment codes. Currently, E&M payment codes are at 93% of Medicare.

SOLUTION: The solution is to support increased physician participation and protect the integrity of the Medicaid program by maintaining E&M code payments at 93% of Medicare. Ultimately, the long-range goal would be to restore E&M code payments to 100% of Medicare. With increasing reliance on the Medicaid program due to unemployment levels, now is not the time to erode payment levels and risk physicians being unable to participate in the Medicaid program.

WHAT TO DO: Call/write/e-mail members of the Senate Budget and Taxation Committee and the House Appropriations Committee and ask them for their support to maintain E&M code payments to 93% or more of Medicare rates. Contact MedChi for legislative contact information at 1-800-492-1056.