

2022 KEY LEGISLATIVE ISSUE

PROTECT MEDICAID ACCESS – RESTORE PARITY WITH MEDICARE FOR E&M CODE PAYMENTS

PROBLEM: Given the exponential growth in Medicaid enrollment, combined with the negative impact that the COVID pandemic has had on physician practices, patient access and health outcomes, it is critically 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. Furthermore, medical practices which provide services to Medicaid recipients have been economically impacted by the pandemic. Workforce availability, coupled with the costs associated with managing and maintaining the financial viability of a business, influence practices' evaluation of which payers they contract with, including participation with Medicaid. The communities most affected by lack of access to health care services are also the communities where socioeconomic inequities and health disparities have become even more apparent. Access to proper health care is a key means of addressing these inequities. Recruiting and retaining the physicians necessary to ensure that access requires adequate reimbursement especially given the challenges that have impacted physician practices as a result of the 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 94% of Medicare.

SOLUTION: The solution is to restore parity with Medicare for E&M code payments in order to recruit and retain the physicians necessary to adequately address access to care challenges and maintain the integrity of 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 restore E&M code payments to 100% parity with Medicare rates. Contact MedChi for legislative contact information at 1-800-492-1056.