



May 8, 2020

The Honorable Larry Hogan, Governor  
State of Maryland  
100 State Circle  
Annapolis, Maryland 21401

RE: COVID-19 Financial Assistance and FY 2021 Medicaid Rates

Dear Governor Hogan:

The Maryland State Medical Society (MedChi), the largest physician organization in the State, along with the Maryland Chapter of the American Academy of Pediatrics (MDAAP) which represents more than 1,100 pediatricians and allied pediatric and adolescent healthcare practitioners in the State thanks you for your leadership during this time of unprecedented crisis and for your ongoing support and commitment to the physician community. As you know, we previously wrote to you to voice our concerns about the economic viability of our independent community-based practices, particularly those that serve the pediatric population.

Not only are community-based primary care practices addressing COVID-19, they are doing their best to continue to provide both medically necessary and preventive services including vaccines that will protect the health and well-being of their patients as well as prevent other outbreaks during this vulnerable time. The physician community has worked to quickly pivot to a mostly virtual visit platform incorporating new payment models for telehealth and virtual visits. However, as previously stated, these new platforms do not relieve the very real financial challenges faced by these practices.

MedChi and MDAAP, in its previous communication requested that the State provide financial assistance to Maryland physicians through Medicaid in a manner analogous to the relief provided by the Federal Government through Medicare. While the State has not identified a means to provide such relief, the urgency of funding assistance during this time cannot be overstated. We strongly urge the State to aggressively press the Federal Government to provide a means for the State to make advance payments to Medicaid providers to help ensure that they remain viable, now and in the future.

In addition to the advance payments, MedChi and MDAAP strongly request that the State maintain E & M Code funding rates as passed in the FY 2021 Budget. While we are aware of the fiscal challenges created by the COVID-19 crisis and the potential need to reduce funding in FY 2021, a reduction in E & M Code rates would only exacerbate the financial challenges that threaten to dramatically decrease access to a broad range of medically necessary services as the State emerges from the crisis.

As the pandemic progresses, declining personal income and the loss of health care benefits due to escalating unemployment will undoubtedly lead to a dramatic increase in Medicaid enrollment and the demand for services. Lowering E & M Code rates will not only further challenge the viability of practices that currently serve the Medicaid population but could result in physicians withdrawing from Medicaid participation. Lowering the rates will definitely defeat any effort to recruit physicians to serve the Medicaid population as demand for services surge. Either or both outcomes will further limit access to care and negatively impact health outcomes – the exact opposite of what will be needed as we work through COVID-19 and its resulting impacts.

Maintaining E & M rates in FY 2021 will support the work of the physician workforce that is caring for our State's most fragile and at-risk population. The return on this investment will result in more care being delivered in the community, the avoidance of unnecessary hospital utilization, and an enhanced ability to address the challenges of COVID-19 now and as we transition into a changed health care delivery framework following this crisis. Ensuring a robust and engaged Medicaid practitioner network is an essential element of that effort. We appreciate your consideration of this request as you move forward with the FY 2021 budget evaluation.

Sincerely,

Michele Manahan, M.D.  
President, MedChi

Maria Karapelou Brown, M.D., EdM, FAAP  
President, MDAAP

cc: Robert R. Neall, Secretary, Maryland Department of Health  
Dennis R. Schrader, COO and Medicaid Director, Maryland Department of Health  
Diane Croghan, Governor's Office, Deputy Chief of Staff  
Gene Ransom, CEO, MedChi  
Loretta Hoepfner, CEO, MDAAP