



DEPARTMENT OF HEALTH

Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Robert R. Neall, Secretary

March 4, 2020

The Honorable Shane E. Pendergrass, Chair
House Health and Government Operations Committee
241 House Office Building
Annapolis, MD 21401-1991

RE: HB 779 – Maryland Medical Assistance Program – Emergency Service Transporters and Emergency Medical Services Providers – Reimbursement - Letter of Information

Dear Chair Pendergrass and Committee Members:

The Department of Health (Department) respectfully submits this letter of information on House Bill 779 (HB 779): Maryland Medical Assistance Program - Emergency Service Transporters and Emergency Medical Services Providers - Reimbursement.

The Department recognizes the importance of the issues raised by this bill and the similar bills on this subject, as well as the challenges faced by Emergency Medical Services (EMS) providers as they face high volumes of 9-1-1 calls and emergency department wait times that exceed the national average. The Department remains committed to addressing this subject and is currently working in conjunction with the Maryland Institute for Emergency Medical Services Systems (MIEMMS) and the Maryland Health Care Commission (MHCC) to develop innovative models of care aimed at improving quality and lowering costs for the entire health system.

Should the Committee decide to move forward with this bill, the Department respectfully suggests that the Committee confer with the Appropriations Committee and limit any changes this year to a simple rate adjustment. Any increase in the reimbursement rates will result in a fiscal note in excess of the amount believed to be within the Chair's discretion.

Currently, the Department pay EMS providers a flat fee of \$100¹ per transport to specified health facilities. The estimated additional funds required for the bill, as written, are \$11.6M (\$4.5M GF/\$7.1M FF)². If the rate were increased to \$150 per transport, approximately \$5.7M total additional funds would be required (\$2.2M GF/\$3.5M FF).

Lastly, mobile integrated health (MIH) and transportation to alternative destinations are not currently covered services. The Department believes that these services should be discussed but notes that MIH is a relatively new service delivery model and evaluation to date has been limited. Nine MIH programs, with the ability to serve approximately 2,000 individuals, currently operate in Maryland with three more in the planning stages. Given the limited capacity of these

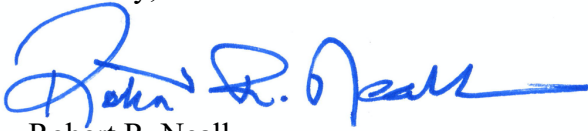
¹ This fee has not been updated since 1999.

² The Department's 2021 blended Federal Medical Assistance Percentages (FMAP) is 61.5%.

programs, the Department believes additional time for evaluation is needed before implementing MIH statewide.

I hope this information is useful. If you would like to discuss this further, please contact Director of Governmental Affairs Webster Ye at (410) 260-3190 or webster.ye@maryland.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert R. Neall", with a long horizontal flourish extending to the right.

Robert R. Neall
Secretary