

Wes Moore, Governor · Aruna Miller, Lt. Governor · Ryan Moran, DrPH, MHSA, Acting Secretary

March 26, 2025

The Honorable Pamela Beidle Chair, Senate Finance Committee 3 East Miller Senate Office Building Annapolis, MD 21401-1991

RE: House Bill (HB) 1301 - Maryland Medical Assistance Program, Maryland Children's Health Program, and Health Insurance – Transfers to Special Pediatric Hospitals – Prior Authorizations - Letter of Support as Amended

Dear Chair Beidle and Committee Members:

The Maryland Department of Health (Department) respectfully submits this letter of support as amended for House Bill (HB) 1301 - Maryland Medical Assistance Program, Maryland Children's Health Program, and Health Insurance – Transfers to Special Pediatric Hospitals – Prior Authorizations. HB 1301 prohibits Maryland Medicaid and its Managed Care Organizations (MCOs) from prior authorizations of transfers to special pediatric hospitals.

As of January 2025, at least six of the nine MCOs have stopped requiring prior authorizations for transfers to Mount Washington Pediatric Hospital, the predominant specialty pediatric hospital impacted by this legislation. The six MCOs that waive prior authorization continue to apply concurrent review and other utilization management to ensure that the care provided after transfer is medically appropriate. The concurrent review process starts from the date of admission. When a similar policy that suspended prior authorization for hospital transfers was in place during the COVID-19 Public Health Emergency (PHE), notification by the receiving facility to the MCO was required within 72 hours of admission.

The Department supports the amended bill that adopted language to make the provisions applicable only to specialty pediatric hospitals located within Maryland, thereby eliminating the projected fiscal impact of the original bill.

If you would like to discuss this further, please do not hesitate to contact Sarah Case-Herron, Director of Governmental Affairs at sarah.case-herron@maryland.gov.

Sincerely.

Ryan Moran, DiPH, MHSA

Acting Secretary