Overview and Legal and Fiscal Impact

The regulation implements a 2% rate increase for community based substance use disorder services under the Maryland Medical Assistance Program.

The regulation presents no legal issues of concern.

Medicaid expenditures increase by $3,190,038 ($2,375,148 federal funds, $814,890 general funds) in fiscal 2018 to increase rates for community based substance use disorder services. Federal fund revenues increase accordingly.

Regulation of COMAR Affected

Maryland Department of Health:
Medical Care Programs: Community-Based Substance Use Disorder Services:
COMAR 10.09.80.08

Legal Analysis

Summary of Regulation

The regulation increases the rates for community based substance use disorder services under COMAR 10.09.80.08D by 2%, effective July 1, 2017.

While the rate increase under .08D(1)(a) is slightly more than 2%, the Department of Health indicates that the current regulation does not reflect the current rate in effect. When the increase is applied to the actual current rate, the new rate of $147.74 is consistent with a 2% increase.

Legal Issues

The regulation presents no legal issues of concern.
Statutory Authority and Legislative Intent

The Maryland Department of Health cites §§ 2-104(b), 8–204(c)(1), 15-103(a)(1), and 15-105(b) of the Health – General Article as statutory authority for the regulation. Section 2-104(b) authorizes the Secretary of Health to adopt rules and regulations to carry out the provisions of law with the jurisdiction of the Secretary. Section 15-103 establishes the Maryland Medical Assistance Program, and subsection (a)(1) of that section requires the Secretary to administer the program, including adopting regulations. Section 15-105(b) requires the department to adopt rules and regulations for the reimbursement of providers for services under the program. The remaining statutory authority is not relevant to this regulation.1

The relevant authority is correct and complete. The regulation complies with the legislative intent of the law.

Fiscal Analysis

Medicaid expenditures increase by $3,190,038 ($2,375,148 federal funds, $814,890 general funds) in fiscal 2018 to increase rates for community based substance use disorder services. Federal fund revenues increase accordingly.

Agency Estimate of Projected Fiscal Impact

The regulation increases rates for specified Medicaid community based substance use disorder services by 2%. The department advises that Medicaid expenditures increase by $3,190,038 ($2,375,148 federal funds, $814,890 general funds) in fiscal 2018. Federal fund revenues increase accordingly. The Department of Legislative Services concurs.

Impact on Budget

Medicaid expenditures increase by $3,190,038 ($2,375,148 federal funds, $814,890 general funds) in fiscal 2018 to provide a 2% rate increase for community based substance use disorder services. Federal fund revenues increase accordingly. The fiscal 2018 budget includes funding for a 2% increase for community behavioral health providers.

Agency Estimate of Projected Small Business Impact

The department advises that the regulation has a meaningful economic impact on small businesses in the State. The Department of Legislative Services concurs.

Contact Information

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1 Section 8–204 was repealed by Chapter 460 of 2014. The Act repealed the Alcohol and Drug Abuse Administration within the department and transferred the functions of the administration to the Behavioral Health Administration within the department.