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By: **Senator Hogan**  
Introduced and read first time: January 31, 2001  
Assigned to: Finance

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Committee Report: Favorable  
Senate action: Adopted  
Read second time: March 14, 2001

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Medical Assistance Program - Reimbursement for Outpatient**  
3 **Mental Health Treatment - Dual Eligibility**

4 FOR the purpose of requiring the Maryland Medical Assistance Program to reimburse  
5 certain providers of outpatient mental health treatment a certain amount of the  
6 Program fee for certain individuals; defining certain terms; and generally  
7 relating to a certain Program reimbursement amount for certain mental health  
8 treatment for certain individuals.

9 BY repealing and reenacting, without amendments,  
10 Article - Health - General  
11 Section 15-101(a) and (i)  
12 Annotated Code of Maryland  
13 (2000 Replacement Volume)

14 BY repealing and reenacting, with amendments,  
15 Article - Health - General  
16 Section 15-105  
17 Annotated Code of Maryland  
18 (2000 Replacement Volume)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
20 MARYLAND, That the Laws of Maryland read as follows:

1 **Article - Health - General**

2 15-101.

3 (a) In this title the following words have the meanings indicated.

4 (i) "Program" means the Maryland Medical Assistance Program.

5 15-105.

6 (a) IN THIS SECTION, "DUAL ELIGIBILITY" MEANS SIMULTANEOUS  
7 ELIGIBILITY FOR HEALTH INSURANCE COVERAGE UNDER BOTH THE PROGRAM AND  
8 MEDICARE.9 (B) The Department shall adopt rules and regulations for the reimbursement  
10 of providers under the Program. However, except for an invoice that must be  
11 submitted to a Medicare intermediary or Medicare carrier for an individual [who may  
12 have both Medicare and Medicaid coverage] WITH DUAL ELIGIBILITY, payment may  
13 not be made for an invoice that is received more than 1 year after the dates of the  
14 services given.15 [(b)] (C) A provider who fails to submit an invoice within the required time  
16 may not recover the amount later from the Program recipient.17 [(c)] (D) (1) The Department shall adopt regulations for the reimbursement  
18 of specialty outpatient treatment and diagnostic services rendered to Program  
19 recipients at a freestanding clinic owned and operated by a hospital that is under a  
20 capitation agreement approved by the Health Services Cost Review Commission.21 (2) (i) Except as provided in subparagraph (ii) of this paragraph, the  
22 reimbursement rate under paragraph (1) of this subsection shall be set according to  
23 Medicare standards and principles for retrospective cost reimbursement as described  
24 in 42 CFR Part 413 or on the basis of charges, whichever is less.25 (ii) The reimbursement rate for a hospital that has transferred  
26 outpatient oncology, diagnostic, rehabilitative, and digestive disease services to an  
27 off-site facility prior to January 1, 1999 shall be set according to the rates approved  
28 by the Health Services Cost Review Commission if:29 1. The transfer of services was due to zoning restrictions at  
30 the hospital campus;31 2. The off-site facility is surveyed as part of the hospital for  
32 purposes of accreditation by the Joint Commission on the Accreditation of Health  
33 Care Organizations; and34 3. The hospital notifies the Health Services Cost Review  
35 Commission in writing by July 1, 1999 that the hospital would like the services  
36 provided at the off-site facility subject to Title 19, Subtitle 2 of this article.

1 (E) (1) IN THIS SUBSECTION, "PROVIDER" MEANS A COMMUNITY BASED  
2 PROGRAM OR AN INDIVIDUAL HEALTH CARE PRACTITIONER PROVIDING  
3 OUTPATIENT MENTAL HEALTH TREATMENT.

4 (2) FOR AN INDIVIDUAL WITH DUAL ELIGIBILITY, THE PROGRAM SHALL  
5 REIMBURSE A PROVIDER THE ENTIRE AMOUNT OF THE PROGRAM FEE FOR  
6 OUTPATIENT MENTAL HEALTH TREATMENT, INCLUDING ANY AMOUNT ORDINARILY  
7 WITHHELD AS A PSYCHIATRIC EXCLUSION AND ANY COPAYMENT NOT COVERED  
8 UNDER MEDICARE.

9 [(d)] (F) This section has no effect if its operation would cause this State to  
10 lose any federal funds.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
12 July 1, 2001.