## **SENATE BILL 209**

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## By: Senators Hogan and Hollinger

Introduced and read first time: January 29, 2003 Assigned to: Finance

Committee Report: Favorable with amendments Senate action: Adopted Read second time: March 18, 2003

CHAPTER\_\_\_\_\_

1 AN ACT concerning

## Maryland Medical Assistance Program - Reimbursement for Outpatient 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; requiring the
- 7 Department of Health and Mental Hygiene to submit a report demonstrating
- 8 that certain funds have been used for the purpose of funding this Act; and
- 9 generally relating to a certain Program reimbursement amount to certain
- 10 providers for certain mental health treatment for certain individuals.

11 BY repealing and reenacting, without amendments,

- 12 Article Health General
- 13 Section 15-101(a) and (i)
- 14 Annotated Code of Maryland
- 15 (2000 Replacement Volume and 2002 Supplement)
- 16 BY repealing and reenacting, with amendments,
- 17 Article Health General
- 18 Section 15-105
- 19 Annotated Code of Maryland
- 20 (2000 Replacement Volume and 2002 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

22 MARYLAND, That the Laws of Maryland read as follows:

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

- 3
- 34 Care Organizations; and

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3. The hospital notifies the Health Services Cost Review
 Commission in writing by July 1, 1999 that the hospital would like the services
 provided at the off-site facility subject to Title 19, Subtitle 2 of this article.
 (E) (1) IN THIS SUBSECTION, "PROVIDER" MEANS A COMMUNITY-BASED
 PROGRAM OR AN INDIVIDUAL HEALTH CARE PRACTITIONER PROVIDING
 OUTPATIENT MENTAL HEALTH TREATMENT.

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

12 [(d)] (F) This section has no effect if its operation would cause this State to 13 lose any federal funds.

14 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the

15 General Assembly that the Mental Hygiene Administration shall fund the provisions

16 of this Act through existing resources by reprioritizing existing grant funds. The

17 Department of Health and Mental Hygiene, on or before August 1, 2003, shall submit

18 a report demonstrating that existing grant funds have been reprioritized to allow for

19 the funding of the provisions of this Act to the Governor and, subject to § 2-1246 of

20 the State Government Article, to the Senate Budget and Taxation Committee, the

21 <u>Senate Finance Committee, the House Appropriations Committee, and the House</u>

22 <u>Health and Government Operations Committee.</u>

23 SECTION <del>2.</del> <u>3.</u> AND BE IT FURTHER ENACTED, That this Act shall take 24 effect July 1, 2003.

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