

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE

Senate Bill 717
Finance

(Senator Hollinger)

School-Based Health Centers – Physician Assistants

This bill requires the Department of Health and Mental Hygiene (DHMH) to adopt regulations that require a Medicaid managed care organization (MCO) to reimburse physician assistants for providing services at a school-based clinic to MCO enrollees.

Fiscal Summary

State Effect: Medicaid expenditures (50% general funds, 50% federal funds) could increase minimally beginning in FY 2005. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: MCOs must pay, at Medicaid-established rates, school-based clinics for covered services provided to MCO enrollees. An MCO reimburses school-based clinics for certain self-referred services, such as: (1) diagnosis, treatment, and uncomplicated follow-up of acute or urgent somatic illness, and related prescribing of medications; and (2) family planning services.

Background: MCOs generally reimburse physicians or nurse practitioners at school-based clinics. They do not reimburse physician assistants directly, although a physician assistant may receive payment when services are billed under a physician's name.

State Fiscal Effect: To the extent MCO expenditures increase to reimburse physician assistants at school-based clinics and pass these costs onto the Medicaid program in the form of higher capitation rates, Medicaid expenditures (50% general funds, 50% federal funds) could increase beginning fiscal 2005. Since the reimbursement requirements are expected to apply in a very limited number of cases, any increase is expected to be negligible. Revenues would not be affected.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland State Department of Education, Department of Health and Mental Hygiene, Maryland Insurance Administration, Department of Legislative Services

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