

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE

House Bill 1242 (Delegate Ramirez, *et al.*)
Health and Government Operations

**Suspension of Medicaid and Children's Health Program Benefits - Juvenile
Incarceration**

This bill requires the Department of Health and Mental Hygiene (DHMH), to the extent authorized by federal law or regulation, to suspend rather than terminate benefits for a Maryland Medical Assistance Program (Medicaid) recipient or a Maryland Children's Health Program recipient who is incarcerated and younger than age 18.

Fiscal Summary

State Effect: Expenditures for DHMH increase by \$461,250 (50% general funds, 50% federal funds) in FY 2011 to make changes to the department's Medicaid Management Information Systems.

(in dollars)	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
FF Revenue	\$230,600	\$0	\$0	\$0	\$0
GF Expenditure	\$230,600	\$0	\$0	\$0	\$0
FF Expenditure	\$230,600	\$0	\$0	\$0	\$0
Net Effect	(\$230,600)	\$0	\$0	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: In general, inmates are not eligible to receive Medicaid or Pharmacy Assistance benefits during incarceration.

Federal regulations prohibit federal fund participation for services provided to inmates of public institutions.

Background: Released inmates, while eligible for Medicaid, must reapply (if they were on Medicaid prior to incarceration), which can delay access to health care services. However, DHMH allows for three months of retro-eligibility for approved applicants. DHMH advises that applications must be processed within 10 days at a local health department and 30 days at a local department of social services.

DHMH recently worked with the Department of Human Resources and the Department of Public Safety and Correctional Services to develop a process that would promote continuity of care for all inmates leaving the correctional system. Under this process, which became fully operational in October 2009, inmates scheduled to be released can pre-enroll in Medicaid or the Primary Adult Care program prior to release.

State Fiscal Effect: Expenditures for DHMH increase by \$461,250 (\$230,625 in general fund expenditures, and \$230,625 in federal fund expenditures, offset by corresponding federal fund revenues) in fiscal 2011 to make changes to the department's Medicaid Management Information Systems so that it can interface with correctional facilities' data systems.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Health and Mental Hygiene, Department of Juvenile Services, Department of Public Safety and Correctional Services, Department of Legislative Services

Fiscal Note History: First Reader - March 14, 2010
mpc/mwc

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