

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1221 (Delegate Hammen)
Health and Government Operations

**Maryland Medical Assistance Program - Presumptive Eligibility - Required
Participation by Hospitals**

This emergency bill requires that, by July 1, 2016, each licensed hospital in the State that participates in Medicaid must agree to make presumptive eligibility determinations and actively submit presumptive eligibility applications in accordance with regulations to the Department of Health and Mental Hygiene (DHMH).

Fiscal Summary

State Effect: DHMH can certify additional hospitals to make presumptive eligibility determinations with existing budgeted resources. To the extent requiring hospitals to make presumptive eligibility determinations results in additional individuals being found eligible for Medicaid, Medicaid expenditures (60% federal funds, 40% general funds) increase by an indeterminate amount. Federal matching fund revenues increase correspondingly.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: Historically, states had the option to use presumptive eligibility to connect children and pregnant women to Medicaid. The federal Patient Protection and Affordable Care Act (ACA) gave qualified hospitals the option to connect other populations to Medicaid coverage. Under this authority, hospitals can immediately enroll patients who are likely eligible under a state's Medicaid eligibility guidelines for a temporary period of time. An individual provides information about the individual's

income and household size, and (at state option) information regarding citizenship, immigration status, and residency. If the individual appears to be eligible, a hospital determines the individual to be “presumptively eligible” for Medicaid. The individual is temporarily enrolled, and health care providers (not just hospitals) receive payment for services provided during the interim period pending a final adjudication of Medicaid eligibility.

Under ACA, the choice to make presumptive eligibility determinations rests with each individual hospital, not with the state, and is not dependent on whether the hospital or the state uses presumptive eligibility for other populations. (Maryland does not use presumptive eligibility for other populations.) States were required to submit a Medicaid state plan amendment to implement hospital presumptive eligibility. Maryland’s state plan amendment was approved effective October 1, 2014.

Following federal approval, DHMH adopted regulations to implement a Medicaid Hospital Presumptive Eligibility (HPE) program. According to DHMH, 34 acute care hospitals currently participate. (According to the Maryland Hospital Association, there are 48 acute care hospitals in Maryland.) Hospital employees make eligibility determinations based on limited, self-attested income and demographic information. Populations eligible for HPE include children, parents and caretaker relatives, single childless adults younger than age 65, and pregnant women. To participate, hospitals must apply and have participating staff complete a training and HPE knowledge test. DHMH certifies hospitals that meet these criteria to participate in HPE.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Hospital Association, Department of Health and Mental Hygiene, Department of Legislative Services

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min/ljm

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