



Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Dennis R. Schrader, Acting Secretary

March 30, 2021

The Honorable Shane E. Pendergrass
Chair, House Health and Government Operations Committee
241 House Office Building
Annapolis, MD 21401-1991

RE: SB 923 – Maryland Department of Health – Maryland Medical Assistance Program – Eligibility and Disenrollment – Letter of Information

Dear Chair Pendergrass and Committee members:

The Maryland Department of Health (MDH) respectfully submits this letter of information for Senate Bill (SB) 923 – Maryland Department of Health – Maryland Medical Assistance Program – Eligibility and Disenrollment. SB 923 extends the period of time pregnant recipients are eligible for the Maryland Medical Assistance Program (Maryland Medicaid), including dental care, from two months to 12 months postpartum. The bill would take effect January 1, 2022.

MDH estimates a fiscal impact of approximately \$8.3 million for fiscal year (FY) 2022 (\$3.2 million in general funds, \$5.1 million in federal funds). For FY 2023, the first full year of services, the expansion would total \$16.9 million (\$6.6 million general funds, \$10.37 million federal funds). To receive a federal match on this expansion, MDH will need to apply and receive approval for a federal §1115 waiver. However, pursuant to the recently passed federal American Rescue Plan, states will have the option to cover extended postpartum coverage through a state plan amendment for a period of five years beginning April 1, 2022. Coverage of benefits through the state plan is substantially less administratively burdensome than the submission and reporting requirements associated with a §1115 waiver.

MDH further notes that existing coverage is available for this population under Qualified Health Plans (QHPs) through the Maryland Health Benefit Exchange, the state's health insurance marketplace. QHPs cover Essential Health Benefits as set forth under the Patient Protection and Affordable Care Act. While the QHP benefit package remains the same regardless of income, federal subsidies are available on a tiered basis, by income, up to 400 percent of the federal poverty level.

I hope this information is useful. If you would like to discuss this further, please contact me at (410) 260-3190 or webster.ye@maryland.gov or Director of Governmental Affairs at the same phone number or heather.sherk@maryland.gov.

Sincerely,

Webster Ye
Assistant Secretary, Health Policy