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**House Bill 1376 -
Maryland Medical Assistance Program, Maryland Children's
Health Program, and Health Insurance - Special Pediatric
Hospitals**

Oppose

**House Health and Government Operations Committee
March 7, 2024**

On behalf of the Maryland Managed Care Organization Association (MMCOA), which is comprised of all nine MCOs that serve Medicaid thank you for the opportunity to submit these comments in opposition to House Bill 1376 - Maryland Medical Assistance Program, Maryland Children's Health Program, and Health Insurance - Special Pediatric Hospitals.

Medicaid MCOs are committed to ensuring that children receive the appropriate care in the appropriate setting and continue to work in close collaboration with the health systems throughout the state as children make up forty percent of Maryland's Medicaid population. MMCOA and the individual MCO members have been meeting in good faith with the hospital system that advocated for this bill in an effort to address their concerns and as of this bill hearing those discussions continue. Additionally, several MCOs have individually confirmed that there is not an issue with the current process for hospital transfers in their discussions.

As we enter a post Public Health Emergency environment many of the policy liberalizations put in place to accommodate health care delivery are changing. In some cases, lessons learned from responding to the emergency will carry forward - Ending prior authorization for hospital transfers should not be among them. Utilization management tools, such as prior authorization, are important for every state Medicaid program. Monitoring that HealthChoice members receive medically necessary, clinically appropriate care is critical to the sustainability of the Medicaid program.

HB1376 also includes additional language related to payment for "ancillary charges" and a "special administrative day" that present operational challenges for the MCOs and the HealthChoice program - some of these challenges are currently being reviewed in the broader discussions with the health system that advocated for this bill, the Maryland Department of Health and the MCOs and may require budget support and/or regulatory changes.

We respectfully urge the committee to issue an unfavorable report on House Bill 1376. Thank you for considering the comments of the Maryland MCOs.

Please contact Joe Winn, Executive Director of MMCOA, with any questions regarding this testimony at jwinn@marylandmco.org.