

TO: Chair Peña-Melnyk, and Members, House Health and Government Operations Committee

FROM: Kristin J. Bryce
Senior Vice President and Chief External Affairs Officer
University of Maryland Medical System

DATE: March 10, 2025

RE: House Bill 1301 – Maryland Medical Assistance Program, Maryland Children’s Health Program and Health Insurance – Transfers to Special Pediatric Hospitals – Prior Authorization

Position: Favorable

The University of Maryland Medical System (“UMMS”) strongly supports House Bill 1301 – Maryland Medical Assistance Program, Maryland Children’s Health Program and Health Insurance – Transfers to Special Pediatric Hospitals – Prior Authorization, and requests a favorable committee report. This bill would prohibit the use of prior authorization for transfers into pediatric specialty hospitals, and thereby expand access to care for children with serious, chronic and/or complex medical conditions, and improve patient throughput at Maryland’s general hospitals.

UMMS co-owns Mount Washington Pediatric Hospital (MWPH) with Johns Hopkins Medicine. MWPH is uniquely suited to treat children who need post-acute care for complications of premature birth, severe birth defects, multi-system chronic illnesses, and rehabilitation due to accident or injury. The hospital has an average inpatient daily census of 45, with 75% of inpatients covered by Maryland Medical Assistance. It also provides over 60,000 outpatient visits per year, including rehabilitation therapies, specialty clinics, and much-needed behavioral health services.

Pediatric specialty hospitals such as MWPH experience a variety of operational and financial barriers that delay critical care for vulnerable pediatric patients. The most significant barrier is the prior authorization requirement mandated by several managed care organizations (MCOs) and all other commercial payers before a pediatric patient may be transferred to a pediatric specialty hospital. MWPH and other pediatric specialty hospitals have met with the MCO and commercial payers and requested that they voluntarily end the prior authorization requirement. To date, 5 out of 9 MCOs have committed to eliminating the practice, but all commercial payers continue to require prior authorization.

The prior authorization process typically takes several days, which delays critical care and exacerbates the issue of pediatric overstays and bed shortages in acute care hospitals. These delays are completely unnecessary. During the COVID-19 pandemic all MCO prior authorization requirements were temporarily waived, and every single admission during this period was later confirmed to be appropriate. Simply put, the prior authorization requirements prevent timely and desperately needed care without preventing any medically unnecessary care.

For these reasons, the University of Maryland Medical System supports HB 1301, and respectfully requests a *favorable* report on the bill.

For more information, please contact:
Kristin Bryce, SVP and Chief External Affairs Officer
University of Maryland Medical System
KJonesBryce@umm.edu