



To: The Honorable Heather Bagnall, Chair
House Health Committee

From: Jennifer Freeman, BSN,RN,CCM
Director of Collaborative Care, Mt. Washington Pediatric Hospital

Date: March 5, 2026

Re: HB1376: Maryland Medical Assistance Program, Maryland Children's Health Program,
and Health Insurance – Transfers to Special Pediatric Hospitals – Requirements

I'm Jennifer Freeman, registered nurse and Director of Collaborative Care at Mt Washington Pediatric Hospital (MWPH). I am requesting a **FAVORABLE** report on **HB1376**.

I'm writing to explain how the State's interpretation of last year's HB1301 threatens the hospital's ability to provide these much needed services.

Thanks to this committee and this legislature, insurance companies can no longer require prior authorization before a child transfers to MWPH. This change allows a medically ready child to move to our family-focused, lower-cost setting more quickly. Insurance companies still review clinical information to determine if our care is appropriate. If we feel confident they'll approve, we don't delay the transfer. If we are uncertain, we have the option to wait until they make a decision.

The State Medicaid program is misinterpreting the new law and refusing to consider medical necessity before the child is at MWPH. If the State denies coverage, MWPH will receive -0- payment for care provided. This interpretation by the State Medicaid program creates a significant disincentive to taking a child that we feel is medically ready into our facility, even when we feel that it's in both the best interests of the child and in freeing sorely needed bed capacity at acute care facilities.

Last year we sought to wave admission prior authorization, so why are we coming back seeking this amendment requiring the Medicaid program to consider prior authorization?

It's because of children like John. He came to MWPH on a ventilator for clinical stabilization and parent training. His parents want to care for him and should be given every opportunity to do so. However, despite extensive training at MWPH and significant home support, they panicked and were unable to quickly replace his trach, depriving him of needed oxygen.

Now stable from this traumatic event, he occupies a high-cost acute care bed. We'd like to take John back, where his parents can further learn his care, and where our team knows him. But the case for medical necessity is unclear.

If we readmit before the state renders a determination, we risk denial. If there are no approved days under an authorization, the hospital cannot even seek administrative day payment. This structure places all the financial risk on MWPH, and diverts attention from where it should be, which is on providing the best quality care possible for the child.

Medicaid MCOs and in-state commercial payers understand challenging cases like John's. While we admit some children without prior authorization, in other cases we collaborate with the payor before admission to determine the best place for the child. Only state FFS Medicaid refuses to do so.

We are asking Medicaid to partner with us like other payers to ensure that medically complex children receive appropriate services in the right setting without placing unnecessary financial risk on MWPH.

Thank you.