

Maryland's Hidden Tax on Hospital Services

Impact on Patients

FY 2010 Medicaid Tax = \$19 million
FY 2017 Medicaid Tax = \$365 million

1,800 percent increase



DO THE MA+H

The tax has added \$2.1 billion to Marylanders' hospital bills since 2010.

Maryland's Medicaid Assessment – a 3 percent **tax** on people's hospital bills – was a “temporary” solution in 2010 to close the funding gap; none of the tax is kept by hospitals...it all goes to the state



Impact on Maryland's Economy

Maryland's unique hospital payment system – the waiver – brings \$1.8 billion of federal funds to the state annually; the Medicaid tax threatens these funds by artificially inflating what is spent on hospital care in Maryland, making Maryland appear more costly



Thanks to legislators and the Governor for placing the Medicaid tax on a \$25 million per year plan to reduce and eventually eliminate the tax

What Maryland Needs

PROTECT the \$25 million annual reduction

About Us:

The Maryland Hospital Association advocates on behalf of Maryland's 64 hospitals and health systems; membership is composed of community, teaching, specialty, long-term care, and veterans hospitals