HB 1221 – Maryland Medical Assistance Program – Presumptive Eligibility – Required Participation by Hospitals

Position: Support with amendments

Bill Summary
HB 1221 requires hospitals that participate in the Maryland Medical Assistance Program to agree to make presumptive eligibility determinations for the program and actively submit presumptive eligibility applications to the Department of Health & Mental Hygiene (DHMH) by July 1, 2016.

MHA Position
Every hospital in Maryland has a team of people to help patients identify and enroll in the health care coverage they may be eligible for. This includes helping those eligible for Medicaid. There are two ways to sign patients up for Medicaid: helping them apply for full benefits, or via a truncated process that presumes their eligibility for benefits and provides temporary coverage. The current presumptive eligibility process has several barriers to hospital participation. Due to the lack of available data and tracking, it is unclear whether there is an issue that presumptive eligibility is seeking to solve.

The Maryland Hospital Association is working with DHMH to address these and other barriers, therefore we believe the mandate to require full participation limits the opportunity to address the concerns. Barriers we seek to address are not limited to, but include the following:

- The state has chosen the option to require hospitals to follow up with individuals to submit the full application, and requires that at least 90 percent deemed eligible for temporary eligibility submit applications for full eligibility as a condition for hospital participation; but hospitals cannot control patient follow up
- Hospitals typically submit a full eligibility application because the state emphasizes full eligibility to receive the enhanced federal Medicaid match. But Medicaid does not track this data.
- Presumptive eligibility determinations can be submitted by hospital staff; hospitals cannot contract this function out, even though third parties can perform determinations for full Medicaid coverage. This requirement, along with mandatory follow up for full Medicaid eligibility, duplicates hospital efforts and exhausts valuable time and resources
- The state does not accurately track presumptive eligibility applications; the onus is on the hospital to track and maintain records of who has applied and proof of application. The hospital doesn't always have this verification
- Presumptive coverage is not retroactive; if an application is taken after the first day, the hospital has to “split bill” the claim after obtaining an authorization for only a portion of the admission. It is extremely difficult to accurately track and get delayed authorization to bill remaining days, and adds risk for errors and denials
We fully support the bill’s goal of getting more Marylanders covered. However, because we are working with DHMH to make the process more effective, we urge that the bill be amended to ensure that providers have an opportunity to explain their reasons for not participating; that DHMH and MHA identify and remove barriers to participation and develop methods to track presumptive eligibility applications as well as full eligibility applications; and that they issue a revised presumptive eligibility participation agreement after addressing the barriers identified.

With the amendments attached, we respectfully request a favorable report of HB 1221.