



Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

MARYLAND MEDICAL ASSISTANCE PROGRAM
Hospital Transmittal No. 312
MCO Transmittal No. 216
Behavioral Health Administrative Services Organization Transmittal No. 27
July 2, 2024

TO: HSCRC Regulated Hospitals
 Managed Care Organizations
 Behavioral Health Administrative Services Organization

FROM: Tricia Roddy, Deputy Medicaid Director *Tricia Roddy*
 Maryland Medicaid

RE: Expiration of the 1% Increase in HSCRC Public Payer Differential

NOTE: Please ensure that the appropriate staff members in your organization are informed of the content of this transmittal.

This transmittal serves as an update to the existing policy regarding the public payer hospital differential. This transmittal supersedes PT 45-23, which increased the public payer differential by 1.0 percentage points.

Effective July 1, 2024, the Health Services Cost Review Commission (HSCRC) will decrease the public payer differential by 1.0 percentage points, from 8.7% to 7.7%. As a result, the Medicaid Fee-For-Service Program will pay enrolled HSCRC regulated in-state hospitals at 92.3%.

Effective July 1, 2024, the Substantial Available and Affordable Coverage (SAAC) discount for HealthChoice Managed Care Organizations (MCOs) will decrease from 6.7% to 5.7%. This means MCOs will pay 94.3% of charges. MCOs will continue to negotiate additional discounts such as working capital and prompt pay.

The new differential will apply to reimbursement of inpatient claims with dates of discharge on or after July 1, 2024 and outpatient claims with dates of service on or after July 1, 2024.

If you have any questions, please contact Denise James, Division Chief for Hospital Services at (410)-767-1939 or denise.james@maryland.gov.