



**Maryland Department of Health Medical Assistance Program Administration**  
**Fiscal Year 2023 Operating Budget**  
**Response to Department of Legislative Services Analysis**

**Senate Budget and Taxation Committee**  
**Health and Human Services Subcommittee**  
**Senator Melony Griffith**  
**March 4, 2022**

**House Appropriations Committee**  
**Health and Social Services Subcommittee**  
**Delegate Kirill Reznik**  
**March 7, 2022**

The Department thanks the Governor, the Department of Budget and Management, and the Budget Committees for their support in 2020 and in 2021 with COVID-19 response efforts. We thank the Department of Legislative Services for its insightful budget analysis.

**In Strategies to Increase COVID-19 Vaccination Rates in Medicaid Enrollees: Considerations for State Leaders, published on December 3, 2021, by the National Academy of State Health Policy and Duke-Margolis Center for Health Policy, the following actions were identified as ways to improve vaccination rates among people covered by Medicaid:**

- **use data to monitor progress, identify disparities, and facilitate outreach;**
- **incentivize and support provider vaccination efforts;**
- **incentivize Medicaid plans to reach vaccination targets;**
- **identify opportunities to reduce barriers to vaccination; and**
- **provide technical assistance and communication resources to providers.**

**Aside from establishing performance benchmarks and providing reimbursements through the MCO Vaccine Incentive Program, MDH should discuss whether it is implementing the strategies listed above to encourage Medicaid recipients to get the COVID-19 vaccine and provide the vaccination targets set for MCOs under the incentive program. The department should also provide:**

- **the latest data available for vaccination rates among all Medicaid recipients statewide;**
- **vaccination rates among HealthChoice participants by MCO, including how that data compares to MDH's performance thresholds that it set under the MCO Vaccine Incentive program; and**
- **the latest estimates for fiscal 2021 and 2022 year-to-date federal funding that will be claimed through the 100% FMAP for COVID-19 vaccine costs, including whether these costs are recognized in the fiscal 2023 budget plan. (pg 14-15)**

## **MDH Response:**

### ***MDH Activities***

MDH's COVID-19 Medicaid vaccine outreach efforts have been recognized nationally and Maryland has been asked to brief other states by the U.S. Centers for Medicare and Medicaid Services (CMS).

MDH has engaged in all of the activities outlined above, including weekly meetings with the MCOs to strategize on COVID-19 response activities, including vaccinations, since early 2020. These meetings include weekly monitoring of data trends and vaccination rates by the MCOs. The MCOs are active partners with the Maryland National Guard's Vaccine Equity Task Force to host vaccine clinics in identified communities of need.

Further, in partnership with the MCOs, MDH has engaged in a variety of outreach activities to engage members and providers via text, email, mail, phone, social media, IVR media campaigns and provider-level outreach. This messaging emphasized the importance of testing and vaccinations. Different campaigns have focused on a variety of audiences over the course of the pandemic response—including general membership, individuals who are most at risk for severe infection due to underlying illness/co-morbidities, members newly eligible for vaccination, and members in geographic target areas.

MDH initiated a partnership, that continues today, with the MCOs to establish a series of vaccine clinics targeted to the top 50 ZIP codes with the highest rates of unvaccinated MCO members by volume. As part of this initiative, at least two clinics have been established in each of the top 50 ZIP codes. Clinic sites were identified with input from the communities served. To date, 142 clinic sites have been identified with plans to host 256 clinics. Clinics are held at varying hours, including weekends and evenings, to maximize vaccine accessibility.

As of February 28, 2022, 119 clinics have been completed and 137 are scheduled. Outreach to advertise these clinics is done by the MD GO VAX Call Center using contact lists of unvaccinated Medicaid participants provided by the Medicaid Program and are also advertised through social media. Additionally, the MCOs advertise the clinics to their members and providers to amplify MDH's social media campaigns through their own social media networks. Further targeting is being completed in the top 3 ZIP codes to schedule additional clinics. The MCOs also host their own clinics and maintain a centralized list of upcoming clinics being hosted by all nine MCOs for their members.

Further, MDH has worked in partnership with the MCOs to develop a Physician Support for COVID-19 Packet project designed to help providers better engage with patients as they discuss COVID-19 vaccination, treatments, and related issues, such as preventative and primary care needs impacted by the pandemic. This packet also provides physicians with the opportunity to earn up to 4.5 free Continuing Medical Education (CME) credits.

Effective January 1, 2022, Maryland Medicaid began reimbursing physicians, nurse

practitioners, and physician assistants for preventive medicine counseling and/or risk factor reduction intervention(s) that are provided to an individual, up to 15 minutes, for counseling related to the benefits of receiving the COVID-19 vaccination. This service is eligible for reimbursement when rendered in-person or via HIPAA-compliant telehealth delivery models. Federally Qualified Health Centers (FQHCs), Local Health Departments (LHDs) and Rural Health Centers (RHCs) may be reimbursed for this service if rendered by a qualified provider. This benefit is available to Medicaid participants 20 years of age and under through the last day of the first quarter, beginning one year after the end of the COVID-19 public health emergency. Parents or guardians of Medicaid children, ages 5 through 20 years, may be counseled on the child's behalf regarding the benefit of their child receiving the COVID-19 vaccination.

### ***Current Vaccination Data***

The FDA granted emergency use authorization (EUA) for use of the Pfizer vaccine in the pediatric population on December 11, 2021. Data referenced in the DLS report from November included only individuals 12+ years of age. For purposes of the discussion below, an individual is considered fully vaccinated if they have received at least two doses of Moderna and/or Pfizer or a single dose of the Johnson & Johnson vaccine.

The data presented below addresses vaccination rates for the HealthChoice participants as of February 25, 2022:

- For participants 5 and older (n = 1,273,173), 49.4% of individuals have received at least one vaccination dose.
  - 30.4% are fully vaccinated (387,408)
  - 13.3% are fully vaccinated *and* have received a booster dose (169,730)
  - 5.7% have received an initial dose of vaccine (72,124)
  - 50.6% are unvaccinated (643,911)
- For participants 12 and older (n = 1,015,600), 55.4% of individuals have received at least one vaccination dose.
  - 33.1% are fully vaccinated (336,415)
  - 16.7% are fully vaccinated *and* have received a booster dose (169,579)
  - 5.6% have received an initial dose of vaccine (57,149)
  - 44.6% are unvaccinated (452,457)

The data presented below addresses vaccination rates for Medicaid FFS participants:

- For participants 5 and older (n = 218,100), 72.6% of individuals have received at least one vaccination dose (158,180)
  - 28.6% are fully vaccinated (62,351)
  - 39% are fully vaccinated *and* have received a booster dose (85,206)
  - 4.9% have received an initial dose of vaccine (10,623)
  - 27.5% are unvaccinated (59,920)

### ***Federal Funding***

\$19,527 was actually claimed for COVID-19 vaccine costs at 100% FMAP in FY2021. The amount claimed through December 31, 2021 for FY2022 is \$34,723. An additional \$6,924

through February 2022 will be claimed on the March 31, 2022 submission. The Department estimates another \$13,126 will be claimed through June 2022 bringing FY2022 estimated total to \$54,773. These costs are not specifically recognized in the fiscal 2023 budget plan because it is an extremely small portion of Medicaid's overall federal budget.

**DLS recommends deleting the proposed fiscal 2022 deficiencies under Medicaid and MCHP for the 5.2% HCBS rate increase as funds were already appropriated through an approved budget amendment. (pg. 17)**

**MDH Response:** The Department respectfully does not agree with this recommendation. While the descriptions for the deficiencies and budget amendment state their purpose is for the HCBS rate increases, there are two related items supported by these actions:

1. Federal funds needed to account for the 10% enhanced match, estimated to be \$78 million; and
2. Additional costs resulting from implementation of the 5.2% HCBS rates increases, estimated to be \$37 million.

Deleting these federal funds could lead to under-budgeting federal funds in the Medicaid budget.

**Considering the additional \$12.6 million and personnel support for the Community Options Waiver Program, which is budgeted under the CFC program, DLS recommends adopting narrative requesting that MDH submit quarterly reports on Community Options Waiver and CFC program financial and registry data. (pg. 18)**

**MDH Response:** The Department concurs.

**MDH should:**

- clarify its spending plan for the 5.2% HCBS rate increase by fiscal year, including the funding levels currently reflected in the fiscal 2022 working appropriation and fiscal 2023 allowance; and
- provide an update on whether any decisions have been made on the use of the remaining 25% of funds attributable to the HCBS eFMAP and a timeline by fiscal year for spending these funds.

**DLS recommends adding language restricting funds for administrative purposes under the Office of the Deputy Secretary for Health Care Financing until MDH submits a report on accounting for HCBS waiver expansion spending. (pg. 18)**

**MDH Response:**

The Department respectfully does not agree with this recommendation. Our CMS spending plan is public and regularly updated; it can be found here:

<https://health.maryland.gov/mmcp/Pages/Public-Notices.aspx>.

[Update on the 25% remaining funds](#)

DDA - The Department intends to award provider grants with its remaining 25% reinvestment dollars.

Behavioral Health - The Department has submitted a request to CMS to implement the coverage of peer support specialists for individuals with a substance use disorder, as described in our February 1, 2022 spending plan update. The estimates to cover this service through March 31, 2024 will use up all the remaining reinvestment dollars.

Long-Term Care - CMS provided feedback to the Department recently that it would not be able to use APRA monies to fill home and community-based services slots until all its approved slots have been filled. MDH is currently approved for 6,348 slots under the Community Options program. Through December 2021, MDH has filled 4,456. We are exploring alternative reinvestment options.

**MDH should provide an update on how much of the \$15 million in operating grants has been distributed, the status of any delays or processing difficulties slowing the disbursement of funds, and any solutions or strategies that have been implemented to correct invoice processing and grant management issues. (pg. 19)**

**MDH Response:** As of February 25, 2022, notice of grant awards were released to Adult Medical Daycare providers which will require signature and return to MDH. Once the Department receives the signed grant contracts, it will begin processing and releasing the grant monies.

**DLS recommends adopting committee narrative that requests a report on MCO risk corridor settlements across calendar 2020 and 2021. (pg. 20)**

**MDH Response:** The Department concurs.

**The department should provide an update on how it plans to distribute the dental services rate increase, specifically discussing whether all dental services will receive a rate increase or if the funding will be targeted to certain services. (pg. 26)**

**MDH Response:** The Department is planning on targeting all covered dental codes in the proposed fee schedule increase.

**MDH should discuss current outreach activities and planned outreach activities following the end of the COVID-19 PHE to inform Medicaid beneficiaries that redetermination and disenrollment will resume on July 1, 2022. DLS recommends that the committees add language restricting funds for the purpose of administration until MDH submits quarterly reports with data and status updates related to the redetermination process. (pg. 31)**

**MDH Response:** The Department respectfully does not agree with this recommendation. At this point any quarterly reports with data and status updates would be inaccurate as individuals' conditions may materially change by the end of the federal PHE. Moreover, the requested

information (pg. 40 of the DLS analysis) is not available to the Department, nor does there exist a technical mechanism to retrieve this requested information.

Maryland has asked CMS to consider national public services announcements helping Americans to understand the upcoming redeterminations. As there is no announced end to the federal COVID-19 PHE, it is difficult to provide accurate information. MDH has been assured that we will receive 60 days notice from the federal government before the end of the Federal Public Health Emergency.

Maryland has been proactive about staying up to date with its redeterminations and has been performing them internally since March 2020; however no person has been disenrolled. There are many beneficiaries who have never been through the redetermination process that may need additional communication to help them understand the reasons for the process and the process itself. The state is considering what state-wide messaging may be appropriate and when to begin that communication.

**MDH should discuss the transition between the PHIP and VBP, particularly in calendar 2021. (pg. 39)**

**MDH Response:** The Population Health Incentive Program (PHIP) is included in the CY 2022 MCO contracts. CY 2021 is still under the old Value-Based Purchasing Program (VBP). Please see our report, [available here](#).

PHIP will reward plans for both reaching certain targets and for improvement. We are eager to implement PHIP for CY 2022.