

DHMH - Public Process for Cost Containment Ideas - Options for FY12

PROP #	THEME	Proposal Description	Time Frame	Concerns	Savings Estimate (Total Funds)	Implementation Date	Guiding Principles			
							Promotes lower-cost community options	Aligns Maryland With Other States	Promotes good public stewardship	Reduces non-medically necessary services
21b	Health IT	Implement Federal EHR incentive program	FY 12	Already doing; savings more long-term	unknown	Fall 2011			x	
15b	Maximize fed. match rates	Ensure program is maximizing federal matching rates	FY 12	May identify functions that could be recategorized in higher federal matching categories	unknown	ongoing			x	
44	Maximize fed. match rates	Transfer eligible children from Title XIX to CHIP	FY 12	Requires CARES programming to recover an additional 15% in enhanced federal match	\$750,000	4/1/12			x	
12	Rebalancing LTC	Nursing facilities should have a bed hold longer than 15 days; allow categorical eligible Medicaid enrollees to apply simultaneously to institutional eligibility and HCBS waivers	FY 12	First recommendation is not a cost containment initiative; Requires some coordination with CARES process	\$1.2 M	1/1/12	x			
31	Rebalancing LTC	Allow categorically eligible Medicaid enrollees to apply simultaneously to institutional eligibility and HCBS waivers	FY 12	Requires some coordination with CARES process	Same as #12	1/1/12	x			
37	Rebalancing LTC	Reduce paid days in Nursing facility bedhold policy	FY 12	Access to the facility could be delayed or denied if facility 100 percent occupied	\$2.3 M	1/1/12			x	x
69	Reduce pharmacy costs	Since federal government is phasing out the "donut hole" there may be pharmacy savings for kidney disease program	FY 12	Difficult to analyze savings; Medicaid will receive the savings without having to make system changes	unknown					
84	Reducing eligibility levels	Capping enrollment for the Primary Adult Care Program	FY 12	federal maintenance of effort does not apply to PAC. Negatively impacts recent efforts to improve access to substance abuse services; Individuals would lose coverage	\$5.8 M	1/1/12				
55c	Reimbursement	Decrease reimbursement rates for durable medical equipment and supplies	FY 12	More consistent with rates paid by neighboring states	\$1 M	1/1/12		x		
38	Reimbursement	Reduce reimbursement rates for DME, DMS, and oxygen	FY 12	More consistent with rates paid by neighboring states	\$1 M	1/1/12		x		
73b	Reimbursement	Forgo additional claims under the Smith v. Colmers lawsuit	FY 12	All parties need to agree and Courts need to approve	\$2 M	court approval			x	
73c	Reimbursement	Eliminate the communicable disease care reimbursement category	FY 12	There is evidence to suggest the add-on is not justified.	\$5 M	1/1/12			x	
10	Service limits	Make changes to medical day care program - cut funding; charge copays; and conduct inspections	FY 12	Cuts to medical day care reduce a low cost community option for enrollees; Consider more support in senior activities in LTC rebalancing workgroup; Could reduce community infrastructure	\$15 M	1/1/12				
28	Service limits	Make changes to medical day care program - cut funding; charge copays; conduct inspections; Support more non-profit organizations to provide senior activities	FY 12	Cuts to medical day care reduce a low cost community option for enrollees; Consider more support in senior activities in LTC rebalancing workgroup; Could reduce community infrastructure	Same as #10	1/1/12				
71c	Service limits	Reduce medical day care to 3 days per week	FY 12	Cuts to medical day care reduce a low cost community option for enrollees; Consider more support in senior activities in LTC rebalancing workgroup; Could reduce community infrastructure	\$9.8 M	1/1/12				
82d	Service limits	Examine current benefit structure and determine whether adjustments in coverage can be made without negatively impacting quality of care	FY 12	Options for FY 12 consider benefit changes (see other service limit suggestions)	\$0	long term				
42	Service limits	Do not pay for elective (not medically necessary) cesarean deliveries	FY 12	Most deliveries are paid for by MCOs - Need to further analyze potential savings	\$0	long term				x
35	Service limits	Tighten criteria for orthodontia program	FY 12	Criteria would be more consistent with other state Medicaid programs	\$1 M	1/1/12		x		
32	Service limits	Place limits on non-ER outpatient hospital visits; The limit is on hospital facility visits not physician visits (physicians bill separately from the hospital)	FY 12	Hospitals would not know when enrollees reach the visit limit. Unpaid visits would be built into hospital rates as uncompensated care which would be paid by payers	\$45 M	1/1/12	x			x
33	Service limits	Eliminate the podiatry program	FY 12	Medically necessary services would shift to other providers, e.g., providers	\$344,000	1/1/12				