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## Maryland Health Law Legislative Preview

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**In light of the changes in the State Legislature, what can Maryland health care providers reasonably expect in the next legislative session? Here are some likely scenarios:**

- *An attempt will be made to clarify the application of the formula used to pay non-contracting providers. Efforts are underway to craft legislation to tie some publicly maintained database to the "contracted rate".*
- *Look for legislation on "cram down" contracting. This type of contracting involves a requirement that a participating provider on a panel for a carrier accept all products from that carrier. A bill may be introduced to make this practice illegal.*
- *Many providers are concerned over the practice of carriers paying patients directly for covered services received from a non-contracting provider. Legislation may be introduced to require such payments be "assigned" to the treating health care provider.*
- *The Maryland form of consent for HIV testing may be revised to eliminate the "unique patient identifier" presently used in Maryland which allows HIV tested patients to remain anonymous.*
- *Also, look for regulation from the Maryland Insurance Administration that would allow the form used by the Council for Affordable Quality Healthcare to become a permissible one for purposes of credentialing providers. The Maryland form may remain an acceptable alternative.*
- *The issue of "network adequacy" or requiring carriers to have a sufficient number of providers in any given specialty or subspecialty in a geographic area may be addressed in legislation.*
- *A push may be made to increase reimbursement to providers, perhaps through a mechanism similar to the one in place under the Health Services Cost Review Commission for facilities.*
- *There may be some "incremental" medical malpractice reform in the form of a stronger Certificate of Merit requirement for misadventure cases. Also, the idea of "Health Courts" may gain some traction.*

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### The Maryland General Assembly convenes on January 10th.

*Mr. Tralins volunteers as Chairperson of the Maryland Medical Group Management Association's Government Relations Committee and Co-chairs the Legislation Committee of the Health Law Section of the Maryland State Bar Association.*

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# The Tax Relief & Health Care Improvement Act of 2006 (H.R. 6111)

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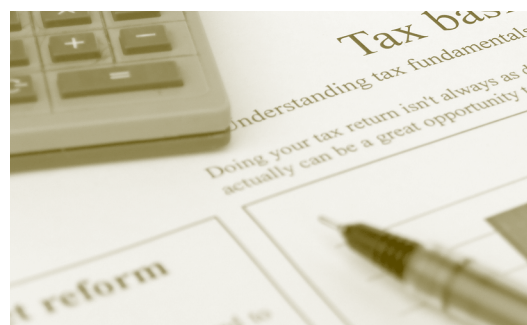
**The Tax Relief and Health Care Improvement Act of 2006 (H.R. 6111) is a wide-ranging measure which recently was approved by Congress and sent to the President for signature that contains significant Medicare provisions. Here are some of the key provisions that affect health care providers rendering services to Medicare beneficiaries:**

- *Elimination of Fee Schedule Reduction.* The Bill eliminates the Jan. 1, 2007 scheduled Five Percent (5%) cut in the Medicare Physician Fee Schedule - instead mandating a one-year freeze of the current Medicare conversion factor used to calculate payments from Medicare.
- *PVRP Bonus.* The Bill provides a 1.5% bonus for physicians choosing to participate in the Physician Voluntary Reporting Program that begins July 2007, a measure designed to encourage improvement in the efficiency and quality of services rendered to patients. Physicians are requested to report measures taken from a list provided by the Centers for Medicare and Medicaid Services (CMS) in different treatment contexts which will then be evaluated by the government to see what measures taken work for the patients in different treatment contexts (and what do not work).
- *Preservation of Geographic Adjustment.* Also provided is an extension of the geographic adjustment for physician services, effectively paying more to physicians who render services to Medicare patients in geographic areas in which those services are scarce.
- *Extension of Therapy Cap Exceptions.* Another extension applies to the therapy cap exceptions. Therapy services are capped at an annual per-patient level of \$1,780 for speech-language pathology and physical therapy combined. There is a separate cap of \$1,780 for occupational therapy. However, there are exceptions to these caps that allow Medicare beneficiaries in need of medically-necessary services above the caps to receive those services.
- *Increase for Dialysis Payments.* Payments for dialysis treatment are to increase 1.6%.
- *Lab Services Technical Component.* Finally, independent laboratory billing for the technical component of medical services is to be continued.

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For more information, please call **Tom Pedroni** at **410-938-8707** or [tpedroni@hupk.com](mailto:tpedroni@hupk.com).



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