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**MEMORANDUM**

To: Chief Financial Officers

From: Katie Wunderlich – Executive Director

Date: July 28, 2020

Re: Corridor Expansion and GBR Compliance

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The purpose of this memorandum is to provide information related to temporary corridor expansion and GBR compliance during the COVID-19 pandemic.

All previously authorized unit rate corridor expansions for FY2020 will be temporarily extended for facilities that recorded a FY2020 undercharge, net CARES Act/Federal Grants received in FY2020. The temporarily expanded corridors may continue until one of the following conditions are met:

- 1.) The FY2020 undercharge is recovered, net CARES Act/Federal Grants Received; or
- 2.) September 30<sup>th</sup>, 2020.

Facilities that receive their FY2021 rate orders may continue to charge expanded corridors on their FY2021 rates provided the preceding conditions have not been met. The Commission will continue to evaluate corridors weekly as FY2021 rate orders are issued and the final undercharge carryover is calculated. Please note, that FY2021 rate orders do not have a midyear GBR target.

Facilities will not be assessed a GBR overcharge penalty for FY2020 for GBR overcharges that occurred as a result of CARES Act/Federal Grants received in FY2020.

If you have any questions, you may contact Jerry Schmith at [jerry.schmith@maryland.gov](mailto:jerry.schmith@maryland.gov) or Joe Delenick [joe.delenick@maryland.gov](mailto:joe.delenick@maryland.gov)