

To: Chief Financial Officers – All Hospitals

From: Claudine Williams, Principal Deputy Director,
Healthcare Data Management and Integrity

Date: December 19, 2024

Re: Suspension of Telehealth Regulations and Expiration of
COVID-19 Related Pricing (COMAR 10.37.10.07-1)

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The purpose of this memorandum is to inform hospitals about the upcoming expiration of the Telehealth Regulations and the special COVID-19 pricing rules (COMAR 10.37.10.07-1).

Background

On January 31, 2022, the Federal Omnibus Budget Bill extended the federal telehealth flexibilities through December 31, 2024. In addition, the President announced that the federal Public Health Emergency will be extended until May 11, 2023.

In a memorandum dated April 27, 2023, the Health Services Cost Review Commission (HSCRC) extended the effective date of the Telehealth regulations (COMAR 10.37.10.07-1) through December 31, 2024, in recognition of the further extension of the federal telehealth flexibilities.

The principal provision of this regulation is that it requires that either the patient or the provider be at the hospital when the service is rendered for the service to be considered “at the hospital” and thereby rate regulated.

Mandated temporary tiered rates and temporary prices for COVID- 19 tests, vaccines, and therapies, were also extended until January 1st of the year following the year in which the Emergency Use Authorizations (EUAs) for COVID-19 tests, drugs, and biologicals end (January 1, 2025). EUAs are issued by the Federal Drug Administration to facilitate the availability and use of medical countermeasures needed during public health emergencies.

Current Status of Regulation

Currently, HSCRC Telehealth regulations (COMAR 10.37.10.07-1) and other COVID-19 related temporary approvals (described above), are set to expire on December 31, 2024, and January 1,

2025, respectively.

Upon expiration of the HSCRC Telehealth regulations implemented during the COVID-19 public health emergency, effective January 1, 2025, hospitals must transition to billing for hospital services based on Commission-approved rates determined by relative value units (RVUs) as outlined in Appendix D of the Accounting and Budget Manual. Unlisted procedures will be categorized as By Report (BR) and have RVUs assigned based on similar services. Hospitals must have a documented methodology for each BR code, readily available for audit purposes.

HSCRC is aware that the latest Congressional Continuing Resolution (CR) includes provisions to extend the federal telehealth programs for 2 years. **HSCRC will reassess the impending expiration of the HSCRC Telehealth regulations (COMAR 10.37.10.07-1) and other COVID-19 related temporary approvals if Congress approves the extension of the federal telehealth program.**

Please review these policy changes and adjust your operational procedures accordingly to ensure compliance with the revised billing structure effective January 1, 2025.

For further information or clarification, please contact William Hoff at William.hoff@maryland.gov.