
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 421 Session of
2024

INTRODUCED BY BOROWSKI, KHAN, HANBIDGE, PROBST, VENKAT, HOWARD,
SANCHEZ, CURRY, DONAHUE, D. WILLIAMS, O'MARA, SHUSTERMAN,
STEELE, KENYATTA, ROZZI, WEBSTER, MUNROE, KINKEAD, MAYES,
GIRAL, SMITH-WADE-EL AND FREEMAN, MAY 3, 2024

REFERRED TO COMMITTEE ON HUMAN SERVICES, MAY 3, 2024

A RESOLUTION

1 Directing the Joint State Government Commission to conduct a
2 study on maternal-health-related medical assistance payments
3 to hospitals and health care providers and make
4 recommendations to increase payment rates to hospitals and
5 health care providers, including fee-for-service and managed
6 care payment rates.

7 WHEREAS, Residents of this Commonwealth deserve the highest
8 quality of health care regardless of health insurance policies;
9 and

10 WHEREAS, Approximately 3.4 million residents in this
11 Commonwealth are covered by medical assistance; and

12 WHEREAS, Payment rates to each hospital under medical
13 assistance are important components of each hospital's ability
14 to sustain specific services and remain financially viable; and

15 WHEREAS, Each hospital and health care provider receives
16 medical assistance support through base payments for each
17 service and through supplemental payments to ensure that each
18 hospital is paid at a rate that is greater than each hospital's
19 charge of service; and

1 WHEREAS, A hospital may appeal a rate because the negotiated
2 rate is insufficient for providing the level of care that
3 patients deserve and receive; and

4 WHEREAS, For medical assistance to support needy residents in
5 this Commonwealth, medical assistance must provide rates that
6 attract hospitals and providers to enroll; and

7 WHEREAS, In this Commonwealth, 24.2% of counties do not have
8 full access to maternity care and nearly 200,000 residents in
9 need of maternity care live in these counties; and

10 WHEREAS, In this Commonwealth, 7.6% of counties do not have a
11 hospital or birth center offering obstetric care; and

12 WHEREAS, The maternal mortality rate for this Commonwealth
13 from 2015 to 2019 was 10.9 per 100,000 live births; and

14 WHEREAS, The current structure of medical assistance that
15 utilizes managed care organizations to make payments for care
16 lacks transparency; therefore be it

17 RESOLVED, That the House of Representatives direct the Joint
18 State Government Commission to conduct a study on maternal-
19 health-related medical assistance payments to hospitals and
20 health care providers and make recommendations to increase
21 payment rates to hospitals and health care providers, including
22 fee-for-service and managed care payment rates; and be it
23 further

24 RESOLVED, That the study contain, at a minimum, the following
25 information:

26 (1) A review and analysis of maternal-health-related
27 medical assistance payments to hospitals and health care
28 providers, including physicians and nurse practitioners, for
29 both inpatient hospitals and health care practitioners in
30 inpatient settings, including all of the following:

1 (i) The factors and variables taken into
2 consideration when determining the payment rates for each
3 hospital and health care provider for fee schedule rates
4 and the rates for All Patients Refined Diagnosis Related
5 Group.

6 (ii) The process that managed care organizations use
7 for rate setting and rate appeals.

8 (iii) The Commonwealth-directed payments that
9 managed care organizations are obligated to fulfill.

10 (iv) The impact of disproportionate share hospital
11 and supplemental payments on how enrolled hospital and
12 health care provider payments are determined.

13 (v) The way fee-for-services and managed care
14 payment structures account for inflation and increasing
15 prices.

16 (2) An analysis of payment shortages to hospitals and
17 health care providers for maternal-health-related services to
18 medical assistance enrollees across this Commonwealth.

19 (3) An analysis of the potential for hospitals and
20 health care providers to not participate in medical
21 assistance.

22 (4) An analysis of the impact on patient access to care
23 and the impact of Medicaid rates on commercial rates set by
24 hospitals and health care providers.

25 (5) A review of recently closed maternal-health-related
26 services locations in this Commonwealth and the proportion of
27 patients who are recipients of the services and who are also
28 enrolled in medical assistance.

29 (6) A review of maternal-health-related Medicaid payment
30 rates in other states, including fee-for-service, managed

1 care, Maryland Total Cost of Care Model, Centers for Medicare
2 and Medicaid Services All-Payer Health Equity Approaches and
3 Development Model, which identifies best practices in
4 providing Medicaid payments that provide hospitals with
5 competitive funding.

6 (7) Regulatory and legislative recommendations, as
7 appropriate, on the means to revise maternal-health-related
8 payment rates or payment methodologies to enrolled hospitals
9 and health care providers, including changes to the way
10 managed care organizations set maternal-health-related
11 payment rates and evaluate rate appeals;

12 and be it further

13 RESOLVED, That the Joint State Government Commission issue a
14 report with its findings and recommendations no later than 18
15 months after the adoption of this resolution to all of the
16 following:

17 (1) The President pro tempore of the Senate.

18 (2) The Speaker of the House of Representatives.

19 (3) The Majority Leader and the Minority Leader of the
20 Senate.

21 (4) The Majority Leader and the Minority Leader of the
22 House of Representatives.

23 (5) The chair and minority chair of the Appropriations
24 Committee of the Senate.

25 (6) The chair and minority chair of the Appropriations
26 Committee of the House of Representatives.

27 (7) The chair and minority chair of the Health and Human
28 Services Committee of the Senate.

29 (8) The chair and minority chair of the Health Committee
30 of the House of Representatives.

1 (9) The chair and minority chair of the Human Services
2 Committee of the House of Representatives.