



*Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary*

**Subject:** Public Notice for Durable Medical Equipment (DME) and Durable Medical Supply (DMS) rates

**Add'l info:** The Maryland Department of Health (the Department) is amending the State Plan to include language to clarify the specific Medicare rate used to set the Maryland rate for Medicare-covered Durable Medical Equipment (DME) and Durable Medical Supplies (DMS).

The Medicare program sets rates at least annually based on a fee schedule that includes rural and non-rural rates and through its competitive bidding process for certain areas within the State. Maryland Medicaid's fee-for-service DME/DMS program establishes its rates at a percentage of the Medicare fee schedule or competitive bidding area rates for equipment and supplies covered by Medicare.

The proposed effective date for this amendment is July 1, 2023. The reimbursement rate for Medicare-covered DME and DMS will be set at 85 percent of the lowest rural, non-rural, or competitive bidding area (CBA) Medicare rate established for Maryland as set on January 1st of each calendar year; that rate will remain in effect the entire calendar year.

The fiscal impact is indeterminate as the Medicare fee schedule and rates for the competitive bidding process have not been set for July 1, 2023. The percentage of the Medicare rate at which Maryland Medicaid reimburses will remain 85 percent.

For questions about the notice please contact John Pelton by email at [john.pelton@maryland.gov](mailto:john.pelton@maryland.gov).

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