

matching at Maryland's applicable federal matching rate for Title XIX for those eligible services under Title XIX. If as a result of fee schedules, items of cost or profit factors various costs of services or portions of services are declared ineligible, by the United States Department of Health, Education and Welfare or any other interested federal agency having jurisdiction over federal reimbursement for services, for federal matching funds, under Title XIX, then the fee schedules, items of cost or profit factors appropriated herein will be immediately modified to conform to the federal requirements in order to receive federal matching funds. Any modification of fee schedules, items of cost or profit factors for services provided to those federal matched categories of recipients will be applicable also to categories of recipients not matched by federal funds. Notwithstanding any language to the contrary, the modifications in fee schedules, items of cost or profit factors shall be made immediately upon notification of the United States Department of Health, Education and Welfare's objection resulting in the intention to eliminate all or a portion of federal reimbursement. All fee schedules, items of cost or profit factors not established by the General Assembly in the appropriation shall have approval of the Governor prior to implementation. Nothing in this section requires reimbursement to the State of Maryland by vendors because of past payments based upon allowable fee schedules, items of cost or profit factors established by the General Assembly for actual services rendered prior to the effective date of notification of any modification in the fee schedules, items of cost or profit factors. Payments under the Medical Assistance Program will be adjusted immediately upon establishment of modified fee schedules, items of cost or profit factors for those services not previously reimbursed irrespective of the date the services were rendered, provided, however, that the payment will be made based upon the lesser of the modified fee schedules, items of