BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 182 (First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike "and Weir" and substitute "<u>Weir, K. Kelly, Barve,</u> <u>Brown, Busch, Donoghue, Eckardt, Fulton, Gordon, Harrison, Hill, Kach, J. Kelly, Kirk, Krysiak, La</u> <u>Vay, Love, McClenahan, McHale, Minnick, Mitchell, Moe, Pendergrass, and Walkup</u>"; in line 5, after "circumstances;" insert "<u>prohibiting certain health insurance carriers from imposing a certain</u> <u>requirement;</u>"; in line 6, strike "primary"; in line 11, strike "or certain prescription drugs or devices"; in line 12, after "decision" insert "<u>under certain circumstances</u>"; in line 16, after "insurance;" insert "<u>providing for the funding of certain activities of the Maryland Insurance Administration;</u>"; strike beginning with "requiring" in line 17 down through "cancer;" in line 21; strike beginning with "providing" in line 21 down through the first "Act;" in line 22; and after line 28, insert:

"BY repealing and reenacting, with amendments,

Article - Insurance Section 2-112.2(b), 2-112.3, and 15-10A-09(b) Annotated Code of Maryland (1997 Volume and 1998 Supplement)".

On page 2, in line 6, after "15-829," insert "<u>and</u>"; in the same line, strike ", and 15-831"; and strike in their entirety lines 9 through 13, inclusive.

AMENDMENT NO. 2

On page 2, after line 20, insert:

"<u>2-112.2.</u>

(b) The Commissioner shall:

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(1) collect a health care regulatory assessment from each carrier for the costs attributable to the implementation of § 2-303.1 OF THIS TITLE AND Title 15, Subtitles 10A, 10B, and 10C of this article; and

(2) deposit the amounts collected under paragraph (1) of this subsection into the Health Care Regulatory Fund established in § 2-112.3 of this subtitle.

2-112.3.

(a) In this section, "Fund" means the Health Care Regulatory Fund.

(b) There is a Health Care Regulatory Fund.

(c) The purpose of the Fund is to pay all costs and expenses incurred by the Administration related to the implementation of § 2-303.1 OF THIS TITLE AND Title 15, Subtitles 10A, 10B, and 10C of this article.

(d) The Fund shall consist of:

(1) all revenue deposited into the Fund that is received through the imposition and collection of the health care regulatory assessment under § 2-112.2 of this subtitle; and

(2) income from investments that the State Treasurer makes for the Fund.

(e) (1) Expenditures from the Fund to cover the costs and expenses for the implementation of § 2-303.1 OF THIS TITLE AND Title 15, Subtitles 10A, 10B, and 10C of this article may only be made:

(i) with an appropriation from the Fund approved by the General Assembly in the annual State budget; or

(ii) by the budget amendment procedure provided for in § 7-209 of the State Finance and Procurement Article.

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(2) (i) If, in any given fiscal year, the amount of the health care regulatory assessment revenue collected by the Commissioner and deposited into the Fund exceeds the actual expenditures incurred by the Administration for the implementation of § 2-303.1 OF THIS TITLE AND Title 15, Subtitles 10A, 10B, and 10C of this article, the excess amount shall be carried forward within the Fund for the purpose of reducing the assessment imposed by the Administration for the following fiscal year.

(ii) If, in any given fiscal year, the amount of the health care regulatory assessment revenue collected by the Commissioner and deposited into the Fund is insufficient to cover the actual expenditures incurred by the Administration to implement § 2-303.1 OF THIS TITLE AND Title 15, Subtitles 10A, 10B, and 10C of this article because of an unforeseen emergency and expenditures are made in accordance with the budget amendment procedure provided for in § 7-209 of the State Finance and Procurement Article, an additional health care regulatory assessment may be made.

(f) (1) The State Treasurer is the custodian of the Fund.

(2) The Fund shall be invested and reinvested in the same manner as State funds.

(3) The State Treasurer shall deposit payments received from the Commissioner into the Fund.

(g) (1) The Fund is a continuing, nonlapsing fund and is not subject to § 7-302 of the State Finance and Procurement Article, and may not be deemed a part of the General Fund of the State.

- (2) No part of the Fund may revert or be credited to:
 - (i) the General Fund of the State; or
 - (ii) <u>a special fund of the State, unless otherwise provided by law.</u>".

On page 3, after line 27, insert:

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"(C) IMPLEMENTATION OF THIS SECTION BY THE ADMINISTRATION SHALL BE FUNDED THROUGH THE HEALTH CARE REGULATORY FUND ESTABLISHED UNDER § 2-112.3 OF THIS TITLE.".

AMENDMENT NO. 3

On page 3, in line 19, strike "AND"; after line 19, insert:

"(<u>5</u>) <u>THE DEPARTMENT OF AGING; AND</u>"; and in line 20, strike "(5)" and substitute "(<u>6</u>)".

On page 4, in line 13, strike "OR"; after line 13, insert:

"(IV) <u>A DENTAL PLAN ORGANIZATION; OR</u>"; and in line 14, strike "(IV)" and substitute "(<u>V</u>)".

AMENDMENT NO. 4

On page 4, strike beginning with ""SPECIALIST"" in line 23 down through "PROVIDER." in line 24 and substitute:

""SPECIALIST" MEANS AN INDIVIDUAL WHO:

(I) IS LICENSED, CERTIFIED, OR OTHERWISE AUTHORIZED UNDER THE HEALTH OCCUPATIONS ARTICLE TO PROVIDE HEALTH CARE IN THE ORDINARY COURSE OF BUSINESS OR PRACTICE OF A PROFESSION; AND

(II) IS NOT A PRIMARY CARE PHYSICIAN."; and in line 31, strike "PROVIDER" and substitute "PHYSICIAN".

On page 5, in lines 12 and 20, in each instance, strike "PROVIDER" and substitute "PHYSICIAN".

On page 6, in lines 14 and 18, in each instance, strike "PROVIDER" and substitute "PHYSICIAN".

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AMENDMENT NO. 5

On page 5, strike beginning with "THAT" in line 10 down through "WITH:" in line 11 and substitute "<u>FOR A COVERED SERVICE DEVELOPED BY:</u>"; and after line 21, insert:

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"(5) THE PROCEDURE BY WHICH A MEMBER MAY RECEIVE A STANDING REFERRAL TO A SPECIALIST MAY NOT INCLUDE A REQUIREMENT THAT A MEMBER SEE A PROVIDER IN ADDITION TO THE PRIMARY CARE PHYSICIAN BEFORE THE STANDING REFERRAL IS GRANTED.".

AMENDMENT NO. 6

On page 5, in line 24, strike "THE PRIMARY" and substitute "<u>A</u>"; in line 24, after "COORDINATOR" insert "<u>FOR THE TREATMENT OF A SPECIFIC DISEASE OR</u> <u>CONDITION</u>"; in line 27, strike "PRIMARY"; and in line 27, after "FOR" insert "<u>THE</u> <u>TREATMENT OF A SPECIFIC DISEASE OR CONDITION OF</u>".

On page 6, strike beginning with the first "THE" in line 1 down through "AND" in line 5 and substitute "<u>THE CARRIER, THE PRIMARY CARE PHYSICIAN, AND THE SPECIALIST</u> <u>DETERMINE THAT THE MEMBER'S CARE WOULD MOST APPROPRIATELY BE</u> <u>COORDINATED BY A SPECIALIST FOR THE SPECIFIC DISEASE OR CONDITION; AND</u>"; in line 10, strike "PRIMARY"; and in line 13, strike "THAT IS APPROVED BY THE CARRIER IN CONSULTATION WITH:" and substitute "<u>FOR A COVERED SERVICE DEVELOPED BY:</u>".

AMENDMENT NO. 7

On page 6, in line 27, strike "SAME"; in the same line, strike "AS THE"; in line 28, strike "SPECIALIST FROM WHOM THE MEMBER SEEKS TREATMENT;" and substitute "<u>TO</u> <u>TREAT THE CONDITION OR DISEASE; AND</u>"; and strike beginning with the first "THE" in line 29 down through "(IV)" in line 31.

AMENDMENT NO. 8

On page 7, strike in their entirety lines 1 through 4, inclusive, and substitute:

"(E) A DECISION BY A CARRIER NOT TO PROVIDE ACCESS TO OR COVERAGE

(Over)

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OF TREATMENT BY A SPECIALIST IN ACCORDANCE WITH THIS SECTION CONSTITUTES AN ADVERSE DECISION AS DEFINED UNDER SUBTITLE 10A OF THIS TITLE IF THE DECISION IS BASED ON A FINDING THAT THE PROPOSED SERVICE IS NOT MEDICALLY NECESSARY, APPROPRIATE, OR EFFICIENT.".

AMENDMENT NO. 9

On page 7, after line 9, insert:

"(2) <u>"AUTHORIZED PRESCRIBER" HAS THE MEANING STATED IN</u> <u>§ 12-101 OF THE HEALTH OCCUPATIONS ARTICLE.</u>"; in lines 10 and 12, strike "(2)" and "(3)", respectively, and substitute "(3)" and "(4)", respectively; in line 13, after "BENEFITS" insert "FOR PRESCRIPTION DRUGS OR DEVICES"; and in line 33, strike "PHYSICIAN WHO IS CARING FOR THE MEMBER" and substitute "AUTHORIZED PRESCRIBER".

On pages 7 and 8, strike beginning with "(I)" in line 34 on page 7 through "(II)" in line 1 on page 8.

On page 8, in line 2, after "FORMULARY;" insert "<u>OR</u>"; strike beginning with "THE" in line 3 down through "(3)" in line 5; and strike in their entirety lines 11 through 17, inclusive.

AMENDMENT NO. 10

On page 2, in line 18, strike ", 15-830, AND 15-831" and substitute "AND 15-830".

On pages 8 and 9, strike in their entirety the lines beginning with line 27 on page 8 through line 34 on page 9, inclusive.

On page 9, in line 35, strike "SECTION 3." and substitute "SECTION 2.".

On page 10, in line 3, strike "SECTION 4." and substitute "<u>SECTION 3.</u>"; and strike beginning with "Section" in line 4 down through "effect." in line 6.

AMENDMENT NO. 11

On pages 9 and 10, strike beginning with "new" in line 36 on page 9 through "2000" in line 2 on page 10 and substitute "policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after July 1, 1999. Any policy or health benefit plan in effect before July 1, 1999,

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shall comply with the provisions of this Act no later than July 1, 2000".