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By: **Senators Conway and McFadden**  
Introduced and read first time: March 6, 2006  
Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Care Commission - Racial Variations Data -**  
3 **Nondiscrimination in Health Insurance**

4 FOR the purpose of requiring the Maryland Health Care Commission to include  
5 certain racial variations in certain systems to evaluate the quality of care  
6 outcomes and performance measurements of certain health maintenance  
7 organization benefit plans, nursing facilities, and hospitals and ambulatory  
8 surgical facilities; prohibiting the use of certain racial variations information to  
9 deny or otherwise affect a health insurance policy or contract; and generally  
10 relating to the collection and use of racial variations data.

11 BY repealing and reenacting, with amendments,  
12 Article - Health - General  
13 Section 19-134(c) through (e)  
14 Annotated Code of Maryland  
15 (2005 Replacement Volume and 2005 Supplement)

16 BY adding to  
17 Article - Insurance  
18 Section 27-914  
19 Annotated Code of Maryland  
20 (2002 Replacement Volume and 2005 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article - Health - General**

24 19-134.

25 (c) (1) The Commission shall:

26 (i) Establish and implement a system to comparatively evaluate  
27 the quality of care outcomes and performance measurements of health maintenance  
28 organization benefit plans and services on an objective basis; and

1 (ii) Annually publish the summary findings of the evaluation.

2 (2) The purpose of a comparable performance measurement system  
3 established under this subsection is to assist health maintenance organization benefit  
4 plans to improve the quality of care provided by establishing a common set of  
5 performance measurements and disseminating the findings of the performance  
6 measurements to health maintenance organizations and interested parties.

7 (3) The system, where appropriate, shall:

8 (I) [solicit] SOLICIT performance information from enrollees of  
9 health maintenance organizations; AND

10 (II) TO THE EXTENT FEASIBLE, INCORPORATE INFORMATION ON  
11 RACIAL VARIATIONS.

12 (4) (i) The Commission shall adopt regulations to establish the system  
13 of evaluation provided under this subsection.

14 (ii) Before adopting regulations to implement an evaluation system  
15 under this subsection, the Commission shall consider any recommendations of the  
16 quality of care subcommittee of the Group Health Association of America and the  
17 National Committee for Quality Assurance.

18 (5) The Commission may contract with a private, nonprofit entity to  
19 implement the system required under this subsection provided that the entity is not  
20 an insurer.

21 (6) The annual evaluation summary required under paragraph (1) of this  
22 subsection shall:

23 (i) Include a summary of the Drug Formulary Accreditation  
24 Standards of the National Committee for Quality Assurance (NCQA); [and]

25 (ii) Indicate whether the formulary development process of each  
26 health maintenance organization evaluated complies with the National Committee  
27 for Quality Assurance (NCQA) accreditation standards; AND

28 (III) INCLUDE TO THE EXTENT FEASIBLE INFORMATION ON RACIAL  
29 VARIATIONS.

30 (d) (1) The Commission, in consultation with the Department of Health and  
31 Mental Hygiene and the Department of Aging, shall:

32 (i) On or before July 1, 2001, develop and implement a system to  
33 comparatively evaluate the quality of care and performance of nursing facilities on an  
34 objective basis; and

35 (ii) Annually publish the summary findings of the evaluation.

1                   (2)   (i)    The purpose of the comparative evaluation system established  
2 under this subsection is to improve the quality of care provided by nursing facilities  
3 by establishing a common set of performance measures and disseminating the  
4 findings of the comparative evaluation to nursing facilities, consumers, and other  
5 interested parties.

6                   (ii)   In developing the comparative evaluation system, the  
7 Commission shall consider the health status of the population served.

8                   (3)   (I)   The system, as appropriate, shall solicit performance  
9 information from consumers and their families.

10                   (II)   THE SYSTEM SHALL INCORPORATE INFORMATION ON RACIAL  
11 VARIATIONS.

12                   (4)   The Commission may adopt regulations to establish the comparative  
13 evaluation system provided under this subsection.

14   (e)   (1)   The Commission may:

15                   (i)    On or before July 1, 2001, develop and implement a system to  
16 comparatively evaluate the quality of care outcomes and performance measurements  
17 of hospitals and ambulatory surgical facilities on an objective basis; and

18                   (ii)   Annually publish the summary findings of the evaluation.

19                   (2)   (i)    The purpose of a comparable performance measurement system  
20 established under this subsection is to improve the quality of care provided by  
21 hospitals and ambulatory surgical facilities by establishing a common set of  
22 performance measurements and disseminating the findings of the performance  
23 measurements to hospitals, ambulatory surgical facilities, consumers, and interested  
24 parties.

25                   (ii)   In developing the performance measurement system, the  
26 Commission shall consider the geographic location, urban or rural orientation, and  
27 teaching or nonteaching status of the hospital and the ambulatory surgical facilities,  
28 and the health status of the population served.

29                   (3)   (I)   The system, where appropriate, shall solicit performance  
30 information from consumers.

31                   (II)   THE SYSTEM SHALL INCORPORATE INFORMATION ON RACIAL  
32 VARIATIONS.

33                   (4)   (i)    The Commission may adopt regulations to establish the system  
34 of evaluation provided under this subsection.

35                   (ii)   Before adopting regulations to implement an evaluation system  
36 under this subsection, the Commission shall:

