

SENATE BILL 207

J1
HB 441/06 – HGO & W&M

71r1028
CF 71r0915

By: **Senators Jones, Britt, Conway, Forehand, Frosh, Garagiola, Gladden, Lenett, Madaleno, Muse, Peters, Pinsky, Pugh, Raskin, Robey, Rosapepe, and Zirkin**

Introduced and read first time: January 29, 2007
Assigned to: Finance and Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Healthy Maryland Initiative**

3 FOR the purpose of requiring the Governor to include in the annual State budget bill
4 for certain fiscal years certain appropriations for certain activities aimed at
5 reducing tobacco use in the State; expanding eligibility under the Maryland
6 Medical Assistance Program to certain parents having incomes at or below
7 certain levels, subject to certain limitations; requiring the Secretary of Health
8 and Mental Hygiene to develop and implement a certain education and outreach
9 campaign; requiring that certain funds from a certain special fund be used to
10 subsidize a certain specialty care network; establishing the Healthy Maryland
11 Initiative Fund; establishing the source of money in the Fund; providing that the
12 investment of earnings in the Fund shall be retained to the Fund; specifying the
13 purposes for which the Fund shall be used; requiring certain appropriations from
14 the Fund for certain purposes; requiring that certain moneys from the Fund
15 supplement certain programs; prohibiting certain moneys from supplanting
16 certain programs; altering the distribution of tobacco tax revenues; providing for
17 the distribution of certain tobacco tax revenues to the Healthy Maryland
18 Initiative Fund for certain purposes; altering the tobacco tax rate imposed on
19 cigarettes; altering the tobacco tax rate imposed on certain tobacco products
20 other than cigarettes; establishing a Small Business Health Care Incentive
21 Program in the Department of Business and Economic Development; requiring
22 the Department to administer the Program; establishing certain eligibility
23 requirements for the Program; providing for certain grants to be awarded under
24 the Program; establishing a certain priority for the award of certain grants under

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 the Program; requiring the Secretary of the Department to adopt certain
2 regulations; requiring the Department to report to the Governor and the General
3 Assembly on or before a certain date; providing for the termination of the
4 Program after a certain date; extending the termination provisions relating to
5 the Joint Legislative Task Force on Universal Access to Quality and Affordable
6 Health Care; requiring the Task Force to conduct a certain study; authorizing
7 the Task Force to contract for the completion of the study; requiring the
8 Governor, in a certain fiscal year, to include a certain appropriation for a certain
9 purpose; delaying the due date for the Task Force report; requiring the
10 Department of Health and Mental Hygiene to notify the Centers for Medicare
11 and Medicaid Services for an amendment to the Maryland Medical Assistance
12 Program to expand eligibility for the Maryland Medical Assistance Program;
13 authorizing certain funds to be appropriated and transferred by budget
14 amendment from the Fund in a certain fiscal year; requiring the Department of
15 Health and Mental Hygiene to report to the Governor and certain committees of
16 the General Assembly on or before a certain date; defining certain terms; making
17 certain stylistic changes; providing for the application of this Act; and generally
18 relating to the tobacco tax, the Healthy Maryland Initiative, and the extension
19 and modifications of the Joint Legislative Task Force on Universal Access to
20 Quality and Affordable Health Care.

21 BY repealing and reenacting, with amendments,
22 Article – Health – General
23 Section 13–1015, 15–103(a), and 19–2111
24 Annotated Code of Maryland
25 (2005 Replacement Volume and 2006 Supplement)

26 BY adding to
27 Article – Health – General
28 Section 15–144; and 20–1301 to be under the new subtitle “Subtitle 13. Healthy
29 Maryland Initiative Fund”
30 Annotated Code of Maryland
31 (2005 Replacement Volume and 2006 Supplement)

32 BY repealing and reenacting, without amendments,
33 Article – Tax – General
34 Section 2–1601 and 2–1602
35 Annotated Code of Maryland
36 (2004 Replacement Volume and 2006 Supplement)

37 BY repealing and reenacting, with amendments,
38 Article – Tax – General
39 Section 2–1603 and 12–105

1 Annotated Code of Maryland
2 (2004 Replacement Volume and 2006 Supplement)

3 BY adding to
4 Article – Tax – General
5 Section 2–1604
6 Annotated Code of Maryland
7 (2004 Replacement Volume and 2006 Supplement)

8 BY adding to
9 Article 83A – Department of Business and Economic Development
10 Section 5–2001 through 5–2007 to be under the new subtitle “Subtitle 20. Small
11 Business Health Care Incentive Program”
12 Annotated Code of Maryland
13 (2003 Replacement Volume and 2006 Supplement)

14 BY repealing and reenacting, with amendments,
15 Chapter 280 of the Acts of the General Assembly of 2005, as amended by
16 Chapter 21 of the Acts of the General Assembly of 2006
17 Section 5 and 14

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

20 **Article – Health – General**

21 13–1015.

22 (a) For fiscal year [2007] **2009** and each fiscal year thereafter, the Governor
23 shall include at least [21,000,000] **\$35,000,000** in the annual budget in
24 appropriations for activities aimed at reducing tobacco use in Maryland as
25 recommended by the Centers for Disease Control and Prevention, including:

26 (1) Media campaigns aimed at reducing smoking initiation and
27 encouraging smokers to quit smoking;

28 (2) Media campaigns educating the public about the dangers of
29 secondhand smoke exposure;

30 (3) Enforcement of existing laws banning the sale or distribution of
31 tobacco products to minors;

1 (4) Promotion and implementation of smoking cessation programs;
2 and

3 (5) Implementation of school-based tobacco education programs.

4 (b) For fiscal year [2006] **2008**, the Governor shall include at least
5 **[\$10,000,000] \$21,000,000** in the annual budget in appropriations for the purposes
6 described in subsection (a) of this section.

7 **(c) FOR FISCAL YEAR 2009 AND EACH FISCAL YEAR THEREAFTER, THE**
8 **APPROPRIATIONS REQUIRED UNDER SUBSECTION (A) OF THIS SECTION SHALL**
9 **INCLUDE:**

10 **(1) \$14,000,000 FROM THE HEALTHY MARYLAND INITIATIVE**
11 **FUND ESTABLISHED UNDER § 20-1301 OF THIS ARTICLE; AND**

12 **(2) \$21,000,000 FROM THE CIGARETTE RESTITUTION FUND**
13 **ESTABLISHED UNDER § 7-317 OF THE STATE FINANCE AND PROCUREMENT**
14 **ARTICLE.**

15 15-103.

16 (a) (1) The Secretary shall administer the Maryland Medical Assistance
17 Program.

18 (2) The Program:

19 (i) Subject to the limitations of the State budget, shall provide
20 medical and other health care services for indigent individuals or medically indigent
21 individuals or both;

22 (ii) Shall provide, subject to the limitations of the State budget,
23 comprehensive medical and other health care services for all eligible pregnant women
24 whose family income is at or below 250 [percent] % of the poverty level, as permitted
25 by [the] federal law;

26 (iii) Shall provide, subject to the limitations of the State budget,
27 comprehensive medical and other health care services for all eligible children
28 currently under the age of 1 whose family income falls below 185 [percent] % of the
29 poverty level, as permitted by federal law;

1 (iv) Shall provide, subject to the limitations of the State budget,
2 family planning services to women currently eligible for comprehensive medical care
3 and other health care under item (ii) of this paragraph for 5 years after the second
4 month following the month in which the woman delivers her child;

5 (v) Shall provide, subject to the limitations of the State budget,
6 comprehensive medical and other health care services for all children from the age of 1
7 year up through and including the age of 5 years whose family income falls below 133
8 [percent] % of the poverty level, as permitted by [the] federal law;

9 (vi) Shall provide, subject to the limitations of the State budget,
10 comprehensive medical care and other health care services for all children who are at
11 least 6 years of age but are under 19 years of age whose family income falls below 100
12 [percent] % of the poverty level, as permitted by federal law;

13 (vii) Shall provide, subject to the limitations of the State budget,
14 comprehensive medical care and other health care services for all legal immigrants
15 who meet Program eligibility standards and who arrived in the United States before
16 August 22, 1996, the effective date of the federal Personal Responsibility and Work
17 Opportunity Reconciliation Act, as permitted by federal law;

18 (viii) Shall provide, subject to the limitations of the State budget
19 and any other requirements imposed by the State, comprehensive medical care and
20 other health care services for all legal immigrant children under the age of 18 years
21 and pregnant women who meet Program eligibility standards and who arrived in the
22 United States on or after August 22, 1996, the effective date of the federal Personal
23 Responsibility and Work Opportunity Reconciliation Act;

24 **(IX) SHALL PROVIDE, SUBJECT TO THE LIMITATIONS OF THE**
25 **STATE BUDGET, AND AS ALLOWED BY FEDERAL LAW, COMPREHENSIVE MEDICAL**
26 **CARE AND OTHER HEALTH CARE SERVICES FOR ALL PARENTS:**

27 **1. WHO HAVE A DEPENDENT CHILD LIVING WITH**
28 **THEM; AND**

29 **2. WHOSE ANNUAL HOUSEHOLD INCOME IS:**

30 **A. FOR FISCAL YEAR 2009, AT OR BELOW 75% OF**
31 **THE POVERTY LEVEL, AS PERMITTED BY FEDERAL LAW; OR**

1 **B. FOR FISCAL YEAR 2010 AND EACH FISCAL YEAR**
2 **THEREAFTER, AT OR BELOW 100% OF THE POVERTY LEVEL, AS PERMITTED BY**
3 **FEDERAL LAW;**

4 [(ix)] (X) May include bedside nursing care for eligible Program
5 recipients; and

6 [(x)] (XI) Shall provide services in accordance with funding
7 restrictions included in the annual State budget bill.

8 (3) Subject to restrictions in federal law or waivers, the Department
9 may impose cost-sharing on Program recipients.

10 **15-144.**

11 **THE SECRETARY SHALL DEVELOP AND IMPLEMENT AN EDUCATION AND**
12 **OUTREACH CAMPAIGN FOR ENROLLING INDIVIDUALS ELIGIBLE FOR BUT NOT**
13 **ENROLLED IN THE MARYLAND MEDICAL ASSISTANCE PROGRAM.**

14 19-2111.

15 (a) The Commission, in collaboration with community health resources and
16 local health departments, shall develop a specialty care network for individuals:

17 (1) With family income that does not exceed 200% of the federal
18 poverty level; and

19 (2) Who are referred through a community health resource.

20 (b) The specialty care network shall:

21 (1) Consist of health care practitioners who agree to provide care to
22 individuals referred through a community health resource for a discounted fee
23 established by the Commission; and

24 (2) Include health care practitioners who historically have served the
25 uninsured.

26 (c) Individuals receiving health care through the specialty care network
27 shall pay for specialty care according to a sliding fee scale developed by the
28 Commission.

1 (d) In addition to patient fees, office-based specialty care visits, diagnostic
2 testing, and laboratory tests shall be subsidized by funds provided from:

3 (1) General funds; [and]

4 (2) Money collected from a nonprofit health maintenance organization
5 in accordance with § 6-121(b)(3) of the Insurance Article; AND

6 (3) **THE HEALTHY MARYLAND INITIATIVE FUND AS PROVIDED**
7 **UNDER § 20-1301 OF THIS ARTICLE.**

8 (e) Subject to available funding, the Commission shall provide subsidies to
9 community health resources for office-based specialty care visits, diagnostic testing,
10 and laboratory tests.

11 **SUBTITLE 13. HEALTHY MARYLAND INITIATIVE FUND.**

12 **20-1301.**

13 (A) **IN THIS SUBTITLE, “FUND” MEANS THE HEALTHY MARYLAND**
14 **INITIATIVE FUND.**

15 (B) (1) **THE HEALTHY MARYLAND INITIATIVE FUND IS ESTABLISHED**
16 **TO DEDICATE CERTAIN TOBACCO TAX REVENUES TO PROVIDE HEALTH CARE**
17 **SERVICES AND INCENTIVES AS PROVIDED IN SUBSECTION (C) OF THIS SECTION.**

18 (2) **THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
19 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

20 (3) **THE FUND CONSISTS OF THE TOBACCO TAX REVENUES**
21 **DISTRIBUTED TO THE FUND UNDER § 2-1604 OF THE TAX - GENERAL ARTICLE.**

22 (4) **THE STATE TREASURER SHALL HOLD THE FUND**
23 **SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

24 (5) (I) **THE FUND SHALL BE INVESTED AND REINVESTED IN**
25 **THE SAME MANNER AS OTHER STATE FUNDS.**

26 (II) **ANY INVESTMENT EARNINGS SHALL BE CREDITED TO**
27 **THE FUND.**

1 **(C) THE FUND MAY BE USED ONLY FOR THE FOLLOWING PURPOSES:**

2 **(1) ACTIVITIES AIMED AT REDUCING TOBACCO USE IN**
3 **MARYLAND, AS RECOMMENDED BY THE CENTERS FOR DISEASE CONTROL AND**
4 **PREVENTION;**

5 **(2) THE MARYLAND MEDICAL ASSISTANCE PROGRAM,**
6 **INCLUDING:**

7 **(I) COVERAGE FOR ALL LEGAL IMMIGRANT CHILDREN**
8 **UNDER THE AGE OF 18 YEARS AND PREGNANT WOMEN; AND**

9 **(II) EXPANSION OF MEDICAID ELIGIBILITY FOR PARENTS;**

10 **(3) SUBSTANCE ABUSE TREATMENT AND PREVENTION SERVICES**
11 **FUNDED THROUGH THE ALCOHOL AND DRUG ABUSE ADMINISTRATION,**
12 **INCLUDING:**

13 **(I) EXPANSION OF PREVENTION AND TREATMENT**
14 **CAPACITY; AND**

15 **(II) MAINTENANCE AND STRENGTHENING OF EXISTING**
16 **PREVENTION AND TREATMENT INFRASTRUCTURE;**

17 **(4) THE SPECIALTY CARE NETWORK ESTABLISHED UNDER**
18 **§ 19-2111 OF THIS ARTICLE;**

19 **(5) THE SMALL BUSINESS HEALTH CARE INCENTIVE PROGRAM**
20 **ESTABLISHED UNDER ARTICLE 83A, § 5-2002 OF THE CODE; AND**

21 **(6) THE OFFICE OF MINORITY HEALTH AND HEALTH**
22 **DISPARITIES TO DEVELOP AND IMPLEMENT A STATEWIDE HEALTH DISPARITIES**
23 **REDUCTION PLAN AND GENERALLY TO CARRY OUT THE DUTIES SPECIFIED IN**
24 **SUBTITLE 10 OF THIS TITLE.**

25 **(D) FOR EACH FISCAL YEAR, MONEY IN THE FUND SHALL BE**
26 **APPROPRIATED AS FOLLOWS:**

1 **(1) \$14,000,000 FOR ACTIVITIES AIMED AT REDUCING TOBACCO**
2 **USE IN MARYLAND AS RECOMMENDED BY THE CENTERS FOR DISEASE**
3 **CONTROL AND PREVENTION;**

4 **(2) AT LEAST \$40,000,000 TO EXPAND MEDICAID ELIGIBILITY**
5 **FOR ALL PARENTS:**

6 **(I) WHO HAVE A DEPENDENT CHILD LIVING WITH THEM;**
7 **AND**

8 **(II) WHOSE ANNUAL HOUSEHOLD INCOME IS:**

9 **1. FOR FISCAL YEAR 2009, AT OR BELOW 75% OF**
10 **THE FEDERAL POVERTY LEVEL; OR**

11 **2. FOR FISCAL YEAR 2010 AND EACH FISCAL YEAR**
12 **THEREAFTER, AT OR BELOW 100% OF THE FEDERAL POVERTY LEVEL;**

13 **(3) AT LEAST \$7,000,000 FOR COMPREHENSIVE MEDICAL CARE**
14 **AND OTHER HEALTH CARE SERVICES FOR ALL LEGAL IMMIGRANT CHILDREN**
15 **UNDER THE AGE OF 18 YEARS AND PREGNANT WOMEN WHO MEET MEDICAID**
16 **PROGRAM ELIGIBILITY STANDARDS, WHO ARRIVED IN THE UNITED STATES ON**
17 **OR AFTER AUGUST 22, 1996, AND WHO DO NOT QUALIFY FOR FEDERALLY**
18 **FUNDED MEDICAID COVERAGE OR MARYLAND CHILDREN'S HEALTH PROGRAM**
19 **COVERAGE;**

20 **(4) \$30,000,000 FOR SUBSTANCE ABUSE TREATMENT AND**
21 **PREVENTION SERVICES FUNDED THROUGH THE ALCOHOL AND DRUG ABUSE**
22 **ADMINISTRATION;**

23 **(5) \$10,000,000 FOR THE SPECIALTY CARE NETWORK**
24 **ESTABLISHED UNDER § 19-2111 OF THIS ARTICLE;**

25 **(6) FOR FISCAL YEARS 2009 THROUGH 2011 ONLY, \$15,000,000**
26 **FOR THE SMALL BUSINESS HEALTH CARE INCENTIVE PROGRAM; AND**

27 **(7) FOR THE OFFICE OF MINORITY HEALTH AND HEALTH**
28 **DISPARITIES:**

- 1 (I) \$2,000,000 FOR FISCAL YEAR 2009;
2 (II) \$4,000,000 FOR FISCAL YEAR 2010;
3 (III) \$6,000,000 FOR FISCAL YEAR 2011;
4 (IV) \$8,000,000 FOR FISCAL YEAR 2012; AND
5 (V) \$10,000,000 FOR FISCAL YEAR 2013 AND EACH FISCAL
6 YEAR THEREAFTER.

7 (E) MONEY FROM THE FUND SHALL SUPPLEMENT AND MAY NOT
8 SUPPLANT FUNDING FOR ANY PROGRAM.

9 **Article - Tax - General**

10 2-1601.

11 From the tobacco tax revenue, the Comptroller shall distribute the amount
12 necessary to pay refunds relating to the tobacco tax to a refund account.

13 2-1602.

14 After making the distribution required under § 2-1601 of this subtitle, from the
15 remaining tobacco tax revenue the Comptroller shall distribute the amount necessary
16 to administer the tobacco tax laws to an administrative cost account.

17 2-1603.

18 After making the distributions required under §§ 2-1601 and 2-1602 of this
19 subtitle, **FROM THE REMAINING TOBACCO TAX REVENUE** the Comptroller shall
20 distribute [the remaining tobacco tax revenue] **\$275,000,000** to the General Fund of
21 the State.

22 **2-1604.**

23 **AFTER MAKING THE DISTRIBUTIONS REQUIRED UNDER §§ 2-1601**
24 **THROUGH 2-1603 OF THIS SUBTITLE, THE COMPTROLLER SHALL DISTRIBUTE**
25 **THE REMAINING TOBACCO TAX REVENUE TO THE HEALTHY MARYLAND**
26 **INITIATIVE FUND FOR THE PURPOSES SPECIFIED UNDER § 20-1301 OF THE**
27 **HEALTH - GENERAL ARTICLE.**

1 12-105.

2 (a) The tobacco tax rate for cigarettes is:

3 (1) [50 cents] **\$1** for each package of 10 or fewer cigarettes;

4 (2) [\$1.00] **\$2** for each package of at least 11 and not more than 20
5 cigarettes;

6 (3) [5.0] **10** cents for each cigarette in a package of more than 20
7 cigarettes; and

8 (4) [5.0] **10** cents for each cigarette in a package of free sample
9 cigarettes.

10 (b) The tobacco tax rate for other tobacco products is [15%] **25%** of the
11 wholesale price of the tobacco products.

12 **Article 83A - Department of Business and Economic Development**

13 **SUBTITLE 20. SMALL BUSINESS HEALTH CARE INCENTIVE PROGRAM.**

14 **5-2001.**

15 (A) **IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
16 **INDICATED.**

17 (B) **“PROGRAM” MEANS THE SMALL BUSINESS HEALTH CARE**
18 **INCENTIVE PROGRAM.**

19 (C) **“SMALL EMPLOYER” HAS THE MEANING STATED IN § 15-1201 OF**
20 **THE INSURANCE ARTICLE.**

21 (D) **“STANDARD PLAN” HAS THE MEANING STATED IN § 15-1201 OF THE**
22 **INSURANCE ARTICLE.**

23 **5-2002.**

24 (A) **THERE IS A SMALL BUSINESS HEALTH CARE INCENTIVE PROGRAM**
25 **IN THE DEPARTMENT.**

1 **(B) (1) THE PROGRAM IS INTENDED TO PROVIDE INCENTIVES TO**
2 **SMALL BUSINESSES THAT HAVE NOT RECENTLY OFFERED HEALTH INSURANCE**
3 **TO THEIR EMPLOYEES TO PROVIDE COMPREHENSIVE HEALTH INSURANCE AS**
4 **PART OF AN EMPLOYEE BENEFIT PACKAGE.**

5 **(2) THE PROGRAM SHALL PROVIDE GRANTS TO ELIGIBLE**
6 **EMPLOYERS FOR A PORTION OF THE COST OF PROVIDING THE STANDARD PLAN**
7 **AS PART OF AN EMPLOYEE BENEFIT PACKAGE.**

8 **(C) THE PROGRAM SHALL BE FUNDED BY THE HEALTHY MARYLAND**
9 **INITIATIVE FUND AS PROVIDED IN § 20-1301 OF THE HEALTH - GENERAL**
10 **ARTICLE.**

11 **5-2003.**

12 **(A) THE DEPARTMENT SHALL:**

13 **(1) ADMINISTER THE PROGRAM;**

14 **(2) ESTABLISH APPLICATION PROCEDURES FOR THE PROGRAM;**

15 **AND**

16 **(3) AWARD GRANTS FROM THE PROGRAM.**

17 **(B) THE DEPARTMENT MAY PAY ADMINISTRATIVE COSTS ASSOCIATED**
18 **WITH IMPLEMENTING AND ADMINISTERING THE PROGRAM FROM THE HEALTHY**
19 **MARYLAND INITIATIVE FUND ESTABLISHED UNDER § 20-1301 OF THE HEALTH**
20 **- GENERAL ARTICLE.**

21 **(C) THE SECRETARY SHALL ADOPT REGULATIONS TO CARRY OUT THIS**
22 **SUBTITLE.**

23 **5-2004.**

24 **(A) TO BE ELIGIBLE FOR THE PROGRAM, AN EMPLOYER MUST:**

25 **(1) BE A SMALL EMPLOYER;**

1 **(2) PROVIDE THE STANDARD PLAN TO ITS EMPLOYEES ON OR**
2 **AFTER JULY 1, 2007;**

3 **(3) HAVE NOT PROVIDED THE STANDARD PLAN TO ITS**
4 **EMPLOYEES DURING THE 12-MONTH PERIOD PRECEDING THE DATE OF**
5 **APPLICATION FOR THE STANDARD PLAN OR, IF THE SMALL EMPLOYER HAS**
6 **EXISTED FOR LESS THAN 12 MONTHS, FROM THE DATE THE SMALL EMPLOYER**
7 **COMMENCED ITS BUSINESS; AND**

8 **(4) MEET ANY OTHER REQUIREMENTS DETERMINED BY THE**
9 **DEPARTMENT.**

10 **(B) THE DEPARTMENT SHALL GIVE PRIORITY FOR GRANTS UNDER THE**
11 **PROGRAM TO EMPLOYERS THAT HAVE AN AVERAGE ANNUAL WAGE AMONG ITS**
12 **EMPLOYEES THAT DOES NOT EXCEED 75% OF THE AVERAGE ANNUAL WAGE IN**
13 **THE STATE.**

14 **5-2005.**

15 **A GRANT AWARDED UNDER THE PROGRAM SHALL BE EQUAL TO THE**
16 **LESSER OF:**

17 **(1) 50% OF THE COST TO THE EMPLOYER TO PROVIDE THE**
18 **STANDARD PLAN AS PART OF AN EMPLOYEE BENEFIT PACKAGE, INCLUDING**
19 **THE COST OF PREMIUMS AND ADDITIONAL RIDERS; OR**

20 **(2) \$2,500 PER EMPLOYEE PER YEAR.**

21 **5-2006.**

22 **ON OR BEFORE DECEMBER 1, 2009, THE DEPARTMENT SHALL REPORT TO**
23 **THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT**
24 **ARTICLE, TO THE GENERAL ASSEMBLY, REGARDING THE PROGRAM,**
25 **INCLUDING:**

26 **(1) THE NUMBER OF EMPLOYERS THAT APPLIED FOR GRANTS**
27 **UNDER THE PROGRAM;**

1 (2) **THE NUMBER OF EMPLOYERS THAT WERE ELIGIBLE FOR AND**
2 **RECEIVED GRANTS UNDER THE PROGRAM;**

3 (3) **THE TOTAL AMOUNT OF FUNDS PROVIDED AS GRANTS UNDER**
4 **THE PROGRAM;**

5 (4) **THE AVERAGE GRANT AMOUNT PROVIDED TO ELIGIBLE**
6 **EMPLOYERS;**

7 (5) **THE ADDITIONAL NUMBER OF INDIVIDUALS COVERED BY THE**
8 **STANDARD PLAN AS A RESULT OF THE PROGRAM; AND**

9 (6) **ANY RECOMMENDATIONS FOR MODIFYING, IMPROVING, OR**
10 **EXPANDING THE PROGRAM.**

11 **5-2007.**

12 **THIS SUBTITLE AND THE PROGRAM ESTABLISHED UNDER THIS SUBTITLE**
13 **SHALL TERMINATE AND BE OF NO FURTHER EFFECT AFTER JUNE 30, 2011.**

14 **Chapter 280 of the Acts of 2005, as amended by Chapter 21 of the Acts of 2006**

15 SECTION 5. AND BE IT FURTHER ENACTED, That:

16 (a) There is a Joint Legislative Task Force on Universal Access to Quality
17 and Affordable Health Care.

18 (b) The Task Force is comprised of six members of the General Assembly,
19 who shall be voting members of the Task Force, including:

20 (1) three members of the Senate of Maryland, appointed by the
21 President of the Senate; and

22 (2) three members of the House of Delegates, appointed by the
23 Speaker of the House.

24 (c) The following individuals shall serve as nonvoting members of the Task
25 Force:

26 (1) the Secretary of Health and Mental Hygiene, or the Secretary's
27 designee;

1 (2) the Executive Director of the Maryland Health Care Commission,
2 or the Executive Director's designee; and

3 (3) any additional individuals approved by a majority of the voting
4 members of the Task Force.

5 (d) (1) Of the three members of the Senate, the President of the Senate
6 shall appoint one member to serve as a cochair.

7 (2) Of the three members of the House of Delegates, the Speaker of the
8 House shall appoint one member to serve as a cochair.

9 (e) The Department of Legislative Services shall provide staff for the Task
10 Force.

11 (f) The Task Force shall:

12 (1) study and make recommendations on how to make quality,
13 affordable health care, including primary care, specialty care, hospitalization, and
14 prescription drug coverage, accessible to all citizens of the State; [and]

15 (2) analyze the feasibility and desirability of implementing aspects of
16 the "Dirigo Health" plan, the California employer mandate, or other innovative state
17 health care coverage programs in Maryland; **AND**

18 **(3) CONDUCT AN IN-DEPTH STUDY OF PUBLIC AND PRIVATE**
19 **SECTOR OPTIONS FOR ACHIEVING UNIVERSAL HEALTH CARE COVERAGE FOR**
20 **ALL CITIZENS OF THE STATE.**

21 (g) The Task Force, in conducting the study required under subsection (f) (1)
22 of this section:

23 (1) shall seek input from consumer advocates, health care providers,
24 insurance carriers that write policies in the State, the business community, hospitals,
25 and community clinics; and

26 (2) may appoint subcommittees to conduct more detailed studies of
27 specific subjects within the jurisdiction of the Task Force.

1 **(H) THE TASK FORCE, IN FULFILLING THE REQUIREMENT UNDER**
2 **SUBSECTION (F)(3) OF THIS SECTION MAY CONTRACT WITH AN ENTITY TO**
3 **CONDUCT THE STUDY ON BEHALF OF THE TASK FORCE.**

4 **(I) IN FISCAL YEAR 2009 ONLY, THE GOVERNOR SHALL INCLUDE**
5 **\$1,000,000 IN THE ANNUAL BUDGET IN APPROPRIATIONS FOR THE STUDY**
6 **REQUIRED UNDER SUBSECTION (F)(3) OF THIS SECTION.**

7 **[(h)](J)** The Task Force shall conduct a minimum of four public hearings in
8 different geographic regions of the State to receive citizen input.

9 **[(i)](K)** The Task Force shall report its findings and recommendations to
10 the Governor and, in accordance with § 2-1246 of the State Government Article, to the
11 General Assembly on or before December 31, **[2006] 2008.**

12 SECTION 14. AND BE IT FURTHER ENACTED, That, subject to Section 13 of
13 this Act, this Act shall take effect July 1, 2005. Section 3 of this Act shall remain
14 effective for a period of 5 years and, at the end of June 30, 2010, with no further action
15 required by the General Assembly, Section 3 of this Act shall be abrogated and of no
16 further force and effect. Section 5 of this Act shall remain effective for a period of **[2]4**
17 years and, at the end of June 30, **[2007] 2009**, with no further action required by the
18 General Assembly, Section 5 of this Act shall be abrogated and of no further force and
19 effect.

20 SECTION 2. AND BE IT FURTHER ENACTED, That all cigarettes used,
21 possessed, or held in the State on or after July 1, 2007, by any person for sale or use in
22 the State, shall be subject to the full tobacco tax of \$2 on cigarettes imposed by this
23 Act. This requirement includes: (1) cigarettes in vending machines or other
24 mechanical dispensers; and (2) cigarettes (generally referred to as "floor stock") in
25 packages which already bear stamps issued by the Comptroller under the State
26 Tobacco Tax Act but for an amount less than the full tax imposed of \$1 for each 10
27 cigarettes or fractional part thereof; all cigarettes held for sale by any person in the
28 State on or after July 1, 2007, that bear a stamp issued by the Comptroller of a value
29 less than \$2 for each pack of 20 cigarettes must be stamped with the additional
30 stamps necessary to make the aggregate tax value equal to \$2. The Comptroller may
31 provide an alternative method of collecting the additional tax. The revenue
32 attributable to this requirement shall be remitted to the Comptroller by September 30,
33 2007. Except as provided above, on or after July 1, 2007, no Maryland stamp shall be
34 used except the stamp issued by the Comptroller to evidence the tobacco tax on
35 cigarettes of \$2 imposed by this Act.

1 SECTION 3. AND BE IT FURTHER ENACTED, That the Department of
2 Health and Mental Hygiene shall notify the federal Centers for Medicare and
3 Medicaid Services of an amendment to the State Medicaid Plan that would allow the
4 State to phase in a coverage expansion under the Maryland Medical Assistance
5 Program for all parents with whom a dependent child resides and who have a
6 household income at or below 100% of the federal poverty level as follows:

7 (a) In fiscal year 2009, extend eligibility to each parent with an annual
8 household income at or below 75% of the federal poverty level; and

9 (b) In fiscal year 2010, extend eligibility to each parent with an annual
10 household income at or below 100% of the federal poverty level.

11 SECTION 4. AND BE IT FURTHER ENACTED, That, for fiscal year 2008,
12 funds may be appropriated and transferred by budget amendment from the Healthy
13 Maryland Initiative Fund in the amount and for the purposes specified as follows:

14 (a) \$30,000,000 for substance abuse treatment and prevention services
15 funded through the Alcohol and Drug Abuse Administration;

16 (b) At least \$10,000,000 for the Maryland Medical Assistance Program,
17 including:

18 (1) At least \$7,000,000 for coverage for all legal immigrant children
19 under the age of 18 years and pregnant women; and

20 (2) At least \$3,000,000 to begin expansion of Medicaid eligibility for
21 parents;

22 (c) \$10,000,000 for the specialty care network established under § 19–2111 of
23 the Health – General Article; and

24 (d) \$15,000,000 for the Small Business Health Care Incentive Program
25 established under Article 83A, § 5–2002 of the Code.

26 SECTION 5. AND BE IT FURTHER ENACTED, That the Department of
27 Health and Mental Hygiene shall submit a report to the Governor, the Senate Budget
28 and Taxation Committee, the Senate Finance Committee, the House Health and
29 Government Operations Committee, and the House Ways and Means Committee on or
30 before January 1, 2008, on the implementation of the education and outreach
31 campaign required under Section 1 of this Act. The report shall describe the specific
32 efforts undertaken by the Department to enroll individuals eligible for but not enrolled

1 in the Maryland Medical Assistance Program and quantify the number of individuals
2 newly enrolled in the Program under the campaign.

3 SECTION 6. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 July 1, 2007.