

SENATE BILL 6

C3, J1, Q7

EMERGENCY BILL
ENROLLED BILL

(8lr0262)

—*Finance and Budget and Taxation / Health and Government Operations*—

Introduced by **The President (By Request - Administration)**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Working Families and Small Business Health Coverage Act**

3 FOR the purpose of establishing a Small Employer Health ~~Insurance~~ Benefit Plan
4 Premium Subsidy Program; establishing the purposes, administration,
5 eligibility and other requirements, and funding for the Program; requiring the
6 Maryland Health Care Commission to adopt regulations to establish certain
7 eligibility requirements and certain levels of subsidies under the Program;
8 authorizing the Maryland Health Care Commission to alter certain subsidy
9 amounts; requiring the total amount of certain subsidies to be subject to the
10 limitations of the State budget; providing that certain contributions to health
11 savings accounts shall be considered additional premium contributions for the
12 purpose of calculating certain subsidies under certain circumstances; requiring
13 the Commission to report to the Governor and the General Assembly on the
14 implementation of the Program; requiring the Maryland Medical Assistance
15 Program to provide, subject to certain conditions, certain health care services to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber / conference committee amendments.



1 certain parents with certain income and to certain adults with certain income;
2 repealing certain provisions of law relating to the Primary Adult Care Program;
3 establishing a Health Care Coverage Fund; establishing the sources and uses of
4 the Fund; requiring the Treasurer to invest the money in the Fund in a certain
5 manner; providing that any investment earnings of the Fund shall be retained
6 to the credit of the Fund; requiring expenditures from the Fund to be made only
7 in accordance with the State budget; providing that the Fund is subject to audit
8 by the Office of Legislative Audits; authorizing the State Health Services Cost
9 Review Commission to assess a certain amount in hospital rates; requiring the
10 Commission to determine certain savings in a certain manner; requiring each
11 hospital to remit a certain assessment to the Health Care Coverage Fund;
12 requiring certain carriers to offer a certain benefit; permitting certain carriers
13 to offer a certain benefit; prohibiting a carrier from conditioning the sale of a
14 certain benefit on participation of certain employees in certain programs or
15 activities; requiring a licensed insurance producer to provide certain
16 information to small employers; requiring the Maryland Health Care
17 Commission, on or before a certain date, in consultation with the Department of
18 Health and Mental Hygiene, to propose certain regulations; requiring the
19 Maryland Health Care Commission to adopt certain regulations that specify the
20 requirements of a certain benefit; requiring the Maryland Health Care
21 Commission to comply with certain provisions of law in carrying out its duties;
22 ~~providing~~ declaring the intent of the General Assembly regarding the level of
23 certain benefits; ~~providing~~ declaring the intent of the General Assembly
24 regarding the phasing-in of certain health care services, to the extent that
25 certain revenues as submitted with the Governor's proposed budget exceed
26 certain amounts; requiring the Department of Health and Mental Hygiene to
27 submit an amendment to a certain waiver; requiring the Department of Health
28 and Mental Hygiene to forward a copy of a certain notice to the Department of
29 Legislative Services; requiring a certain individual to be automatically enrolled
30 in a certain managed care organization, under certain circumstances; requiring
31 certain individuals to be assigned to a certain managed care organization;
32 authorizing certain funds to be appropriated and transferred by approved
33 budget amendment; requiring the State Health Services Cost Review
34 Commission and the Department of Health and Mental Hygiene to develop a
35 mechanism to calculate the amount of certain hospital uncompensated care;
36 providing for the termination of a certain hospital rate assessment under
37 certain circumstances; requiring the State to ensure that a certain transfer of
38 funds and a certain hospital rate assessment are consistent with the State's
39 Medicare waiver and federal regulations; declaring the intent of the General
40 Assembly to increase access to certain services; providing for the effective date
41 of certain provisions of this Act; making certain provisions of this Act null and
42 void, under certain circumstances; providing for the termination of certain
43 provisions of this Act; defining certain terms; making this Act an emergency
44 measure; and generally relating to the Working Families and Small Business
45 Health Coverage Act.

46 BY repealing and reenacting, without amendments,

1 Article – Insurance
2 Section ~~15–1201(a) and (d), (d), and (e)~~
3 Annotated Code of Maryland
4 (2006 Replacement Volume and 2007 Supplement)

5 BY adding to
6 Article – Insurance
7 Section 15–1201(s), 15–1204(g), and 15–1206(g); and 15–12A–01 through
8 15–12A–05 to be under the new subtitle “Subtitle 12A. Small Employer
9 Health ~~Insurance~~ Benefit Plan Premium Subsidy Program”
10 Annotated Code of Maryland
11 (2006 Replacement Volume and 2007 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article – Insurance
14 Section 15–1207(a)
15 Annotated Code of Maryland
16 (2006 Replacement Volume and 2007 Supplement)

17 BY repealing and reenacting, with amendments,
18 Article – Health – General
19 Section 15–103(a) and 19–108
20 Annotated Code of Maryland
21 (2005 Replacement Volume and 2007 Supplement)

22 BY repealing
23 Article – Health – General
24 Section 15–103(b)(23)(vii) and 15–140
25 Annotated Code of Maryland
26 (2005 Replacement Volume and 2007 Supplement)

27 BY adding to
28 Article – Health – General
29 Section 15–701 to be under the new subtitle “Subtitle 7. Health Care Coverage
30 Fund”; and 19–214(d)
31 Annotated Code of Maryland
32 (2005 Replacement Volume and 2007 Supplement)

33 BY repealing and reenacting, without amendments,
34 Article – Health – General
35 Section 19–101
36 Annotated Code of Maryland
37 (2005 Replacement Volume and 2007 Supplement)

38 BY repealing and reenacting, with amendments,
39 Article – Health – General
40 Section 19–108

1 Annotated Code of Maryland
 2 (2005 Replacement Volume and 2007 Supplement)
 3 (As enacted by Chapter 287 of the Acts of the General Assembly of 2004)

4 *BY repealing and reenacting, with amendments,*
 5 *Article – Insurance*
 6 *Section 15–1207(a)*
 7 *Annotated Code of Maryland*
 8 *(2006 Replacement Volume and 2007 Supplement)*
 9 *(As enacted by Chapter 287 of the Acts of the General Assembly of 2004)*

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

12 **Article – Insurance**

13 **SUBTITLE 12A. SMALL EMPLOYER HEALTH ~~INSURANCE~~ BENEFIT PLAN**
 14 **PREMIUM SUBSIDY PROGRAM.**

15 **15–12A–01.**

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

18 (B) “COMMISSION” MEANS THE MARYLAND HEALTH CARE
 19 COMMISSION.

20 (C) “DEPARTMENT” MEANS THE DEPARTMENT OF HEALTH AND
 21 MENTAL HYGIENE.

22 (D) “ELIGIBLE EMPLOYEE” HAS THE MEANING STATED IN § 15–1201 OF
 23 THIS TITLE.

24 (E) “HEALTH SAVINGS ACCOUNT” MEANS A HEALTH SAVINGS ACCOUNT
 25 AS DEFINED IN THE MEDICARE PRESCRIPTION DRUG, IMPROVEMENT AND
 26 MODERNIZATION ACT OF 2003, TITLE 12, § 1201(A) AS CODIFIED AT PART VII,
 27 SUBCHAPTER B, CHAPTER 1, § 223(D) OF THE INTERNAL REVENUE CODE.

28 ~~(D)~~ (F) “PROGRAM” MEANS THE SMALL EMPLOYER HEALTH
 29 ~~INSURANCE~~ BENEFIT PLAN PREMIUM SUBSIDY PROGRAM.

30 ~~(E)~~ (G) “SMALL EMPLOYER” HAS THE MEANING STATED IN § 15–1201
 31 OF THIS TITLE.

1 **(H) “SMALL EMPLOYER HEALTH BENEFIT PLAN” MEANS A HEALTH**
2 **BENEFIT PLAN AS DEFINED IN § 15-1201 OF THIS TITLE THAT MAY BE SOLD TO A**
3 **SMALL EMPLOYER UNDER SUBTITLE 12 OF THIS TITLE.**

4 **(I) “WELLNESS BENEFIT” HAS THE MEANING STATED IN § 15-1201 OF**
5 **THIS TITLE.**

6 **15-12A-02.**

7 **(A) THERE IS A SMALL EMPLOYER HEALTH ~~INSURANCE~~ BENEFIT PLAN**
8 **PREMIUM SUBSIDY PROGRAM.**

9 **(B) THE PURPOSES OF THE PROGRAM ARE TO:**

10 **(1) PROVIDE AN INCENTIVE FOR SMALL EMPLOYERS TO OFFER**
11 **AND MAINTAIN ~~HEALTH INSURANCE~~ A SMALL EMPLOYER HEALTH BENEFIT**
12 **PLAN FOR THEIR EMPLOYEES;**

13 **(2) HELP LOW AND MODERATE INCOME EMPLOYEES OF SMALL**
14 **EMPLOYERS AFFORD ~~HEALTH INSURANCE PREMIUM CONTRIBUTIONS~~ SMALL**
15 **EMPLOYER HEALTH BENEFIT PLAN PREMIUMS;**

16 **(3) PROMOTE ACCESS TO HEALTH CARE SERVICES,**
17 **PARTICULARLY PREVENTIVE HEALTH CARE SERVICES THAT MIGHT REDUCE**
18 **THE NEED FOR EMERGENCY ROOM CARE AND OTHER ACUTE CARE SERVICES;**
19 **AND**

20 **(4) REDUCE UNCOMPENSATED CARE IN HOSPITALS AND OTHER**
21 **HEALTH CARE SETTINGS.**

22 **(C) THE COMMISSION, IN CONSULTATION WITH THE DEPARTMENT,**
23 **SHALL ADMINISTER THE PROGRAM.**

24 **(D) THE PROGRAM SHALL CONSIST OF:**

25 **~~(1)~~ SUBSIDIES, AS PROVIDED UNDER § 15-12A-03 OF THIS**
26 **SUBTITLE, FOR:**

27 **~~(1)~~ (1) SMALL EMPLOYERS THAT HAVE NOT PREVIOUSLY**
28 **OFFERED ~~HEALTH INSURANCE~~ A SMALL EMPLOYER HEALTH BENEFIT PLAN TO**
29 **THEIR EMPLOYEES; AND**

1 ~~(H)~~ **(2) EMPLOYEES OF SMALL EMPLOYERS THAT HAVE**
 2 **NOT PREVIOUSLY OFFERED ~~HEALTH INSURANCE~~ A SMALL EMPLOYER HEALTH**
 3 **BENEFIT PLAN TO THEIR EMPLOYEES; AND**

4 ~~(2) SUBSIDIES, AS PROVIDED UNDER § 15-12A-04 OF THIS~~
 5 ~~SUBTITLE, FOR SMALL EMPLOYERS THAT ARE OFFERING HEALTH INSURANCE~~
 6 ~~TO THEIR EMPLOYEES.~~

7 **(E) FUNDING FOR THE PROGRAM MAY BE PROVIDED FROM:**

8 **(1) GENERAL FUNDS; OR**

9 **(2) THE HEALTH CARE COVERAGE FUND ESTABLISHED UNDER**
 10 **TITLE 15, SUBTITLE 7 OF THE HEALTH - GENERAL ARTICLE.**

11 ~~(F) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT FUNDS~~
 12 ~~PROVIDED IN THE STATE BUDGET FOR THE PURPOSES OF THIS SUBSECTION BE~~
 13 ~~ALLOCATED AS FOLLOWS:~~

14 ~~(1) APPROXIMATELY TWO THIRDS OF THE FUNDS FOR THE~~
 15 ~~SUBSIDIES AUTHORIZED UNDER § 15-12A-03 OF THIS SUBTITLE; AND~~

16 ~~(2) APPROXIMATELY ONE THIRD OF THE FUNDS FOR THE~~
 17 ~~SUBSIDIES AUTHORIZED UNDER § 15-12A-04 OF THIS SUBTITLE.~~

18 **(F) THE COMMISSION SHALL ADOPT REGULATIONS TO ESTABLISH:**

19 **(1) THE ELIGIBILITY REQUIREMENTS FOR SMALL EMPLOYERS**
 20 **UNDER THE PROGRAM; AND**

21 **(2) THE LEVEL OF SUBSIDIES TO BE PROVIDED UNDER THE**
 22 **PROGRAM.**

23 **15-12A-03.**

24 **(A) A SMALL EMPLOYER AND THE EMPLOYEES OF THE SMALL**
 25 **EMPLOYER SHALL BE ELIGIBLE FOR A SUBSIDY OF ~~HEALTH INSURANCE~~ SMALL**
 26 **EMPLOYER HEALTH BENEFIT PLAN PREMIUMS IF THE SMALL EMPLOYER:**

27 **(1) AT THE TIME OF INITIAL APPLICATION FOR THE SUBSIDY:**

28 **(I) HAS NOT OFFERED ~~HEALTH INSURANCE~~ A SMALL**
 29 **EMPLOYER HEALTH BENEFIT PLAN TO ITS EMPLOYEES FOR AT LEAST 12**
 30 **CONSECUTIVE MONTHS;**

1 (II) HAS AT LEAST TWO BUT NOT MORE THAN NINE
2 ~~FULL-TIME~~ ELIGIBLE EMPLOYEES; AND

3 (III) MEETS SALARY AND WAGE REQUIREMENTS
4 ESTABLISHED BY THE COMMISSION;

5 (2) OFFERS A SMALL EMPLOYER HEALTH BENEFIT PLAN TO ITS
6 EMPLOYEES;

7 ~~(2)~~ (3) ESTABLISHES A PAYROLL DEDUCTION PLAN ~~THAT~~
8 ~~SATISFIES~~ UNDER § 125 OF THE INTERNAL REVENUE CODE;

9 ~~(3)~~ (4) AGREES TO OFFER A ~~BONA FIDE WELLNESS PROGRAM~~
10 WELLNESS BENEFIT, AS REQUIRED BY THE COMMISSION; AND

11 ~~(4)~~ (5) MEETS ANY OTHER REQUIREMENTS ESTABLISHED BY
12 THE COMMISSION.

13 (B) ~~A SUBSIDY OF HEALTH INSURANCE PREMIUM CONTRIBUTIONS~~
14 ~~MADE BY A SMALL EMPLOYER;~~ PROVIDED TO A SMALL EMPLOYER UNDER THE
15 PROGRAM;

16 (1) SHALL OFFSET A PORTION OF THE SMALL EMPLOYER HEALTH
17 BENEFIT PLAN PREMIUM CONTRIBUTIONS MADE BY A SMALL EMPLOYER;

18 ~~(1)~~ (2) MAY NOT EXCEED THE LOWER OF:

19 (I) 50% OF THE SMALL EMPLOYER CONTRIBUTION; OR

20 (II) AN AMOUNT ESTABLISHED BY THE COMMISSION; AND

21 ~~(2)~~ (3) MAY BE CALCULATED ON A SLIDING SCALE.

22 (C) ~~A SUBSIDY OF HEALTH INSURANCE PREMIUM CONTRIBUTIONS~~
23 ~~MADE BY AN EMPLOYEE OF A SMALL EMPLOYER;~~ PROVIDED TO AN EMPLOYEE
24 OF A SMALL EMPLOYER UNDER THE PROGRAM;

25 (1) SHALL OFFSET A PORTION OF THE SMALL EMPLOYER HEALTH
26 BENEFIT PLAN PREMIUM CONTRIBUTIONS MADE BY AN EMPLOYEE;

27 ~~(1)~~ (2) MAY NOT EXCEED THE LOWER OF:

- 1 (I) 50% OF THE EMPLOYEE CONTRIBUTION; OR
- 2 (II) AN AMOUNT ESTABLISHED BY THE COMMISSION; AND
- 3 ~~(2)~~ (3) MAY BE CALCULATED ON A SLIDING SCALE.

4 (D) THE COMMISSION MAY ALTER THE SUBSIDY AMOUNTS PROVIDED
5 UNDER SUBSECTIONS (B) AND (C) OF THIS SECTION ACCORDING TO THE
6 NUMBER OF EMPLOYEES OF THE SMALL EMPLOYER.

7 (E) THE TOTAL AMOUNT OF ALL SUBSIDIES PROVIDED UNDER THIS
8 SECTION SHALL BE SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET.

9 ~~15-12A-04.~~

10 ~~(A) A SMALL EMPLOYER SHALL BE ELIGIBLE FOR A SUBSIDY OF HEALTH~~
11 ~~INSURANCE PREMIUMS IF THE SMALL EMPLOYER:~~

12 ~~(1) AT THE TIME OF INITIAL APPLICATION FOR THE SUBSIDY;~~

13 ~~(I) IS CURRENTLY OFFERING HEALTH INSURANCE TO ITS~~
14 ~~EMPLOYEES;~~

15 ~~(II) HAS AT LEAST TWO BUT NOT MORE THAN NINE~~
16 ~~FULL TIME EMPLOYEES, AS DETERMINED BY THE COMMISSION IN~~
17 ~~REGULATION; AND~~

18 ~~(III) MEETS SALARY AND WAGE REQUIREMENTS~~
19 ~~ESTABLISHED BY THE COMMISSION;~~

20 ~~(2) ESTABLISHES A PAYROLL DEDUCTION PLAN THAT SATISFIES §~~
21 ~~125 OF THE INTERNAL REVENUE CODE;~~

22 ~~(3) AGREES TO OFFER A BONA FIDE WELLNESS PROGRAM, AS~~
23 ~~REQUIRED BY THE COMMISSION; AND~~

24 ~~(4) MEETS ANY OTHER REQUIREMENTS ESTABLISHED BY THE~~
25 ~~COMMISSION.~~

26 ~~(B) A SUBSIDY OF HEALTH INSURANCE PREMIUM CONTRIBUTIONS~~
27 ~~MADE BY A SMALL EMPLOYER:~~

28 ~~(1) MAY NOT EXCEED THE LOWER OF:~~

1 ~~(I) 50% OF THE SMALL EMPLOYER CONTRIBUTION; OR~~

2 ~~(II) AN AMOUNT ESTABLISHED BY THE COMMISSION; AND~~

3 ~~(2) MAY BE CALCULATED ON A SLIDING SCALE.~~

4 ~~(C) THE COMMISSION MAY ALTER THE SUBSIDY AMOUNT PROVIDED~~
5 ~~UNDER SUBSECTION (B) OF THIS SECTION ACCORDING TO THE NUMBER OF~~
6 ~~EMPLOYEES OF THE SMALL EMPLOYER.~~

7 ~~(D) THE TOTAL AMOUNT OF ALL SUBSIDIES PROVIDED UNDER THIS~~
8 ~~SECTION SHALL BE SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET.~~

9 15-12A-04.

10 (A) A SMALL EMPLOYER THAT PROVIDES A SMALL EMPLOYER HEALTH
11 BENEFIT PLAN THAT IS COMPATIBLE WITH A HEALTH SAVINGS ACCOUNT MAY BE
12 ELIGIBLE FOR A SUBSIDY UNDER THE PROGRAM IF:

13 (1) THE HEALTH BENEFIT PLAN IS OFFERED WITH A WELLNESS
14 BENEFIT; AND

15 (2) THE SMALL EMPLOYER MEETS THE ELIGIBILITY
16 REQUIREMENTS UNDER § 15-12A-03 OF THIS SUBTITLE.

17 (B) FOR THE PURPOSE OF CALCULATING THE SUBSIDY FOR A SMALL
18 EMPLOYER UNDER § 15-12A-03 OF THIS SUBTITLE, THE COMMISSION SHALL
19 CONSIDER AMOUNTS CONTRIBUTED TO THE HEALTH SAVINGS ACCOUNT BY A
20 SMALL EMPLOYER THAT IS ELIGIBLE FOR A SUBSIDY AS ADDITIONAL PREMIUM
21 CONTRIBUTIONS.

22 (C) FOR THE PURPOSE OF CALCULATING THE SUBSIDY FOR AN
23 EMPLOYEE OF A SMALL EMPLOYER UNDER § 15-12A-03 OF THIS SUBTITLE, THE
24 COMMISSION SHALL CONSIDER AMOUNTS CONTRIBUTED TO THE HEALTH
25 SAVINGS ACCOUNT BY AN EMPLOYEE OF A SMALL EMPLOYER THAT IS ELIGIBLE
26 FOR A SUBSIDY AS ADDITIONAL PREMIUM CONTRIBUTIONS.

27 15-12A-05.

28 ON OR BEFORE JANUARY 1, 2009, AND ANNUALLY THEREAFTER, THE
29 COMMISSION SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH §
30 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON
31 THE IMPLEMENTATION OF THE PROGRAM.

Article - Health - General

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

15-103.

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

(2) The Program:

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

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

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

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

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

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

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

(viii) Shall provide, subject to the limitations of the State budget and any other requirements imposed by the State, comprehensive medical care and

1 other health care services for all legal immigrant children under the age of 18 years
2 and pregnant women who meet Program eligibility standards and who arrived in the
3 United States on or after August 22, 1996, the effective date of the federal Personal
4 Responsibility and Work Opportunity Reconciliation Act;

5 **(IX) BEGINNING ON JULY 1, 2008, SHALL PROVIDE,**
6 **SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET, AND AS PERMITTED BY**
7 **FEDERAL LAW, COMPREHENSIVE MEDICAL CARE AND OTHER HEALTH CARE**
8 **SERVICES FOR ALL PARENTS AND CARETAKER RELATIVES:**

9 **1. WHO HAVE A DEPENDENT CHILD LIVING IN THE**
10 **PARENTS' OR CARETAKER RELATIVES' HOME; AND**

11 **2. WHOSE ANNUAL HOUSEHOLD INCOME IS AT OR**
12 **BELOW 116 PERCENT OF THE POVERTY LEVEL;**

13 **(X) BEGINNING ON JULY 1, 2008, SHALL PROVIDE,**
14 **SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET, AND AS PERMITTED BY**
15 **FEDERAL LAW, MEDICAL CARE AND OTHER HEALTH CARE SERVICES FOR**
16 **ADULTS:**

17 **1. WHO DO NOT MEET REQUIREMENTS, SUCH AS**
18 **AGE, DISABILITY, OR PARENT OR CARETAKER RELATIVE OF A DEPENDENT**
19 **CHILD, FOR A FEDERAL CATEGORY OF ELIGIBILITY FOR MEDICAID;**

20 **2. WHOSE ANNUAL HOUSEHOLD INCOME IS AT OR**
21 **BELOW 116 PERCENT OF THE POVERTY LEVEL; AND**

22 **3. WHO ARE NOT ENROLLED IN THE FEDERAL**
23 **MEDICARE PROGRAM, AS ENACTED BY TITLE XVIII OF THE SOCIAL SECURITY**
24 **ACT;**

25 ~~[(ix)]~~ **(XI)** May include bedside nursing care for eligible Program
26 recipients; and

27 ~~[(x)]~~ **(XII)** Shall provide services in accordance with funding
28 restrictions included in the annual State budget bill.

29 **(3)** Subject to restrictions in federal law or waivers, the Department
30 may:

31 **(I)** ~~[impose]~~ **IMPOSE** cost-sharing on Program recipients; **AND**

32 **(II)** **FOR ADULTS WHO DO NOT MEET REQUIREMENTS FOR A**
33 **FEDERAL CATEGORY OF ELIGIBILITY FOR MEDICAID:**

1 **1. CAP ENROLLMENT; AND**

2 **2. LIMIT THE BENEFIT PACKAGE.**

3 (b) (23) [(vii) An individual who was enrolled in the Primary Adult Care
4 Program established under § 15–140 of this subtitle within 120 days of becoming
5 eligible for the HealthChoice Program shall be enrolled automatically in the same
6 managed care organization in which the individual was enrolled under the Primary
7 Adult Care Program, if the managed care organization is participating in the
8 HealthChoice Program.]

9 [15–140.

10 (a) In this section, “Program” means the Primary Adult Care Program.

11 (b) (1) There is a Primary Adult Care Program within the Program.

12 (2) The purpose of the Primary Adult Care Program is to:

13 (i) Consolidate health care services provided to adults through
14 the Program; and

15 (ii) Access federal funding to expand primary and preventive
16 care to adults lacking health care services.

17 (3) The Secretary shall administer the Program as allowed by federal
18 law or waiver.

19 (c) Subject to the limitations of the State budget and as allowed by federal
20 law or waiver, the Program shall provide a health care benefit package offering
21 primary and preventive care for adults.

22 (d) The Program shall be funded:

23 (1) As provided in the State budget; and

24 (2) With federal matching money.

25 (e) The Secretary shall adopt regulations:

26 (1) To implement the Program; and

27 (2) That establish a process through which historic HealthChoice
28 Program enrollees who become eligible for the Primary Adult Care Program within
29 120 days of losing HealthChoice eligibility will be enrolled automatically with the

1 same managed care organization in which the individual was enrolled under the
2 HealthChoice Program, if the managed care organization is participating in the
3 Primary Adult Care Program.]

4 **SUBTITLE 7. HEALTH CARE COVERAGE FUND.**

5 **15-701.**

6 (A) **IN THIS SUBTITLE, "FUND" MEANS THE HEALTH CARE COVERAGE**
7 **FUND.**

8 (B) **THERE IS A HEALTH CARE COVERAGE FUND.**

9 (C) **THE PURPOSE OF THE FUND IS TO:**

10 (1) **SUPPORT HEALTH CARE COVERAGE FOR INDIVIDUALS AND**
11 **FAMILIES WITH LOW OR MODERATE INCOME; AND**

12 (2) **SUBJECT TO SUBSECTION (1) OF THIS SECTION, SUPPORT THE**
13 **PROVISION OF HEALTH CARE SERVICES IN PRINCE GEORGE'S COUNTY.**

14 (D) **THE DEPARTMENT AND THE MARYLAND HEALTH CARE**
15 **COMMISSION SHALL ADMINISTER THE FUND.**

16 (E) (1) **THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
17 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

18 (2) **THE TREASURER SHALL HOLD THE FUND SEPARATELY, AND**
19 **THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

20 (F) **THE FUND CONSISTS OF:**

21 (1) **MONEYS TRANSFERRED FROM THE MARYLAND HEALTH**
22 **INSURANCE PLAN FUND;**

23 (2) **MONEYS COLLECTED FROM ANY ASSESSMENT BY THE STATE**
24 **HEALTH SERVICES COST REVIEW COMMISSION ON HOSPITALS UNDER §**
25 **19-214(D) OF THIS ARTICLE;**

26 (3) **ANY MONEYS MADE AVAILABLE FROM INVESTMENT**
27 **EARNINGS; AND**

28 (4) **ANY OTHER MONEYS FROM ANY OTHER SOURCE ACCEPTED**
29 **FOR THE BENEFIT OF THE FUND.**

1 (G) (1) THE FUND SHALL BE INVESTED AND REINVESTED IN THE
2 SAME MANNER AS OTHER STATE FUNDS.

3 (2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE
4 FUND.

5 (H) THE FUND MAY BE USED ONLY FOR EXPENSES ASSOCIATED WITH:

6 (1) EXPANDING MEDICAID ELIGIBILITY FOR PARENTS AND
7 CARETAKER RELATIVES:

8 (I) WHO HAVE A DEPENDENT CHILD LIVING WITH THEM;
9 AND

10 (II) WHOSE ANNUAL HOUSEHOLD INCOME IS AT OR BELOW
11 116% OF THE FEDERAL POVERTY GUIDELINES;

12 (2) EXPANDING MEDICAID ELIGIBILITY AND BENEFITS FOR
13 INDIVIDUALS:

14 (I) WHO DO NOT MEET REQUIREMENTS, SUCH AS AGE,
15 DISABILITY, OR PARENT OR CARETAKER RELATIVE OF A DEPENDENT CHILD,
16 FOR A FEDERAL CATEGORY OF ELIGIBILITY FOR MEDICAID;

17 (II) WHOSE ANNUAL HOUSEHOLD INCOME IS AT OR BELOW
18 116% OF THE FEDERAL POVERTY GUIDELINES; AND

19 (III) WHO ARE NOT ENROLLED IN THE FEDERAL MEDICARE
20 PROGRAM, AS ENACTED BY TITLE XVIII OF THE SOCIAL SECURITY ACT; ~~AND~~

21 (3) PROVIDING AND ADMINISTERING HEALTH ~~INSURANCE~~
22 BENEFIT PLAN PREMIUM SUBSIDIES UNDER TITLE 15, SUBTITLE 12A OF THE
23 INSURANCE ARTICLE; AND

24 (4) SUPPORTING THE PROVISION OF HEALTH CARE SERVICES IN
25 PRINCE GEORGE'S COUNTY IN ACCORDANCE WITH SUBSECTION (I) OF THIS
26 SECTION.

27 (I) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IN FISCAL
28 YEARS 2011 THROUGH 2013, UP TO \$10,000,000 MAY BE TRANSFERRED
29 ANNUALLY FROM THE FUND TO THE DEPARTMENT FOR THE PURPOSE OF
30 PROVIDING A SPECIAL FUND OPERATING GRANT TO AN INDEPENDENT ENTITY
31 WITH AUTHORITY OVER THE FACILITIES CURRENTLY OPERATED AND HEALTH

1 CARE SERVICES CURRENTLY PROVIDED BY DIMENSIONS HEALTHCARE SYSTEM
2 UNTIL THE FACILITIES AND OBLIGATION TO PROVIDE THE SERVICES ARE
3 TRANSFERRED TO A NEW OWNER OR OPERATOR.

4 (2) THE DEPARTMENT MAY NOT PROVIDE A SPECIAL FUND
5 OPERATING GRANT UNTIL A LONG-TERM, COMPREHENSIVE SOLUTION TO THE
6 CONTROL AND OPERATION OF THE FACILITIES AND PROVISION OF HEALTH
7 CARE SERVICES CURRENTLY OPERATED AND PROVIDED BY DIMENSIONS
8 HEALTHCARE SYSTEM IS REACHED THROUGH:

9 (I) AN ACT OF THE GENERAL ASSEMBLY; OR

10 (II) A MEMORANDUM OF UNDERSTANDING BETWEEN THE
11 STATE AND PRINCE GEORGE'S COUNTY.

12 (3) THE LONG-TERM, COMPREHENSIVE SOLUTION UNDER
13 PARAGRAPH (2) OF THIS SUBSECTION SHALL ADDRESS ISSUES RELATED TO
14 HEALTH CARE NEEDS IN PRINCE GEORGE'S COUNTY AND THE SURROUNDING
15 REGION, INCLUDING:

16 (I) THE TRANSFER TO A NEW OWNER OR OPERATOR OF THE
17 FACILITIES CURRENTLY OPERATED AND THE OBLIGATION TO PROVIDE THE
18 HEALTH CARE SERVICES CURRENTLY PROVIDED BY DIMENSIONS HEALTHCARE
19 SYSTEM;

20 (II) A PLAN FOR THE ASSETS CURRENTLY HELD BY PRINCE
21 GEORGE'S COUNTY RELATED TO THE FACILITIES CURRENTLY OPERATED BY
22 DIMENSIONS HEALTHCARE SYSTEM;

23 (III) A MECHANISM TO PROVIDE A STEADY REVENUE STREAM
24 TO HELP SUPPORT ONGOING OPERATIONS OF THE FACILITIES CURRENTLY
25 OPERATED BY DIMENSIONS HEALTHCARE SYSTEM AND TO RETIRE THE LONG-
26 TERM BOND INDEBTEDNESS AND SATISFY THE UNFUNDED PENSION LIABILITY
27 OF DIMENSIONS HEALTHCARE SYSTEM; AND

28 (IV) A MECHANISM TO ASSURE EQUITABLE AND
29 SUSTAINABLE FUNDING FROM PRINCE GEORGE'S COUNTY AND THE STATE.

30 (4) MONEYS TRANSFERRED FROM THE MARYLAND HEALTH
31 INSURANCE PLAN FUND OR COLLECTED FROM AN ASSESSMENT BY THE STATE
32 HEALTH SERVICES COST REVIEW COMMISSION ON HOSPITALS MAY NOT BE
33 USED FOR THE PURPOSE OF THIS SUBSECTION.

1 ~~(J)~~ (J) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN
2 ACCORDANCE WITH THE STATE BUDGET.

3 ~~(K)~~ (K) MONEY FROM THE FUND SHALL SUPPLEMENT AND MAY NOT
4 SUPPLANT FUNDING FOR THE MARYLAND MEDICAL ASSISTANCE PROGRAM.

5 ~~(L)~~ (L) THE FUND IS SUBJECT TO AUDIT BY THE OFFICE OF
6 LEGISLATIVE AUDITS.

7 19-214.

8 (D) (1) ON OR AFTER JULY 1, 2009, IF THE EXPANSION OF HEALTH
9 CARE COVERAGE UNDER CHAPTER ~~(S.B. / H.B.) (S.LR0262)~~ (S.B. 6/H.B.
10 6) OF THE ACTS OF THE GENERAL ASSEMBLY OF THE 2007 SPECIAL SESSION
11 REDUCES HOSPITAL UNCOMPENSATED CARE, THE COMMISSION:

12 ~~(I) MAY ASSESS AN AMOUNT IN HOSPITAL RATES EQUAL TO~~
13 ~~A PORTION OF THE RESULTING SAVINGS REALIZED IN HOSPITAL~~
14 ~~UNCOMPENSATED CARE; AND~~

15 ~~(II) SHALL ADJUST RATES TO RETURN SAVINGS TO PAYORS.~~

16 ~~(2) THE COMMISSION SHALL DETERMINE THE SAVINGS IN~~
17 ~~AVERTED UNCOMPENSATED CARE FOR EACH HOSPITAL INDIVIDUALLY.~~

18 (I) SHALL DETERMINE THE SAVINGS REALIZED IN
19 AVERTED UNCOMPENSATED CARE FOR EACH HOSPITAL INDIVIDUALLY; AND

20 (II) MAY ASSESS AN AMOUNT IN EACH HOSPITAL'S RATES
21 EQUAL TO A PORTION OF THE SAVINGS REALIZED IN AVERTED
22 UNCOMPENSATED CARE FOR THAT HOSPITAL.

23 (2) THE COMMISSION SHALL ENSURE THAT ANY SAVINGS
24 REALIZED IN AVERTED UNCOMPENSATED CARE NOT SUBJECT TO THE
25 ASSESSMENT UNDER PARAGRAPH (1) OF THIS SUBSECTION BE SHARED AMONG
26 PURCHASERS OF HOSPITAL SERVICES IN A MANNER THAT THE COMMISSION
27 DETERMINES IS MOST EQUITABLE.

28 (3) EACH HOSPITAL SHALL REMIT ANY ASSESSMENT UNDER THIS
29 SUBSECTION TO THE HEALTH CARE COVERAGE FUND ESTABLISHED UNDER §
30 15-701 OF THIS ARTICLE.

31 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
32 read as follows:

1 **Article – Insurance**

2 15–1201.

3 (a) In this subtitle the following words have the meanings indicated.

4 (d) “Commission” means the Maryland Health Care Commission established
5 under Title 19, Subtitle 1 of the Health – General Article.

6 (e) (1) “Eligible employee” means:

7 (i) an individual who:

8 1. is an employee, partner of a partnership, or
9 independent contractor who is included as an employee under a health benefit plan;
10 and

11 2. works on a full–time basis and has a normal
12 workweek of at least 30 hours; or

13 (ii) a sole employee of a nonprofit organization that has been
14 determined by the Internal Revenue Service to be exempt from taxation under §
15 501(c)(3), (4), or (6) of the Internal Revenue Code who:

16 1. has a normal workweek of at least 20 hours; and

17 2. is not covered under a public or private plan for
18 health insurance or other health benefit arrangement.

19 (2) “Eligible employee” does not include an individual who works:

20 (i) on a temporary or substitute basis; or

21 (ii) except for an individual described in paragraph (1)(ii) of this
22 subsection, for less than 30 hours in a normal workweek.

23 (S) **“WELLNESS BENEFIT” MEANS A BENEFIT OFFERED AS A RIDER TO A**
24 **HEALTH BENEFIT PLAN THAT PROVIDES COVERAGE FOR A PROGRAM OR**
25 **ACTIVITY THAT:**

26 (1) **IS DESIGNED TO:**

27 (I) **PREVENT OR DETECT DISEASE OR ILLNESS;**

28 (II) **REDUCE OR AVOID POOR CLINICAL OUTCOMES;**

1 (III) PREVENT COMPLICATIONS FROM MEDICAL
 2 CONDITIONS; OR

3 (IV) PROMOTE HEALTHY BEHAVIORS AND LIFESTYLE
 4 CHOICES; AND

5 (2) COMPLIES WITH REGULATIONS ADOPTED BY THE
 6 COMMISSION.

7 15-1204.

8 (G) (1) IN THIS SUBSECTION, "PROMINENT CARRIER" MEANS A
 9 CARRIER THAT INSURES AT LEAST 10% OF THE TOTAL LIVES INSURED IN THE
 10 SMALL GROUP MARKET.

11 (2) (I) A PROMINENT CARRIER SHALL OFFER A WELLNESS
 12 BENEFIT FOR A HEALTH BENEFIT PLAN OFFERED UNDER THIS SUBTITLE.

13 (II) A CARRIER THAT IS NOT A PROMINENT CARRIER MAY
 14 OFFER A WELLNESS BENEFIT FOR A HEALTH BENEFIT PLAN OFFERED UNDER
 15 THIS SUBTITLE.

16 (3) A CARRIER MAY NOT CONDITION THE SALE OF A WELLNESS
 17 BENEFIT TO A SMALL EMPLOYER ON PARTICIPATION OF THE ELIGIBLE
 18 EMPLOYEES OF THE SMALL EMPLOYER IN WELLNESS PROGRAMS OR
 19 ACTIVITIES.

20 15-1206.

21 (G) (1) A LICENSED INSURANCE PRODUCER ~~SHALL PROVIDE TO A~~
 22 ~~SMALL EMPLOYER INFORMATION ABOUT,~~ IN CONNECTION WITH THE SALE,
 23 SOLICITATION, OR NEGOTIATION OF A HEALTH BENEFIT PLAN TO A SMALL
 24 EMPLOYER, SHALL:

25 (I) ~~BONA FIDE WELLNESS PROGRAMS:~~

26 ~~1. AS DEFINED IN § 27-210 OF THIS ARTICLE; AND~~

27 ~~2. THAT MEET THE REQUIREMENTS OF ANY~~
 28 ~~REGULATIONS ADOPTED BY THE COMMISSION~~ PROVIDE INFORMATION TO THE
 29 SMALL EMPLOYER ABOUT WELLNESS BENEFITS; AND

1 (II) ~~THE~~ ADVISE THE SMALL EMPLOYER TO CONSULT A TAX
 2 ADVISOR ABOUT THE TAX ADVANTAGES OF A PAYROLL DEDUCTION PLAN THAT
 3 SATISFIES UNDER § 125 OF THE INTERNAL REVENUE CODE.

4 (2) **THE INFORMATION SHALL BE PROVIDED:**

5 (I) **WHENEVER THE EMPLOYER PURCHASES OR RENEWS A**
 6 **HEALTH ~~INSURANCE POLICY~~ BENEFIT PLAN; AND**

7 (II) **ON REQUEST.**

8 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
 9 read as follows:

10 **Article - Health - General**

11 19-101.

12 In this subtitle, "Commission" means the Maryland Health Care Commission.

13 19-108.

14 (a) In addition to the duties set forth elsewhere in this subtitle, the
 15 Commission:

16 (1) [shall] **SHALL** adopt regulations:

17 [(1)] (I) Specifying the Comprehensive Standard Health Benefit Plan
 18 to apply under Title 15, Subtitle 12 of the Insurance Article; and

19 [(2)] (II) Specifying the Limited Health Benefit Plan to apply under
 20 Title 15, Subtitle 12 of the Insurance Article; **AND**

21 (2) **ON OR BEFORE MARCH 1, 2008, IN CONSULTATION WITH THE**
 22 **DEPARTMENT, SHALL PROPOSE REGULATIONS TO:**

23 (I) **SPECIFY THE COMPONENTS OF ~~BONA FIDE WELLNESS~~**
 24 **~~PROGRAMS WELLNESS BENEFITS, OFFERED IN THE SMALL GROUP INSURANCE~~**
 25 **~~MARKET UNDER TITLE 15, SUBTITLE 12 OF THE INSURANCE ARTICLE, THAT:~~**

26 **1. ~~MEET THE REQUIREMENTS OF § 27-210 OF THE~~**
 27 **~~INSURANCE ARTICLE; AND~~**

1 ~~2~~ ~~INCLUDE~~ INCLUDE INCENTIVES OR
 2 DIFFERENTIAL COST-SHARING FOR EMPLOYEES BASED ON THEIR
 3 PARTICIPATION IN WELLNESS ACTIVITIES; AND

4 ~~(H) REQUIRE CARRIERS THAT PARTICIPATE IN THE SMALL~~
 5 ~~GROUP INSURANCE MARKET TO OFFER A BONA FIDE WELLNESS PROGRAM; AND~~

6 ~~(HH) (II)~~ (II) REQUIRE SMALL EMPLOYERS RECEIVING A
 7 SUBSIDY OF ~~HEALTH INSURANCE~~ SMALL EMPLOYER HEALTH BENEFIT PLAN
 8 PREMIUM CONTRIBUTIONS UNDER TITLE 15, SUBTITLE 12A OF THE
 9 INSURANCE ARTICLE TO AGREE TO PURCHASE A ~~BONA FIDE WELLNESS~~
 10 ~~PROGRAM~~ WELLNESS BENEFIT.

11 (b) In carrying out its duties under this section, the Commission shall comply
 12 with the provisions of § 15-1207 **AND TITLE 15, SUBTITLE 12A** of the Insurance
 13 Article.

14 Article - Insurance

15 15-1207.

16 (a) In accordance with Title 19, Subtitle 1 of the Health - General Article,
 17 the Commission shall adopt regulations that specify:

18 (1) the Comprehensive Standard Health Benefit Plan to apply under
 19 this subtitle; [and]

20 (2) the Limited Health Benefit Plan to apply under this subtitle; AND

21 (3) THE REQUIREMENTS FOR A WELLNESS BENEFIT OFFERED BY
 22 A CARRIER TO APPLY UNDER THIS SUBTITLE.

23 SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland
 24 read as follows:

25 Article - Health - General

26 19-101.

27 In this subtitle, "Commission" means the Maryland Health Care Commission.

28 19-108.

29 (a) In addition to the duties set forth elsewhere in this subtitle, the
 30 Commission:

1 (1) [shall] **SHALL** adopt regulations specifying the Comprehensive
 2 Standard Health Benefit Plan to apply under Title 15, Subtitle 12 of the Insurance
 3 Article; **AND**

4 (2) **ON OR BEFORE MARCH 1, 2008, IN CONSULTATION WITH THE**
 5 **DEPARTMENT, SHALL PROPOSE REGULATIONS TO:**

6 (I) **SPECIFY THE COMPONENTS OF ~~BONA FIDE WELLNESS~~**
 7 **~~PROGRAMS WELLNESS BENEFITS, OFFERED IN THE SMALL GROUP INSURANCE~~**
 8 **~~MARKET UNDER TITLE 15, SUBTITLE 12 OF THE INSURANCE ARTICLE, THAT:~~**

9 ~~1. MEET THE REQUIREMENTS OF § 27-210 OF THE~~
 10 ~~INSURANCE ARTICLE; AND~~

11 ~~2. INCLUDE INCLUDE INCENTIVES OR~~
 12 ~~DIFFERENTIAL COST-SHARING FOR EMPLOYEES BASED ON THEIR~~
 13 ~~PARTICIPATION IN WELLNESS ACTIVITIES; AND~~

14 ~~(II) REQUIRE CARRIERS THAT PARTICIPATE IN THE SMALL~~
 15 ~~GROUP INSURANCE MARKET TO OFFER A BONA FIDE WELLNESS PROGRAM; AND~~

16 ~~(III) (II) REQUIRE SMALL EMPLOYERS RECEIVING A~~
 17 ~~SUBSIDY OF HEALTH INSURANCE SMALL EMPLOYER HEALTH BENEFIT PLAN~~
 18 ~~PREMIUM CONTRIBUTIONS UNDER TITLE 15, SUBTITLE 12A OF THE~~
 19 ~~INSURANCE ARTICLE TO AGREE TO PURCHASE A BONA FIDE WELLNESS~~
 20 ~~PROGRAM WELLNESS BENEFIT.~~

21 (b) In carrying out its duties under this section, the Commission shall comply
 22 with the provisions of § 15-1207 **AND TITLE 15, SUBTITLE 12A** of the Insurance
 23 Article.

24 Article - Insurance

25 15-1207.

26 (a) In accordance with Title 19, Subtitle 1 of the Health - General Article,
 27 the Commission shall adopt regulations that specify:

28 (1) the Comprehensive Standard Health Benefit Plan to apply under
 29 this subtitle; AND

30 (2) THE REQUIREMENTS FOR A WELLNESS BENEFIT OFFERED BY
 31 A CARRIER TO APPLY UNDER THIS SUBTITLE.

1 SECTION 5. AND BE IT FURTHER ENACTED, That it is the intent of the
2 General Assembly that in fiscal year 2009, the level of benefits provided to individuals
3 under § 15–103(a)(2)(x) of the Health – General Article, as enacted by Section 1 of this
4 Act, be at least equivalent to the benefits that had been offered to individuals
5 participating in the Primary Adult Care Program repealed under Section 1 of this Act.

6 SECTION 6. AND BE IT FURTHER ENACTED, That it is the intent of the
7 General Assembly that, to the extent that funds are provided in the State budget, the
8 medical care and other health care services under the Maryland Medical Assistance
9 Program made available under § 15–103(a)(2)(x) of the Health – General Article, as
10 enacted by Section 1 of this Act, shall be phased in as follows:

11 (1) in fiscal year 2010, specialty medical care and hospital emergency
12 department services if the combined total of general fund revenues and Education
13 Trust Fund revenues as submitted with the Governor’s proposed budget is greater
14 than \$16,241,000,000;

15 (2) in fiscal year 2011, outpatient hospital services, if the combined
16 total of general fund revenues and Education Trust Fund revenues as submitted with
17 the Governor’s proposed budget is greater than \$16,918,000,000;

18 (3) in fiscal year 2012, inpatient hospital services, with limits either
19 on the benefits covered or the number of individuals receiving the benefits, if the
20 combined total of general fund revenues and Education Trust Fund revenues as
21 submitted with the Governor’s proposed budget is greater than \$18,069,000,000; and

22 (4) in fiscal year 2013, full Medicaid benefits, with limits either on the
23 benefits covered or the number of individuals receiving the benefits.

24 SECTION 7. AND BE IT FURTHER ENACTED, That, on or before March 1,
25 2008, the Department of Health and Mental Hygiene shall submit to the federal
26 Centers for Medicare and Medicaid Services an amendment to the Medicaid waiver
27 that implements the changes to §§ 15–103(a)(2)(x) and (3) and 15–140 of the Health –
28 General Article, as enacted by Section 1 of this Act. The changes to §§ 15–103(a)(2)(x)
29 and (3) and 15–140 of the Health – General Article, as enacted by Section 1 of this Act,
30 shall take effect on the date that the federal Centers for Medicare and Medicaid
31 Services approves the waiver amendment. If the waiver amendment is denied, the
32 changes to §§ 15–103(a)(2)(x) and (3) and 15–140 of the Health – General Article, as
33 enacted by Section 1 of this Act, shall be null and void without the necessity of further
34 action by the General Assembly. The Department of Health and Mental Hygiene,
35 within 5 days after receiving notice of approval or denial of a waiver, shall forward a
36 copy of the notice to the Department of Legislative Services, 90 State Circle,
37 Annapolis, Maryland 21401.

38 SECTION 8. AND BE IT FURTHER ENACTED, That an individual who is
39 enrolled in the Primary Adult Care Program and becomes eligible for Maryland
40 Medical Assistance Program benefits under § 15–103(a) of the Health – General

1 Article shall be automatically enrolled in the same managed care organization unless
2 the individual selects another participating managed care organization. Individuals
3 who disenroll from the Primary Adult Care Program and, within 120 days of
4 disenrolling, enroll in the Maryland Medical Assistance Program in a category of
5 eligibility under § 15–103(a) of the Health – General Article, shall be assigned to the
6 managed care organization in which the individual was most recently enrolled.

7 SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any
8 other provision of law, for fiscal year 2009, funds may be appropriated by approved
9 budget amendment from the Health Care Coverage Fund established under Section 1
10 of this Act for:

11 (1) the expansion of eligibility for the Maryland Medical Assistance
12 Program, as enacted under Section 1 of this Act; and

13 (2) providing funding for the Small Employer Health ~~Insurance~~
14 Benefit Plan Premium Subsidy Program created in Section 1 of this Act.

15 SECTION 10. AND BE IT FURTHER ENACTED, That the State Health
16 Services Cost Review Commission and the Department of Health and Mental Hygiene
17 shall develop a mechanism to calculate the amount of averted hospital uncompensated
18 care resulting from the expansion of health care coverage, as enacted under Section 1
19 of this Act.

20 SECTION 11. AND BE IT FURTHER ENACTED, That, notwithstanding any
21 other provision of law, in fiscal year 2009, \$75,000,000 may be transferred by approved
22 budget amendment from the Maryland Health Insurance Plan Fund to the Health
23 Care Coverage Fund established under Section 1 of this Act to be used only for the
24 purposes authorized under § 15–701 of the Health – General Article, as enacted by
25 Section 1 of this Act.

26 SECTION 12. AND BE IT FURTHER ENACTED, That if the State’s Medicare
27 waiver under § 1814(b) of the federal Social Security Act terminates, the hospital rate
28 assessment specified under ~~§ 19–214~~ § 19–214(d) of the Health – General Article, as
29 enacted under Section 1 of this Act, shall terminate at the end of the fiscal year in
30 which the waiver terminates.

31 SECTION 13. AND BE IT FURTHER ENACTED, That the State shall ensure
32 that the transfer of funds from the Maryland Health Insurance Plan Fund under
33 Section 11 of this Act and the hospital rate assessment specified under ~~§ 19–214~~
34 § 19–214(d) of the Health – General Article, as enacted under Section 1 of this Act,
35 shall be consistent with the State’s Medicare waiver under § 1814(b) of the federal
36 Social Security Act and federal regulations.

37 SECTION 14. AND BE IT FURTHER ENACTED, That it is the intent of the
38 General Assembly, as part of the overall expansion of eligibility for the Maryland
39 Medical Assistance Program, to increase access to long-term care services, including

SENATE BILL 6

1 home and community-based services for individuals who meet the current Medicaid
 2 financial requirements of the Program and who need 24-hour supervision due to
 3 Alzheimer's disease and related dementias, significant brain injury, or serious mental
 4 illness.

5 SECTION ~~14~~ 15. AND BE IT FURTHER ENACTED, That Section 4 of this Act
 6 shall take effect on the taking effect of the termination provision specified in Section 5
 7 of Chapter 287 of the Acts of the General Assembly of 2004. If that termination
 8 provision takes effect, Section 3 of this Act shall be abrogated and of no further force
 9 and effect. This Act may not be interpreted to have any effect on that termination
 10 provision.

11 SECTION ~~15~~ 16. AND BE IT FURTHER ENACTED, That this Act is an
 12 emergency measure, is necessary for the immediate preservation of the public health
 13 or safety, has been passed by a yea and nay vote supported by three-fifths of all the
 14 members elected to each of the two Houses of the General Assembly, and except as
 15 provided in Sections 7 and ~~14~~ 15 of this Act, ~~this Act~~ shall take effect ~~January 1, 2008~~
 16 from the date it is enacted.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.