HB1587/104161/1

BY: Appropriations Committee

<u>AMENDMENTS TO HOUSE BILL 1587</u> (First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike "Delegate Hammen" and substitute "<u>Delegates Hammen, Beitzel, Benson, Costa, Donoghue, Elliott, Hubbard, Kach, Kipke, Kullen, McDonough, Mizeur, Montgomery, Morhaim, Nathan–Pulliam, Oaks, Pena–Melnyk, Pendergrass, Reznik, Riley, Tarrant, V. Turner, and Weldon".</u>

AMENDMENT NO. 2

On page 1, in line 4, strike "authorizing" and substitute "requiring"; in line 7, after "Plan;" insert "requiring,"; in lines 8 and 13, in each instance, strike "requiring"; in line 11, after "purchasers;" insert "requiring,"; strike beginning with "revenue" in line 13 down through "and" in line 14 and substitute "included in the reasonable costs of each hospital when establishing the hospital's rates, is"; in line 14, after "determinations" insert ", and is not less than a certain percentage of net patient revenue"; in line 17, after "revenue;" insert "providing that funds generated from the assessment may be used only for certain purposes; requiring the Commission to report certain information to the Governor and General Assembly on or before a certain date each year;"; in line 21, after "Plan;" insert "requiring the Maryland Health Care Commission to report certain information to the Governor and General Assembly on or before a certain date each year;"; in line 22, strike "requiring that" and substitute "authorizing"; in line 23, strike "the" and substitute "<u>a certain</u>"; and in the same line, strike "be used only for certain purposes" and substitute "to be used for a certain purpose notwithstanding certain provisions of law; requiring the Health Services Cost Review Commission to ensure that a certain assessment does not exceed certain savings".

On page 2, in line 6, after "(d)" insert "and (e)"; and after line 25, insert:

HB1587/104161/1 Amendments to HB 1587 Page 2 of 5

APP

"<u>BY repealing and reenacting, without amendments,</u>

<u>Article - Insurance</u> <u>Section 15-12A-01(a) and (f)</u> <u>Annotated Code of Maryland</u> (2005 Replacement Volume and 2007 Supplement) (As enacted by Chapter 7 of the Acts of the General Assembly of the 2007) <u>Special Session</u>)

<u>BY repealing and reenacting, with amendments,</u> <u>Article – Insurance</u> <u>Section 15-12A-05</u> <u>Annotated Code of Maryland</u> (2005 Replacement Volume and 2007 Supplement) (As enacted by Chapter 7 of the Acts of the General Assembly of the 2007 <u>Special Session</u>)".

AMENDMENT NO. 3

On page 3, in line 7, strike "**THE**" and substitute "<u>**EACH YEAR, THE**</u>"; and in the same line, strike "**MAY**" and substitute "<u>**SHALL**</u>".

On page 4, strike in their entirety lines 3 and 4 and substitute:

"<u>1.</u> <u>SHALL BE INCLUDED IN THE REASONABLE COSTS</u> <u>OF EACH HOSPITAL WHEN ESTABLISHING THE HOSPITAL'S RATES;</u>";

after line 7, insert:

"<u>3.</u> <u>MAY NOT BE LESS AS A PERCENTAGE OF NET</u> <u>PATIENT REVENUE THAN THE ASSESSMENT OF .8128% THAT WAS IN EXISTENCE</u> <u>ON JULY 1, 2007; AND</u>";

and after line 16, insert:

HB1587/104161/1 Amendments to HB 1587 Page 3 of 5

"(5) <u>FUNDS GENERATED FROM THE ASSESSMENT UNDER THIS</u> SUBSECTION MAY BE USED ONLY TO:

APP

(I) <u>SUPPLEMENT COVERAGE UNDER THE MEDICAL</u> <u>Assistance Program beyond the eligibility requirements in</u> <u>existence on January 1, 2008; and</u>

(II) PROVIDE FUNDING FOR THE OPERATION AND ADMINISTRATION OF THE MARYLAND HEALTH INSURANCE PLAN.

(E) ON OR BEFORE JANUARY 1 EACH YEAR, THE COMMISSION SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY THE FOLLOWING INFORMATION:

(1) THE AGGREGATE REDUCTION IN HOSPITAL UNCOMPENSATED CARE REALIZED FROM THE EXPANSION OF HEALTH CARE COVERAGE UNDER CHAPTER 7 OF THE ACTS OF THE GENERAL ASSEMBLY OF THE 2007 SPECIAL SESSION; AND

(2) THE NUMBER OF INDIVIDUALS WHO ENROLLED IN MEDICAID AS A RESULT OF THE CHANGE IN ELIGIBILITY STANDARDS UNDER § 15-103(IX) OF THE HEALTH – GENERAL ARTICLE AND THE EXPENSES ASSOCIATED WITH THE UTILIZATION OF HOSPITAL INPATIENT CARE BY THESE INDIVIDUALS.".

AMENDMENT NO. 4

On page 6, after line 4, insert:

APP

"<u>15–12A–01.</u>

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

(f) <u>"Program" means the Small Employer Health Benefit Plan Premium</u> <u>Subsidy Program.</u>

<u>15–12A–05.</u>

On or before January 1, 2009, and annually thereafter, the Commission shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly on:

(1) the implementation of the Program; AND

(2) THE UNCOMPENSATED CARE SAVINGS DERIVED FROM THE PROGRAM AND THE METHODOLOGY USED BY THE COMMISSION TO TRACK THE UNCOMPENSATED CARE SAVINGS.".

AMENDMENT NO. 5

On page 6, strike beginning with "funds" in line 8 down through "2008" in line 14 and substitute "notwithstanding § 19-214(d)(1), (2), and (5) of the Health – General Article, as enacted by Section 1 of this Act, § 15-701 of the Health – General Article, or a delay in the expansion of health care coverage beyond July 1, 2008, under Chapter 7 of the Acts of the General Assembly of the 2007 Special Session:

(1) <u>funds generated from the assessment under § 19-214(d)(1)(i) of the</u> <u>Health – General Article, as enacted by Section 1 of this Act, may be used to pay for</u> <u>the elimination of Medicaid day limits on hospital services for the period of July 1,</u> <u>2008, through December 31, 2008; and</u>

HB1587/104161/1 Amendments to HB 1587 Page 5 of 5

(2) the Health Services Cost Review Commission shall ensure that the assessment under § 19-214(d)(1)(i) of the Health – General Article, as enacted by Section 1 of this Act, does not exceed the savings realized in averted hospital uncompensated care from:

APP

(i) the health care coverage expansion; and

(ii) <u>the elimination of Medicaid day limits on hospital services</u> for the period of July 1, 2008, through December 31, 2008".