

HOUSE BILL 278

P4

8lr0159

By: **Chair, Health and Government Operations Committee (By Request –
Departmental – Health and Mental Hygiene)**

Introduced and read first time: January 23, 2008

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Department of Health and Mental Hygiene – Powers of the Secretary**

3 FOR the purpose of clarifying that the Secretary of Health and Mental Hygiene may
4 conduct a survey to identify any areas in this State that have a substantial
5 deficiency in specific medical or health care facilities or staff; clarifying that if
6 the proposals considered or adopted by the Secretary are not feasible or
7 successful to assure the public health of an identified underserved area of the
8 State, the Secretary may provide the needed health care facilities or services by
9 entering into certain contracts or approving contracts with certain public or
10 private health care entities that facilitate the provision of State health care
11 services to the underserved area; requiring the Secretary to consider market
12 factors that may be contributing to a deficiency in general or specific medical or
13 health care facilities, staff, or services in certain areas of the State; requiring
14 the Secretary to maximize, to the extent feasible, the State's recovery of health
15 care costs and expenses when seeking to ameliorate an identified deficiency in
16 health care facilities, staff, services; requiring the Secretary to consult with
17 certain commissions and groups under certain circumstances; and generally
18 relating to the powers of the Secretary of Health and Mental Hygiene with
19 respect to health care facilities, staff, and services in underserved areas of the
20 State.

21 BY repealing and reenacting, with amendments,
22 Article – Health – General
23 Section 2–108
24 Annotated Code of Maryland
25 (2005 Replacement Volume and 2007 Supplement)

26 Preamble

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 WHEREAS, Disparities in the financing and delivery of health care limit the
2 availability of medical and other health care services to certain populations and areas
3 of the State and compromise efforts to assure the public health of those medically
4 underserved populations and areas; and

5 WHEREAS, It is necessary to clarify the Secretary's authority to utilize a
6 variety of business arrangements that may be necessary to assure the public health
7 and facilitate the flexible and efficient provision of State health care services to those
8 underserved populations and areas; now, therefore,

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

11 **Article - Health - General**

12 2-108.

13 [The Secretary:]

14 [(1)](A) On the Secretary's initiative or on request of a community or
15 voluntary, nonprofit organization, **THE SECRETARY** may [do] **CONDUCT** a survey to
16 identify any area in this State that has a substantial deficiency in general **OR**
17 **SPECIFIC** medical or health care facilities, **STAFF**, or services[;].

18 [(2)](B) In cooperation with appropriate county and State groups,
19 **THE SECRETARY** may provide the community or organization with counsel and other
20 help to establish medical or health care facilities and to recruit medical or health care
21 staff in [that] **THE UNDERSERVED** area **IDENTIFIED AS A RESULT OF THE SURVEY**
22 **CONDUCTED IN ACCORDANCE WITH SUBSECTION (A) OF THIS SECTION**[; and].

23 [(3)](C) If [the efforts] **PROPOSALS CONSIDERED OR ADOPTED**
24 under [item (2)] **SUBSECTION (B)** of this section are [unsuccessful,] **NOT FEASIBLE**
25 **OR SUCCESSFUL, OR IF OTHER ACTION IS NECESSARY TO ASSURE THE PUBLIC**
26 **HEALTH OF THE UNDERSERVED AREA, THE SECRETARY** may:

27 (1) [provide] **PROVIDE** the **NEEDED HEALTH CARE** facilities [or],
28 staff, **OR SERVICES** by contract with one or more physicians, hospitals, or other
29 medical groups or personnel; **OR**

30 (2) **APPROVE A CONTRACT OR OTHER WRITTEN ARRANGEMENT**
31 **WITH A PUBLIC OR PRIVATE HEALTH CARE ENTITY THAT FACILITATES THE**
32 **PROVISION OF STATE HEALTH CARE SERVICES TO THE UNDERSERVED AREA,**
33 **INCLUDING:**

34 (I) **A FEDERALLY QUALIFIED HEALTH CENTER;**

1 (II) A HEALTH CARE FACILITY, AS DEFINED IN § 19-114 OF
2 THIS ARTICLE;

3 (III) A HEALTH CARE PLAN OR INSURANCE PROVIDER;

4 (IV) A HEALTH MAINTENANCE ORGANIZATION;

5 (V) A MANAGED CARE ORGANIZATION; AND

6 (VI) ANY OTHER ENTITY THAT FINANCES THE PROVISION OF
7 OR DELIVERS HEALTH CARE SERVICES TO THE AREA.

8 SECTION 2. AND BE IT FURTHER ENACTED, That:

9 (1) In conducting a survey under § 2-108(a) of the Health – General
10 Article, as enacted by Section 1 of this Act, the Secretary of Health and Mental
11 Hygiene shall consider market factors that may be contributing to an identified
12 deficiency in general or specific medical or health care facilities, staff, or services in an
13 area of the State;

14 (2) In authorizing action to ameliorate an identified deficiency in an
15 area of the State, identified as a result of § 2-108(a) of the Health – General Article as
16 enacted by Section 1 of this Act, the Secretary shall maximize, to the extent feasible,
17 the State's recovery of State health care costs and expenses and reimbursement for
18 State health care services, consistent with Title 16 of the Health – General Article;
19 and

20 (3) Following the taking or approval of action under § 2-108(3) of the
21 Health – General Article, as enacted by Section 1 of this Article, the Secretary shall
22 consult with the Maryland Health Services and Cost Review Commission, the
23 Maryland Health Care Commission, and other appropriate regional and State groups
24 concerning feasible means to encourage the establishment and expansion of private
25 sector health care providers and services for underserved individuals in that area.

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2008.