SB0723/147774/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL 723

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with "certain" in line 3 down through "purpose" in line 7 and substitute "a contract between certain health insurance carriers and certain clinically integrated organizations to include certain payment provisions; authorizing the Maryland Insurance Commissioner to adopt certain regulations; requiring certain carriers to file a certain contract with the Commissioner; requiring the Commissioner to provide a copy of a certain contract to the executive director of the Maryland Health Care Commission; providing that copies of certain contracts are confidential and privileged, are not subject to certain provisions of law, subpoena, or discovery, and are not admissible in evidence in a certain action"; in line 7, strike "the" and substitute "certain health insurance"; strike beginning with "requiring" in line 10 down through "circumstances" in line 12 and substitute "requiring certain clinically integrated organizations to submit a certain evaluation to the Commission at a certain time; requiring the clinically integrated organizations to discuss the parameters and analytical methods of the evaluation with the Commission before submitting the evaluation; requiring the Commission to submit a summary of the evaluation to certain committees of the General Assembly"; in lines 13 and 14, strike "and managed care organizations"; and in line 18, strike "15-102.8 and".

AMENDMENT NO. 2

On page 2, strike in their entirety lines 2 through 4, inclusive; in line 15, after "PLAN;" insert "OR"; strike beginning with the semicolon in line 16 down through "ARTICLE" in line 18; strike beginning with "AN" in line 19 down through "TO" in line 22; in line 23, after "(1)" insert "A JOINT VENTURE BETWEEN A HOSPITAL AND PHYSICIANS THAT:

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(I) HAS RECEIVED AN ADVISORY OPINION FROM THE FEDERAL TRADE COMMISSION OR ITS STAFF; AND

(II) HAS BEEN ESTABLISHED TO:

<u>1.</u>";

in line 25, strike "(2)" and substitute "2."; and in line 27, strike "ALTERNATIVE HEALTH CARE SYSTEM" and substitute "JOINT VENTURE".

AMENDMENT NO. 3

On page 3, in line 2, after "SERVICES" insert "; OR

- (2) A JOINT VENTURE BETWEEN A HOSPITAL AND PHYSICIANS THAT:
- (I) IS ACCOUNTABLE FOR TOTAL SPENDING AND QUALITY;
 AND
- (II) THE COMMISSIONER DETERMINES MEETS THE CRITERIA ESTABLISHED BY THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN SERVICES FOR AN ACCOUNTABLE CARE ORGANIZATION";

in line 6, strike "(1)"; strike in their entirety lines 8 through 10, inclusive; in line 14, before "NOTWITHSTANDING" insert "(A)"; in line 15, strike "CARRIER MAY" and substitute "CONTRACT BETWEEN A CARRIER AND A CLINICALLY INTEGRATED ORGANIZATION MAY INCLUDE A PROVISION TO PAY"; strike beginning with "PAY" in line 16 down through "MEMBERS" in line 17; strike beginning with "PAY" in line 19 down through "MEMBERS" in line 20; after line 22, insert:

- "(B) THE COMMISSIONER, IN CONSULTATION WITH THE MARYLAND HEALTH CARE COMMISSION, MAY ADOPT REGULATIONS SPECIFYING THE TYPES OF PAYMENTS AND INCENTIVES PERMISSIBLE UNDER THIS SECTION.
- (C) (1) A CARRIER SHALL FILE A COPY OF A CONTRACT BETWEEN
 THE CARRIER AND A CLINICALLY INTEGRATED ORGANIZATION WITH THE
 COMMISSIONER.
- (2) If the contract includes a provision to pay a bonus or other incentive that does not comply with § 15-113 of this title, the Commissioner shall provide a copy of the contract to the executive director of the Maryland Health Care Commission.
- (3) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A COPY OF A CONTRACT FILED WITH THE COMMISSIONER OR PROVIDED BY THE COMMISSIONER TO THE EXECUTIVE DIRECTOR OF THE MARYLAND HEALTH CARE COMMISSION UNDER THIS SUBSECTION, IS:
 - (I) <u>CONFIDENTIAL AND PRIVILEGED;</u>
 - (II) NOT SUBJECT TO:
- 1. TITLE 10, SUBTITLE 6 OF THE STATE GOVERNMENT ARTICLE;
 - 2. SUBPOENA; OR
 - 3. DISCOVERY; AND

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(III) NOT ADMISSIBLE IN EVIDENCE IN ANY PRIVATE ACTION.";

in line 29, after "ORGANIZATION" insert "SPECIFYING THE TYPE AND PROPOSED USE OF MEDICAL INFORMATION TO BE SHARED"; and strike in their entirety lines 30 and 31.

AMENDMENT NO. 4

On page 4, in line 1, strike "(3)" and substitute "(2)"; in lines 11 and 12, in each instance, after "COVERED" insert "MEDICAL"; and in line 13, after "ORGANIZATION" insert "; AND

(3) THE CLINICALLY INTEGRATED ORGANIZATION OR THE CARRIER IMPLEMENTS PROCEDURES FOR DISCLOSING TO QUALIFYING INDIVIDUALS HOW THE CLINICALLY INTEGRATED ORGANIZATION AND THE CARRIER SHARE MEDICAL INFORMATION TO DELIVER MORE COORDINATED, HIGHER QUALITY CARE".

AMENDMENT NO. 5

On page 4, strike in their entirety lines 14 through 22, inclusive, and substitute:

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

(a) (1) A clinically integrated organization that enters into an agreement authorized under § 15-1802 of the Insurance Article, as enacted by Section 1 of this Act, within 3 years after the date the agreement takes effect, shall submit an evaluation of its clinical integration program to the Maryland Health Care Commission.

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- (2) Before submitting the evaluation required under this subsection, the clinically integrated organization shall discuss the parameters of the evaluation and its analytical methods with the Commission.
- (b) On receipt of the evaluation required under subsection (a) of this section, the Maryland Health Care Commission shall prepare a summary of the evaluation, including any recommendations for legislative action, and, in accordance with § 2-1246 of the State Government Article, submit the summary to the House Health and Government Operations Committee and the Senate Finance Committee."