HB0443/593429/1

BY: Delegate Hough

AMENDMENTS TO HOUSE BILL 443, AS AMENDED (First Reading File Bill)

AMENDMENT NO. 1

On page 2 of the bill, in line 15, after "programs;" insert "<u>requiring certain</u> funding mechanisms to be imposed or implemented in a certain manner;".

On page 3 of the bill, after line 4, insert:

"<u>BY repealing and reenacting, with amendments,</u> <u>Article – Insurance</u> <u>Section 31-118</u> <u>Annotated Code of Maryland</u> <u>(2011 Replacement Volume)</u>

(As enacted by Section 1 of this Act)".

AMENDMENT NO. 2

On page 43 of the bill, after line 4, insert:

"<u>31–118.</u>

(a) <u>Beginning January 1, 2014, subject to subsections (b) and (c) of this</u> section, the Exchange may:

(1) impose user fees, licensing or other regulatory fees, or other assessments that do not exceed reasonable projections regarding the amount necessary to support the operations of the Exchange under this title; or

(2) <u>otherwise generate funding necessary to support its operations</u> <u>under this title.</u>

(Over)

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(b) Any fees, assessments, or other funding mechanisms shall be imposed or implemented[, to the maximum extent possible,] in a manner that is transparent and [broad-based] PAID BY QUALIFIED INDIVIDUALS AND QUALIFIED EMPLOYERS WHO PURCHASE INSURANCE THROUGH THE EXCHANGE.

(c) Before imposing or altering any fee or assessment established by law, the Exchange shall adopt regulations that specify:

- (1) the persons subject to the fee or assessment;
- (2) the amount of the fee or assessment; and
- (3) the manner in which the fee or assessment will be collected.

(d) <u>Funds collected through any fees, assessments, or other funding</u> <u>mechanisms:</u>

- (1) shall be deposited in the Fund;
- (2) shall be used only for the purposes authorized under this title; and

(3) <u>may not be used for staff retreats</u>, promotional giveaways, <u>excessive executive compensation</u>, or promotion of federal or State legislative and <u>regulatory actions</u>.

(e) <u>The Exchange may not impose fees or assessments authorized under this</u> section in a manner that would provide a competitive disadvantage to health benefit plans operating outside of the Exchange.

(f) The Exchange shall maintain a Web site on which it shall publish:

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(1) the average amounts of any fees, assessments, or other payments required by the Exchange;

(2) the administrative costs of the Exchange; and

(3) the amount of funds known to be lost through waste, fraud, and <u>abuse.</u>".

AMENDMENT NO. 3

On page 46 of the bill, in line 9, strike "a combination of"; and strike beginning with the colon in line 10 down through "sectors" in line 21 and substitute "<u>rely on</u> assessments or user fees paid by qualified individuals and qualified employers who purchase insurance through the Exchange".

AMENDMENT NO. 4

On page 55 of the Health and Government Operations Committee Amendments (HB0443/396881/2), in lines 9, 13, and 14 of Amendment No. 16, strike "(4)", "(5)", and "(6)", respectively, and substitute "(3)", "(4)", and "(5)", respectively.