

# HOUSE BILL 119

C3

EMERGENCY BILL

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CF 4lr0133

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By: **The Speaker (By Request – Administration)**

Introduced and read first time: January 9, 2014

Assigned to: Health and Government Operations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Insurance Plan – Access for Bridge Eligible Individuals**

3 FOR the purpose of altering the purpose of the Maryland Health Insurance Plan to  
4 include decreasing uncompensated care costs by providing access to affordable,  
5 comprehensive health benefits for certain bridge eligible individuals; providing  
6 that it is the intent of the General Assembly that Maryland Health Insurance  
7 Plan Fund revenue be used to subsidize health insurance coverage for bridge  
8 eligible individuals; repealing a certain provision of law that provides that  
9 enrollment in the Plan shall be closed to any individual who is not enrolled in  
10 the Plan as of a certain date; altering a certain limitation on reenrollment in the  
11 Plan; providing that enrollment in the Plan shall be closed to any bridge eligible  
12 individual who is not enrolled in the Plan as of a certain date; providing that  
13 the enrollment of a bridge eligible individual in the Plan terminates on the  
14 effective date of enrollment in a certain health plan; exempting an amendment  
15 that pertains to the enrollment of bridge eligible individuals from a certain  
16 requirement that any amendments to a certain plan of operation be submitted  
17 to the Maryland Insurance Commissioner for approval; authorizing the Board of  
18 Directors for the Maryland Health Insurance Plan to adopt certain policies and  
19 procedures; requiring the Board to provide notice of the policies and procedures  
20 to certain committees of the General Assembly; defining a certain term; making  
21 certain conforming changes; making this Act an emergency measure; and  
22 generally relating to the Maryland Health Insurance Plan.

23 BY repealing and reenacting, without amendments,  
24 Article – Insurance  
25 Section 14–501(a), (c), (j), and (k) and 14–503(a)  
26 Annotated Code of Maryland  
27 (2011 Replacement Volume and 2013 Supplement)

28 BY adding to  
29 Article – Insurance

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 14-501(c-1)  
2 Annotated Code of Maryland  
3 (2011 Replacement Volume and 2013 Supplement)

4 BY repealing and reenacting, with amendments,  
5 Article – Insurance  
6 Section 14-502 and 14-503(i)  
7 Annotated Code of Maryland  
8 (2011 Replacement Volume and 2013 Supplement)

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

11 **Article – Insurance**

12 14-501.

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

14 (c) “Board” means the Board of Directors for the Maryland Health Insurance  
15 Plan.

16 **(C-1) (1) “BRIDGE ELIGIBLE INDIVIDUAL” MEANS AN INDIVIDUAL WHO:**

17 **(I) IS A QUALIFIED INDIVIDUAL AS DEFINED IN § 31-101 OF**  
18 **THIS ARTICLE; AND**

19 **(II) 1. PROVIDES EVIDENCE THAT THE INDIVIDUAL HAS**  
20 **ATTEMPTED TO OBTAIN INSURANCE THROUGH THE MARYLAND HEALTH**  
21 **BENEFIT EXCHANGE AND WAS UNSUCCESSFUL IN ENROLLING IN COVERAGE; OR**

22 **2. IS A DEPENDENT AS DEFINED IN § 15-1316 OF**  
23 **THIS ARTICLE.**

24 **(2) “BRIDGE ELIGIBLE INDIVIDUAL” DOES NOT INCLUDE AN**  
25 **INDIVIDUAL WHO IS ELIGIBLE FOR COVERAGE UNDER:**

26 **(I) THE FEDERAL MEDICARE PROGRAM;**

27 **(II) UNLESS THE INDIVIDUAL IS ELIGIBLE FOR A SUBSIDY**  
28 **OF PLAN COSTS PROVIDED BY THE DEPARTMENT OF HEALTH AND MENTAL**  
29 **HYGIENE UNDER A MEDICAID WAIVER PROGRAM, THE MARYLAND MEDICAL**  
30 **ASSISTANCE PROGRAM;**

31 **(III) THE MARYLAND CHILDREN’S HEALTH PROGRAM; OR**

1                   **(IV) AN EMPLOYER-SPONSORED GROUP HEALTH INSURANCE**  
2 **PLAN THAT INCLUDES BENEFITS COMPARABLE TO PLAN BENEFITS.**

3           (j)     “Plan” means the Maryland Health Insurance Plan.

4           (k)     “Plan of operation” means the articles, bylaws, and operating rules and  
5 procedures adopted by the Board in accordance with § 14-503 of this subtitle.  
6 14-502.

7           (a)     There is a Maryland Health Insurance Plan.

8           (b)     The Plan is an independent unit of the State government.

9           (c)     The purpose of the Plan is to decrease uncompensated care costs by:

10                   **(1)**     providing access to affordable, comprehensive health benefits for  
11 medically uninsurable residents of the State by July 1, 2003; **AND**

12                   **(2)**     **PROVIDING ACCESS TO AFFORDABLE, COMPREHENSIVE**  
13 **HEALTH BENEFITS FOR BRIDGE ELIGIBLE INDIVIDUALS, AS NEEDED, ON:**

14                           **(I)**     **A RETROACTIVE BASIS BEGINNING NO EARLIER THAN**  
15 **JANUARY 1, 2014; AND**

16                           **(II)**     **A PROSPECTIVE BASIS.**

17           (d)     It is the intent of the General Assembly that the Plan operate as a  
18 nonprofit entity and that Fund revenue, to the extent consistent with good business  
19 practices, be used to:

20                   (1)     subsidize health insurance coverage for medically uninsurable  
21 individuals **AND BRIDGE ELIGIBLE INDIVIDUALS**; and

22                   (2)     fund the State Reinsurance Program authorized under § 31-117 of  
23 this article.

24           (e)     (1)     The operations of the Plan are subject to the provisions of this  
25 subtitle whether the operations are performed directly by the Plan itself or through an  
26 entity contracted with the Plan.

27                   (2)     The Plan shall ensure that any entity contracted with the Plan  
28 complies with the provisions of this subtitle when performing services that are subject  
29 to this subtitle on behalf of the Plan.

1 (f) (1) (i) [Enrollment in the Plan shall be closed to any individual  
2 who is not enrolled in the Plan as of December 31, 2013.

3 (ii) A [member] **MEDICALLY UNINSURABLE INDIVIDUAL**  
4 enrolled in the Plan as of December 31, 2013, who thereafter terminates enrollment  
5 may not reenroll in the Plan **UNLESS ENROLLING AS A BRIDGE ELIGIBLE**  
6 **INDIVIDUAL.**

7 **(II) ENROLLMENT IN THE PLAN SHALL BE CLOSED TO ANY**  
8 **BRIDGE ELIGIBLE INDIVIDUAL WHO IS NOT ENROLLED IN THE PLAN AS OF**  
9 **MARCH 31, 2014.**

10 **(III) ON THE EFFECTIVE DATE OF ENROLLMENT IN A**  
11 **QUALIFIED HEALTH PLAN THROUGH THE MARYLAND HEALTH BENEFIT**  
12 **EXCHANGE, THE ENROLLMENT OF A BRIDGE ELIGIBLE INDIVIDUAL IN THE PLAN**  
13 **TERMINATES.**

14 (2) Subject to paragraph (3) of this subsection, the Board, in  
15 consultation with the Maryland Health Benefit Exchange, shall determine the  
16 appropriate date on which the Plan shall decline to reenroll Plan members beyond the  
17 term of the members' existing Plan coverage.

18 (3) The date on which the Plan no longer will provide coverage to all  
19 Plan members shall be no earlier than January 1, 2014, and no later than January 1,  
20 2020.

21 (g) Beginning October 1, 2013, and annually thereafter until the Plan no  
22 longer provides coverage to members, the Board shall provide notice to Plan members  
23 that, effective January 1, 2014, the member:

24 (1) may not be denied health insurance because of a preexisting health  
25 condition; and

26 (2) may be eligible to:

27 (i) enroll in the Maryland Medical Assistance Program;

28 (ii) purchase a health benefit plan offered in the Maryland  
29 Health Benefit Exchange or in the insurance market outside the Maryland Health  
30 Benefit Exchange; and

31 (iii) receive federal premium and cost-sharing assistance for the  
32 purchase of a health benefit plan in the Maryland Health Benefit Exchange.

1 (a) There is a Board for the Plan.

2 (i) (1) The Board shall adopt a plan of operation for the Plan.

3 (2) The Board shall submit the plan of operation and any amendment  
4 to the plan of operation, **EXCEPT AN AMENDMENT THAT PERTAINS TO THE**  
5 **ENROLLMENT OF BRIDGE ELIGIBLE INDIVIDUALS**, to the Commissioner for  
6 approval.

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

8 (a) The Board of Directors for the Maryland Health Insurance Plan may  
9 adopt policies and procedures necessary to operate and administer the Plan as it  
10 pertains to the enrollment of bridge eligible individuals.

11 (b) The policies and procedures may include:

12 (1) procedures for determining, to the best of the Board's ability, that  
13 bridge eligible individuals meet the definition of "qualified individual " under § 31-101  
14 of the Insurance Article;

15 (2) Plan enrollment procedures; and

16 (3) any other Plan requirement as determined by the Board.

17 (c) The Board shall provide notice of the policies and procedures adopted  
18 under this section to the Joint Committee on Administrative, Executive, and  
19 Legislative Review, the Senate Finance Committee, and the House Health and  
20 Government Operations Committee.

21 SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency  
22 measure, is necessary for the immediate preservation of the public health or safety,  
23 has been passed by a ye and nay vote supported by three-fifths of all the members  
24 elected to each of the two Houses of the General Assembly, and shall take effect from  
25 the date it is enacted.