

SENATE BILL 134

C3

EMERGENCY BILL

4r0133
CF HB 119

By: **The President (By Request – Administration) and Senators Middleton, Astle, Feldman, Kelley, Klausmeier, Mathias, and Pugh**

Introduced and read first time: January 9, 2014

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: January 17, 2014

CHAPTER _____

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~~ has
10 not applied for enrollment in the Plan as of a certain date; altering a certain
11 limitation on reenrollment in the Plan; providing that enrollment in the Plan
12 shall be closed to any bridge eligible individual who is not enrolled in the Plan
13 as of a certain date; providing that the enrollment of a bridge eligible individual
14 in the Plan terminates on the effective date of enrollment in a certain health
15 plan; exempting an amendment that pertains to the enrollment of bridge
16 eligible individuals from a certain requirement that any amendments to a
17 certain plan of operation be submitted to the Maryland Insurance
18 Commissioner for approval; authorizing the Board of Directors for the Maryland
19 Health Insurance Plan to adopt certain policies and procedures; requiring the
20 Board to provide notice of the policies and procedures to certain committees of
21 the General Assembly; authorizing the Board to extend the date for closing
22 certain enrollment under certain circumstances; requiring the Board to notify
23 certain legislative committees and the Department of Legislative Services of the
24 extension within a certain time period; providing for the termination of this Act;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 defining a certain term; making certain conforming changes; making this Act an
 2 emergency measure; and generally relating to the Maryland Health Insurance
 3 Plan.

4 BY repealing and reenacting, without amendments,
 5 Article – Insurance
 6 Section 14–501(a), (c), (j), and (k) and 14–503(a)
 7 Annotated Code of Maryland
 8 (2011 Replacement Volume and 2013 Supplement)

9 BY adding to
 10 Article – Insurance
 11 Section 14–501(c–1)
 12 Annotated Code of Maryland
 13 (2011 Replacement Volume and 2013 Supplement)

14 BY repealing and reenacting, with amendments,
 15 Article – Insurance
 16 Section 14–502 and 14–503(i)
 17 Annotated Code of Maryland
 18 (2011 Replacement Volume and 2013 Supplement)

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

21 **Article – Insurance**

22 14–501.

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

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

26 **(C–1) (1) “BRIDGE ELIGIBLE INDIVIDUAL” MEANS AN INDIVIDUAL WHO:**

27 **(I) IS A QUALIFIED INDIVIDUAL AS DEFINED IN § 31–101 OF**
 28 **THIS ARTICLE; AND**

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

32 **2. IS A DEPENDENT AS DEFINED IN § 15–1316 OF**
 33 **THIS ARTICLE.**

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

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

4 **(II) ~~UNLESS THE INDIVIDUAL IS ELIGIBLE FOR A SUBSIDY~~**
 5 **~~OF PLAN COSTS PROVIDED BY THE DEPARTMENT OF HEALTH AND MENTAL~~**
 6 **~~HYGIENE UNDER A MEDICAID WAIVER PROGRAM, THE MARYLAND MEDICAL~~**
 7 **ASSISTANCE PROGRAM;**

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

9 **(IV) AN EMPLOYER–SPONSORED GROUP HEALTH INSURANCE**
 10 **PLAN THAT INCLUDES BENEFITS COMPARABLE TO PLAN BENEFITS.**

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

12 (k) “Plan of operation” means the articles, bylaws, and operating rules and
 13 procedures adopted by the Board in accordance with § 14–503 of this subtitle.

14 14–502.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

15 **(II) ENROLLMENT IN THE PLAN SHALL BE CLOSED TO ANY**
16 **BRIDGE ELIGIBLE INDIVIDUAL WHO ~~IS NOT ENROLLED~~ HAS NOT APPLIED FOR**
17 **ENROLLMENT IN THE PLAN AS OF MARCH 31, 2014.**

18 **(III) ON THE EFFECTIVE DATE OF ENROLLMENT IN A**
19 **QUALIFIED HEALTH PLAN THROUGH THE MARYLAND HEALTH BENEFIT**
20 **EXCHANGE, THE ENROLLMENT OF A BRIDGE ELIGIBLE INDIVIDUAL IN THE PLAN**
21 **TERMINATES.**

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

26 (3) The date on which the Plan no longer will provide coverage to all
27 Plan members shall be no earlier than January 1, 2014, and no later than January 1,
28 2020.

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

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

34 (2) may be eligible to:

- 1 (i) enroll in the Maryland Medical Assistance Program;
- 2 (ii) purchase a health benefit plan offered in the Maryland
3 Health Benefit Exchange or in the insurance market outside the Maryland Health
4 Benefit Exchange; and
- 5 (iii) receive federal premium and cost-sharing assistance for the
6 purchase of a health benefit plan in the Maryland Health Benefit Exchange.

7 14-503.

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

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

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

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

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

18 (b) The policies and procedures may include:

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

22 (2) Plan enrollment procedures; and

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

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

28 SECTION 3. AND BE IT FURTHER ENACTED, That the Board of Directors
29 for the Maryland Health Insurance Plan:

30 (1) may extend the date established under § 14-502(f)(1)(ii) of the
31 Insurance Article, as enacted by Section 1 of this Act, for closing enrollment in the

1 Maryland Health Insurance Plan to bridge eligible individuals if the Board determines
 2 that bridge eligible individuals continue to be unsuccessful in enrolling in coverage
 3 through the Maryland Health Benefit Exchange; and

4 (2) shall notify the Senate Finance Committee, the House Health and
 5 Government Operations Committee, the Legislative Policy Committee of the General
 6 Assembly, and the Department of Legislative Services of the extension within 15 days
 7 after it is approved.

8 SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act is an
 9 emergency measure, is necessary for the immediate preservation of the public health
 10 or safety, has been passed by a yea and nay vote supported by three-fifths of all the
 11 members elected to each of the two Houses of the General Assembly, and shall take
 12 effect from the date it is enacted. It shall remain effective through June 30, 2015, and,
 13 at the end of June 30, 2015, with no further action required by the General Assembly,
 14 this Act shall be abrogated and of no further force and effect.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.