

# Chapter 1

## (Senate Bill 134)

AN ACT concerning

### Maryland Health Insurance Plan – Access for Bridge Eligible Individuals

FOR the purpose of altering the purpose of the Maryland Health Insurance Plan to include decreasing uncompensated care costs by providing access to affordable, comprehensive health benefits for certain bridge eligible individuals; providing that it is the intent of the General Assembly that Maryland Health Insurance Plan Fund revenue be used to subsidize health insurance coverage for bridge eligible individuals; repealing a certain provision of law that provides that enrollment in the Plan shall be closed to any individual who ~~is not enrolled~~ has not applied for enrollment *is not enrolled* in the Plan as of a certain date; altering a certain limitation on reenrollment in the Plan; providing that enrollment in the Plan shall be closed to any bridge eligible individual who ~~is not enrolled~~ has not applied for enrollment in the Plan as of a certain date; providing that the enrollment of a bridge eligible individual in the Plan terminates on the effective date of enrollment in a certain health plan; exempting an amendment that pertains to the enrollment of bridge eligible individuals from a certain requirement that any amendments to a certain plan of operation be submitted to the Maryland Insurance Commissioner for approval; authorizing the Board of Directors for the Maryland Health Insurance Plan to adopt certain policies and procedures; requiring the Board to provide notice of the policies and procedures to certain committees of the General Assembly; authorizing the Board to extend the date for closing certain enrollment under certain circumstances; requiring the Board to notify certain legislative committees and the Department of Legislative Services of the extension within a certain time period; requiring the Maryland Health Insurance Plan, beginning on a certain date, to submit monthly reports to certain legislative committees on certain progress; providing for the termination of this Act; defining a certain term; making certain conforming changes; making this Act an emergency measure; and generally relating to the Maryland Health Insurance Plan.

BY repealing and reenacting, without amendments,

Article – Insurance

Section 14–501(a), (c), (j), and (k) and 14–503(a)

Annotated Code of Maryland

(2011 Replacement Volume and 2013 Supplement)

BY adding to

Article – Insurance

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

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

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

**Article – Insurance**

14-501.

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

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

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

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

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

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

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

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

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

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

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

(j) "Plan" means the Maryland Health Insurance Plan.

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

14-502.

(a) There is a Maryland Health Insurance Plan.

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

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

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

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

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

**(II) A PROSPECTIVE BASIS.**

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

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

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

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

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

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

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

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

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

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

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

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

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

(2) may be eligible to:

(i) enroll in the Maryland Medical Assistance Program;

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

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

(a) There is a Board for the Plan.

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

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

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

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

(b) The policies and procedures may include:

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

(2) Plan enrollment procedures; and

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

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

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

(1) may extend the date established under § 14-502(f)(1)(ii) of the Insurance Article, as enacted by Section 1 of this Act, for closing enrollment in the Maryland Health Insurance Plan to bridge eligible individuals if the Board determines that bridge eligible individuals continue to be unsuccessful in enrolling in coverage through the Maryland Health Benefit Exchange; and

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

**SECTION 4. AND BE IT FURTHER ENACTED, That:**

*(a) Beginning on February 1, 2014, the Maryland Health Insurance Plan shall submit, in accordance with § 2-1246 of the State Government Article, monthly reports to the Legislative Policy Committee of the General Assembly, the Senate Finance Committee, and the House Health and Government Operations Committee on progress in enrolling bridge eligible individuals into coverage.*

*(b) The reports shall include the number of bridge eligible individuals:*

*(1) enrolled in MHIP Standard;*

*(2) enrolled in MHIP+; and*

*(3) transitioned to coverage in a qualified health plan or other coverage.*

SECTION ~~3~~ ~~4~~ 5. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted. It shall remain effective through June 30, 2015, and, at the end of June 30, 2015, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

**Approved by the Governor, January 30, 2014.**