

Article - Insurance

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§14-503.

- (a) There is a Board for the Plan.
- (b) The Plan shall operate subject to the supervision and control of the Board.
- (c) The Board consists of 10 members, of whom:
 - (1) one shall be the Executive Director of the Maryland Health Care Commission or the designee of the Executive Director of the Maryland Health Care Commission;
 - (2) one shall be the Executive Director of the Health Services Cost Review Commission or the designee of the Executive Director of the Health Services Cost Review Commission;
 - (3) one shall be the Secretary of Budget and Management or the designee of the Secretary of Budget and Management;
 - (4) two shall be appointed by the Director of the Health, Education, and Advocacy Unit in the Office of the Attorney General in accordance with subsection (d) of this section;
 - (5) one shall be appointed by the Commissioner to represent carriers operating in the State;
 - (6) one shall be appointed by the Commissioner to represent insurance producers selling insurance in the State;
 - (7) one shall be an individual who is an owner or employee of a minority-owned business in the State, appointed by the Governor;
 - (8) one shall be the Secretary of Health and Mental Hygiene or the designee of the Secretary of Health and Mental Hygiene; and
 - (9) one shall be appointed by the Governor to represent hospitals in the State.
- (d)
 - (1)
 - (i) Each Board member appointed under subsection (c)(4) of this section shall be a consumer who does not have a substantial financial interest in a person regulated under this article or under Title 19, Subtitle 7 of the Health – General Article.
 - (ii) One of the Board members appointed under subsection (c)(4) of this section shall be a member of a racial minority.

(2) The term of an appointed member is 4 years.

(3) At the end of a term, an appointed member continues to serve until a successor is appointed and qualifies.

(4) An appointed member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(e) Each member of the Board is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) (1) The Board shall appoint an Executive Director who shall be the chief administrative officer of the Plan.

(2) The Executive Director shall serve at the pleasure of the Board.

(3) The Board shall determine the appropriate compensation for the Executive Director.

(4) Under the direction of the Board, the Executive Director shall perform any duty or function that is necessary for the operation of the Plan.

(g) (1) The Executive Director may employ a staff for the Plan in accordance with the State budget.

(2) Staff for the Plan are in the executive service, management service, or are special appointments in the State Personnel Management System.

(3) The Executive Director, in consultation with the Department of Budget and Management, may set the compensation of a Plan employee in a position that:

(i) is unique to the Plan;

(ii) requires specific skills or experience to perform the duties of the position; and

(iii) does not require the employee to perform functions that are comparable to functions performed in other units of the Executive Branch of State government.

(4) The Secretary of Budget and Management, in consultation with the Executive Director, shall determine the positions for which the Executive Director may set compensation under paragraph (3) of this subsection.

(h) The Board is not subject to the provisions of the State Finance and Procurement Article.

(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 to the Commissioner for approval.

(j) On an annual basis, the Board shall submit to the Commissioner an audited financial report of the Fund prepared by an independent certified public accountant.

(k) (1) The Board shall adopt regulations necessary to operate and administer the Plan.

(2) Regulations adopted by the Board may include:

(i) residency requirements for Plan enrollees;

(ii) Plan enrollment procedures; and

(iii) any other Plan requirements as determined by the Board.

(l) In order to maximize volume discounts on the cost of prescription drugs, the Board may aggregate the purchasing of prescription drugs for enrollees in the Plan and enrollees in the Senior Prescription Drug Assistance Program established under Part II of this subtitle.

(m) (1) The Board shall report on or before December 1 of each year to the Governor and, subject to § 2-1246 of the State Government Article, to the General Assembly on:

(i) the number of members enrolled in the Plan;

(ii) any increase or decrease in the number of members enrolled in the Plan from the previous year;

(iii) any actions taken by the Board to increase enrollment or benefits offered through the Plan; and

(iv) the amount of any surplus in the Fund at the end of the previous fiscal year.

(2) For those members enrolled in the Plan whose eligibility in the Plan is subject to the requirements of the federal tax credit for health insurance costs under Section 35 of the Internal Revenue Code, the Board shall report on or before December 1, 2003, and annually thereafter, to the Governor, and subject to § 2-1246 of the State Government Article, to the General Assembly on the number of members enrolled in the Plan and the costs to the Plan associated with providing insurance to those members.

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