

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 926
Judiciary

(Delegate McComas, *et al.*)

Judicial Proceedings

Child Support - Health Insurance - Definition

This bill defines the term “health insurance” for purposes of calculating a child support obligation under the State child support guidelines by establishing that “health insurance” includes medical, dental, and vision insurance and prescription drug coverage.

Fiscal Summary

State Effect: None. The change is technical in nature and does not directly affect governmental finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: When establishing the child support obligation for each parent pursuant to the State’s child support guidelines, any actual cost of providing health insurance coverage for a child for whom the parents are jointly and severally responsible and extraordinary medical expenses incurred on behalf of a child must be added to the basic child support obligation and divided by the parents in proportion to their actual adjusted incomes. “Extraordinary medical expenses” means uninsured expenses over \$100 for a single illness or condition and includes uninsured, reasonable, and necessary costs for orthodontia, dental treatment, asthma treatment, physical therapy, treatment for any chronic health problem, and professional counseling or psychiatric therapy for diagnosed mental disorders.

Except in cases of shared physical custody, each parent’s support obligation must be determined by adding each parent’s respective share of the child support obligation,

work-related child care expenses, health insurance expenses, extraordinary medical expenses, and specified additional expenses. The obligee parent is presumed to spend that parent's total child support obligation directly on the child or children. The obligation owed by the obligor parent must be adjusted by any ordered payments for work-related child care expenses, health insurance expenses, extraordinary medical expenses, or specified additional expenses.

In cases of shared physical custody, the adjusted basic child support obligation must first be divided between the parents in proportion to their respective adjusted actual incomes. That share of the adjusted basic child support obligation must then be multiplied by the percentage of time the child or children spend with the other parent to determine the theoretical basic child support obligation owed to the other parent. In addition, any work-related child care expenses, extraordinary medical expenses, health insurance expenses, or other specified additional expenses incurred by either parent must be divided between the parents in proportion to their respective adjusted actual incomes. The parent not incurring the expense must pay that proportionate share to either the parent incurring the expense or the provider directly, as specified in statute. The amount owed under shared physical custody circumstances may not exceed the amount that would be owed if the parent was an obligor.

Additional Information

Prior Introductions: HB 850 of 2016, a similar bill, passed the House and received a hearing in the Senate Judicial Proceedings Committee, but no further action was taken.

Cross File: None.

Information Source(s): Montgomery County; Comptroller's Office; Judiciary (Administrative Office of the Courts); Department of Human Resources; Department of Legislative Services

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