

**Department of Legislative Services**  
Maryland General Assembly  
2017 Session

**FISCAL AND POLICY NOTE**  
**Third Reader - Revised**

House Bill 909

(Delegate Pena-Melnyk, *et al.*)

Health and Government Operations

Finance

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**Maryland Health Insurance Coverage Protection Act**

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This bill establishes the Maryland Health Insurance Coverage Protection Commission to (1) monitor potential and actual federal changes to the federal Patient Protection and Affordable Care Act (ACA), Medicaid, the Maryland Children’s Health Program (MCHP), Medicare, and the Maryland All-Payer Model; (2) assess the impact of such changes; and (3) provide recommendations for State and local action to protect access to affordable health coverage. By December 31 each year, the commission must submit a report on its findings and recommendations. The Department of Legislative Services (DLS), the Department of Health and Mental Hygiene (DHMH), and the Maryland Insurance Administration (MIA) jointly must staff the commission.

The bill takes effect June 1, 2017, and terminates June 30, 2020.

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**Fiscal Summary**

**State Effect:** DLS, DHMH, and MIA can staff the commission, conduct the required study, and prepare reports using existing budgeted resources. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Bill Summary:** The duties of the commission encompass a requirement for a study that includes (1) an assessment of the current and potential adverse effects of the loss of health coverage on the residents, public health, and economy of the State resulting from changes

to the ACA, Medicaid, MCHP, Medicare, or the Maryland All-Payer Model; (2) an estimate of the costs of such adverse effects and the resulting loss of health coverage; (3) an examination of measures that may prevent or mitigate such adverse effects and the resulting loss of health coverage; and (4) recommendations for laws that may be warranted to minimize such adverse effects and assist residents in obtaining and maintaining affordable health coverage.

The commission may hold public meetings across the State to carry out its duties and convene workgroups to solicit input from stakeholders.

The 19-member commission consists of (1) three members of the Senate; (2) three members of the House of Delegates; (3) the Secretary of Health and Mental Hygiene (or designee); (4) the Maryland Insurance Commissioner (or designee); (5) the Attorney General (or designee); (6) one representative of the Maryland Hospital Association; (7) one representative of a managed care organization; (8) one consumer of health care services; (9) one representative of a health insurance carrier; (10) one representative who is an employer; (11) one representative of the nursing home industry; (12) one representative of MedChi; (13) one representative of behavioral health care providers; and (14) two members of the public.

The President and the Speaker must designate a member who is a Senator and a member who is a Delegate, respectively, to serve as co-chairs of the commission. Members of the commission may not receive compensation but are entitled to reimbursement for expenses, as provided in the State budget.

**Background:** Since passage of the ACA in 2010, Maryland has brought State health insurance laws into compliance with federal consumer protections, standardized the premium rate review and approval process, established the Maryland Health Benefit Exchange (MHBE), expanded Medicaid, and repealed the Maryland Health Insurance Plan.

In January 2017, DLS released a report, [\*Assessing the Impact of Health Care Reform in Maryland\*](#). The report noted that, based on review of available data, Maryland has observed a significant increase in health care coverage under the ACA through the expansion of Medicaid (291,000 individuals) and establishment of MHBE (142,872 individuals) and a corresponding decrease in the uninsured rate by more than one-third. The report found that repeal or substantial amendment of the ACA could have a tremendous impact on Maryland, including the all-payer model contract that governs hospital rate setting, and will require the General Assembly to consider significant financial and policy issues and then make decisions, such as whether to maintain and how to fund both the Medicaid expansion and MHBE.

## Additional Information

**Prior Introductions:** None.

**Cross File:** SB 571 (Senator Middleton, *et al.*) - Finance.

**Information Source(s):** Department of Health and Mental Hygiene; Maryland Insurance Administration; Department of Legislative Services

**Fiscal Note History:** First Reader - February 27, 2017  
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Analysis by: Jennifer B. Chasse

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510