

**Department of Legislative Services**  
Maryland General Assembly  
2018 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

Senate Bill 1026

(Senator Madaleno)

Finance

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**Maryland Department of Health - Employed Beneficiaries of Assistance  
Programs**

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This bill requires the Maryland Department of Health (MDH) to annually identify the 50 employers in the State with the highest number of employees receiving medical assistance or medical benefits under Medicaid, the Maryland Children's Health Program (MCHP), or any other health benefit program funded wholly or partly by the State. By February 1 of each year, MDH must submit a report with specified information on each identified employer to the General Assembly. The report (1) may not disclose the name of any individual; (2) is subject to specified federal privacy standards; and (3) must be made available to the public on the MDH website. MDH may establish interagency agreements to obtain the information necessary to implement the bill. **The bill takes effect July 1, 2018.**

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**Fiscal Summary**

**State Effect:** Medicaid expenditures (50% general funds, 50% federal funds) increase by an indeterminate amount beginning in FY 2019 to identify the employer of individuals enrolled in Medicaid and MCHP. General fund expenditures may increase further to identify such information for enrollees in other State-funded health benefit programs. Federal fund revenues increase correspondingly.

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Current Law/Background:** Medicaid generally covers children, pregnant women, elderly or disabled individuals, low-income parents, and childless adults. To qualify for Medicaid, applicants must pass certain income and asset tests. Effective January 1, 2014, Medicaid coverage was expanded to persons with household incomes up to 138% of federal poverty guidelines (FPG), as authorized under the federal Patient Protection and Affordable Care Act.

Medicaid funds a broad range of services. The federal government mandates that the State provide nursing facility services; hospital inpatient and outpatient services; x-ray and laboratory services; early and periodic screening, diagnosis, and treatment services for children; family planning services; transportation services; physician care; federally qualified health center and rural health clinic services; and some nurse practitioner services. The federal government also allows optional services that Maryland provides, including vision care, podiatric care, pharmacy, medical supplies and equipment, intermediate-care facilities for the developmentally disabled, and institutional care for people older than age 65 with mental diseases.

MCHP is Maryland's name for medical assistance for low-income children. MCHP provides all the same services as Medicaid. A premium of about 2% of family income is required of child participants with family incomes above 200% FPG.

In fiscal 2018, there are 1.2 million individuals enrolled in Medicaid and about 146,400 children enrolled in MCHP.

**State Expenditures:** MDH does not currently track information about the employer of individuals enrolled in Medicaid, MCHP, or other health benefit programs funded by the State. However, MDH currently engages in data matching initiatives that involve searching databases for purposes of ensuring Medicaid eligibility and redetermination. Similar data matching may be possible to determine enrollees' employers. MDH advises that the cost to implement a system to identify and compile such information is indeterminate. Federal matching funds (at a rate of 50%) would be available for the Medicaid and MCHP population only.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Department of Health; Department of Labor, Licensing, and Regulation; Department of Legislative Services

**Fiscal Note History:** First Reader - February 26, 2018  
md/ljm

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