

MARYLAND REGISTER

**Emergency Action on Regulations**

<b>TO BE COMPLETED BY AELR COMMITTEE</b>	<b>EMERGENCY Transmittal Sheet</b>	<b>TO BE COMPLETED BY DSD</b>
Date Received by AELR Committee		Date Filed with Division of State Documents
06/02/2015		
Emergency Status Approved		Document Number
_ -Yes _ -No		Date of Publication in MD Register
Emergency Status Begins On		
Emergency Status Ends On		
Name of AELR Committee Counsel		

**1. COMAR Codification**

**Title Subtitle Chapter Regulation**

10 37 10 26-1

**2. Name of Promulgating Authority**

Health Services Cost Review Commission

**3. Name of Regulations Coordinator**

Diana M Kemp

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410-764-2576

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Baltimore MD 21215

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**4. Name of Person to Call About this Document**

Diana Kemp

**Telephone No.**

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**Email Address**

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**5. Check applicable items:**

- New Regulations

- Amendments to Existing Regulations

- Repeal of Existing Regulations

- Incorporation by Reference of Documents Requiring DSD Approval

**6. Date Requested for Emergency Status to Begin: 7/1/2015**

**Date Requested for Emergency Status to Expire: 11/1/2015**

**7. Agency Will Take the Following Action on These Regulations**

- Promulgate them in accordance with State Government Article, §§ 10-101 -- 10-126

- Allow them to expire

**8. Is there proposed text which is identical to emergency text:**

- Yes  - No

If yes, corresponding proposed text published in:

- same issue

- future issue

- previous issue; it appeared in

:                      Md. R

(vol.) (issue) (page no's) (date)

Under Maryland register docket no.: --E.

**9. Check the following item if it is included in the attached document:**

- Incorporation by Reference (IBR) approval form(s) attached and 18 copies of documents proposed for incorporation submitted to DSD. (Submit 18 paper copies of IBR document to DSD and one copy to AELR.)

**10. Reason for Request for Emergency Status**

The purpose of this action is to impose a moratorium on the Commission's Maryland Health Insurance Plan (MHIP) assessment for Fiscal Year 2016 in response to the Budget Reconciliation Act of 2015 changes to the program as of July 1, 2015

**11. Certificate of Authorized Officer**

I certify that the attached document is in compliance with the Administrative Procedure Act. I also certify that the attached text has been approved for legality by Leslie C. Schulman, Assistant Attorney General, (telephone #410-764-2575) on May 13, 2015. A signed copy of the approval is on file at this agency.

**Name of Authorized Officer**

John M. Colmers

**Title**

Chairman

**Date**

May 13, 2015

**Telephone No.**

410-764-2605

**Title 10**

**DEPARTMENT OF HEALTH AND MENTAL HYGIENE**

**Subtitle 37 DEPARTMENT OF HEALTH AND MENTAL HYGIENE**

**10.37.10 26-1**

Authority: Health-General Article, Sections 19-207 and 19-214; Insurance Article Sections 14-502 and 15-504; Annotated Code of Maryland

**Notice of Emergency Action**

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The Joint Committee on Administrative, Executive, and Legislative Review has granted emergency status to Regulation 26-1 under COMAR 10.37.10 Rate Application and Approval Procedures

**Emergency status began:**

**Emergency status expires:**

**Comparison to Federal Standards**

There is no corresponding federal standard to this emergency action.

**Estimate of Economic Impact**

**I. Summary of Economic Impact.**

This Regulation amendment establishes a moratorium on the heretofore annual assessment to help fund the Maryland Health Insurance Plan (MHIP) for FY 2016.

**II. Types of Economic Impact.**

Revenue (R+/R-)

Expenditure (E+/E-)

Magnitude

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A. On issuing agency:	NONE	
B. On other State agencies:	NONE	
(1) Other State Agencies	(R-)	Moderate
C. On local governments:	NONE	

Benefit (+)	Magnitude
Cost (-)	

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D. On regulated industries or trade groups:	NONE	
(2) On regulated industries	(+)	Moderate
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	NONE	
(3) Direct and indirect effects on public	(+)	Minimal

**III. Assumptions.** (Identified by Impact Letter and Number from Section II.)

B(1). This regulation amendment establishes a moratorium on the heretofore annual assessment to help fund the Maryland Health Insurance Plan (MHIP) for FY 2016. The amount of \$62.2 million represents what was assessed on hospital rates for FY 2015. Because of the provisions of the Affordable Care Act, MHIP is not providing health insurance coverage as of January 1, 2015.

D(2). The moratorium means that hospital rates will not be increased to cover the funding for MHIP. As a result, third-party payers will be paying lower hospital charges.

F(3). The public will be paying less for hospital charges as a result of the moratorium on this MHIP assessment. As a result of the Affordable Care Act, all Marylanders can now obtain health insurance notwithstanding the moratorium.

**Economic Impact on Small Businesses**

The emergency action has minimal or no economic impact on small businesses.

**Economic Impact Statement Part C**

A. Fiscal Year in which regulations will become effective: FY 2016

B. Does the budget for the fiscal year in which regulations become effective contain funds to implement the regulations?

No

C. If 'yes', state whether general, special (exact name), or federal funds will be used:

D. If 'no', identify the source(s) of funds necessary for implementation of these regulations:

Not Funds are necessary.

E. If these regulations have no economic impact under Part A, indicate reason briefly:

F. If these regulations have minimal or no economic impact on small businesses under Part B, indicate the reason and attach small business worksheet.

The moratorium does not affect small businesses, as the Affordable Care Act ensures health insurance coverage.

G. Response to small business worksheet:

Attached Document:

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## **Title 10 DEPARTMENT OF HEALTH AND MENTAL HYGINE**

### **Subtitle 37 HEALTH SERVICES COST REVIEW COMMISSION**

#### **Chapter10 Rate Application and Approval Procedures**

Authority: Health-General Article, §§ 19-207 and 19-214; Insurance Article, §§ 14-502 and 15-504; Annotated Code of Maryland

##### **NOTICE OF EMERGENCY ACTION**

The Health Services Cost Review Commission has granted emergency status to amend Regulation **.26-1** under **COMAR 10.37.10 Rate Application and Approval Procedures**.

**Emergency Status Begins:**

July 1, 2015

**Emergency Status Expires:** November 1, 2015

**Comparison of Federal Standards**

There is no corresponding federal standard to this proposed action.

**Estimate of Economic Impact**

There is economic impact. See Estimate of Economic Impact attached

**.26-1 Maryland Health Insurance Plan (MHIP) Assessment.**

A. Text Unchanged

B. The Commission shall assess each hospital up to 1 percent of its net patient revenue to operate and administer the MHIP. There shall be no MHIP assessment for Fiscal Year 2016.

C.-D. Text Unchanged

JOHN M. COLMERS

Chairman

Health Services Cost Review Commission