

**Department of Fiscal Services**  
Maryland General Assembly

**FISCAL NOTE**

House Bill 60 (Delegate Bonsack)  
Economic Matters

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**Health Insurance - Small Group Market - Comprehensive Standard Health  
Benefit Plan - Outpatient Rehabilitative Benefits**

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This bill requires the Health Care Access and Cost Commission (HCACC) to establish outpatient rehabilitative benefits for occupational, speech, and physical therapies under the comprehensive standard health benefit plan. The comprehensive standard health benefit plan was established as part of small group market reform under the Health Care Insurance Reform Act of 1993.

The bill takes effect January 1, 1997.

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**Fiscal Summary**

**State Effect:** None. The bill's requirements can be handled with existing budgeted resources. General fund revenues could increase by \$6,000 in FY 1998.

**Local Effect:** None.

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**Fiscal Analysis**

**State Revenues:** Of the 60 health insurers in the small group market, 20 are health maintenance organizations (HMOs) which are not required to pay rate and form filing fees. Of the remaining 40 insurers, it is assumed that 20 will change their rates and be required to pay the \$100 filing fee and all 40 will revise forms and be required to pay the \$100 filing fee, for a total of \$6,000 additional general fund revenues in fiscal 1998.

**State Expenditures:** The Health Care Access and Cost Commission's proposed fiscal 1997 budget allowance already includes funds for updating the comprehensive standard health benefit plan.

The Insurance Administration will be required to review and approve revised rates and forms to comply with the bill's required mandate change. The additional review required by the bill can be handled with existing staff resources.

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**Information Source(s):** Department of Fiscal Services, Health Care Access and Cost Commission, Insurance Administration

**Fiscal Note History:** First Reader - January 22, 1996

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