
By: Delegates Rawlings, McHale, Hubbard, and Rosenberg

Introduced and read first time: January 29, 1997

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Medicaid Managed Care Program - Capitation Payments - Graduate Medical**
3 **Education Costs**

4 FOR the purpose of requiring the Secretary of Health and Mental Hygiene for purposes
5 of making capitation payments for services provided to Maryland Medicaid Program
6 recipients enrolled in managed care organizations to implement a certain capitation
7 payment system to assure that the graduate medical education component of the
8 capitated rates is used only to reimburse certain persons that have graduate medical
9 education costs included in rates approved by the Health Services Cost Review
10 Commission under certain circumstances.

11 BY renumbering

12 Article - Health - General
13 Section 15-103(b)(26) and (27), respectively
14 to be Section 15-103(b)(27) and (28), respectively
15 Annotated Code of Maryland
16 (1994 Replacement Volume and 1996 Supplement)

17 BY repealing and reenacting, without amendments,

18 Article - Health - General
19 Section 15-103(b)(1)
20 Annotated Code of Maryland
21 (1994 Replacement Volume and 1996 Supplement)

22 BY adding to

23 Article - Health - General
24 Section 15-103(b)(26)
25 Annotated Code of Maryland
26 (1994 Replacement Volume and 1996 Supplement)

27 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
28 MARYLAND, That Section(s) 15-103(b)(26) and (27), respectively, of Article - Health
29 - General of the Annotated Code of Maryland be renumbered to be Section(s)
30 15-103(b)(27) and (28), respectively.

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1 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
2 read as follows:

3 **Article - Health - General**

4 15-103.

5 (b) (1) As permitted by federal law or waiver, the Secretary may establish a
6 program under which Program recipients are required to enroll in managed care
7 organizations.

8 (26) (I) FOR THE PURPOSE OF MAKING CAPITATION PAYMENTS FOR
9 SERVICES PROVIDED TO PROGRAM RECIPIENTS ENROLLED IN MANAGED CARE
10 ORGANIZATIONS, THE SECRETARY SHALL IMPLEMENT A CAPITATION PAYMENT
11 SYSTEM TO ASSURE THAT THE GRADUATE MEDICAL EDUCATION COMPONENT OF
12 THE CAPITATED RATES IS USED ONLY TO REIMBURSE THE GRADUATE MEDICAL
13 EDUCATION COSTS OF FACILITIES THAT HAVE GRADUATE MEDICAL EDUCATION
14 COSTS INCLUDED IN THE RATES APPROVED BY THE HEALTH SERVICES COST
15 REVIEW COMMISSION.

16 (II) FOR PURPOSES OF THIS PARAGRAPH, THE COSTS OF
17 GRADUATE MEDICAL EDUCATION TO BE REIMBURSED SHALL BE BASED ON THE
18 METHODOLOGY DETERMINED BY THE HEALTH SERVICES COST REVIEW
19 COMMISSION AND AS AUTHORIZED AND INCLUDED IN RATES APPROVED BY THE
20 HEALTH SERVICES COST REVIEW COMMISSION.

21 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 June 1, 1997.