

CF 7r2349

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**By: Senator Hollinger**

Introduced and read first time: January 31, 1997

Assigned to: Economic and Environmental Affairs

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 18, 1997

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Board of Physician Quality Assurance - Fees**

3 FOR the purpose of transferring from the State Scholarship Administration to the  
4 Maryland Higher Education Commission the authority to administer the Health  
5 Manpower Shortage Incentive Grant Program; requiring the Comptroller to  
6 distribute unspent portions of a certain fund to the Board of Physician Quality  
7 Assurance Fund; repealing a certain provision of the Manpower Shortage Incentive  
8 Grant Program; requiring the State Comptroller to distribute fees received from the  
9 State Board of Physician Quality Assurance to the Board of Physician Quality  
10 Assurance Fund in a specified manner; altering the amount of the fee assessed to  
11 certain individuals by the Board of Physician Quality Assurance for the physician  
12 rehabilitation program and peer review activities; requiring the Legislative Auditor  
13 to biannually conduct certain audits of the accounts of the Medical and Chirurgical  
14 Faculty for the physician rehabilitation program and peer review activities; and  
15 generally relating to the deposit of moneys into the Board of Physician Quality  
16 Assurance Fund distribution by the Comptroller of fees received from the Board of  
17 Physician Quality Assurance and the collection of fees for the physician  
18 rehabilitation program and peer review activities.

19 BY repealing and reenacting, with amendments,20 Article - Education21 Section 18-803(b), (e), and (g)22 Annotated Code of Maryland23 (1997 Replacement Volume)24 BY repealing and reenacting, with amendments,25 Article - Health Occupations26 Section 14-207(c) and 14-402(e)

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1 Annotated Code of Maryland  
2 (1994 Replacement Volume and 1996 Supplement)

3 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
4 MARYLAND, That the Laws of Maryland read as follows:

5 **Article - Education**

6 18-803.

7 (b) (1) There is a Health Manpower Shortage Incentive Grant Program for  
8 eligible institutions.

9 (2) The [State Scholarship Administration] COMMISSION shall administer  
10 the Grant Program as provided in this section.

11 (3) In consultation with the Secretary of Health and Mental Hygiene, the  
12 [Administration] COMMISSION shall adopt regulations to implement the Grant  
13 Program.

14 (e) (1) If the total amount of the grant to be issued under subsection (d) of this  
15 section is more than the amount appropriated in the annual State Budget, including the  
16 amount that is collected under the Physician Quality Assurance Fund under §  
17 14-207(c)(2)(ii) of the Health Occupations Article and transferred to this program, the  
18 amount of an eligible institution's grant for that period shall be equal to the product of  
19 the amount required to pay grants under subsection (d) multiplied by the ratio of the total  
20 amount appropriated to the eligible institution.

21 (2) Any unspent portions of the money that is transferred to the  
22 [Administration] COMMISSION for use under this section by the Comptroller [may not  
23 be transferred to or revert to the General Fund of the State, but shall remain in the Fund  
24 maintained by the Administration to administer these programs to be used for the  
25 purposes specified in this section] SHALL BE TRANSFERRED TO THE BOARD OF  
26 PHYSICIAN QUALITY ASSURANCE FUND ESTABLISHED UNDER § 14-207 OF THE  
27 HEALTH OCCUPATIONS ARTICLE FOR USE BY THE BOARD OF PHYSICIAN QUALITY  
28 ASSURANCE.

29 (g) (1) In accordance with § 1-204 of the Health Occupations Article, the  
30 Secretary of Health and Mental Hygiene shall certify annually to the Maryland Higher  
31 Education Commission those health occupations in short supply.

32 (2) In any year in which a health occupation is determined by the Secretary  
33 of Health and Mental Hygiene to be no longer in short supply, the [Administration]  
34 COMMISSION shall discontinue issuing new grants under this section for that health  
35 occupation], provided that the existing grants shall continue for the students who are  
36 enrolled in prior to and who subsequently graduate from the approved education program  
37 after the determination is made by the Secretary].

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1 **Article - Health Occupations**

2 14-207.

3 (c) (1) Except for fees assessed in accordance with the provisions of § 14-402(e)  
4 of this title, the Board shall pay all fees collected under the provisions of this title to the  
5 Comptroller of the State.

6 (2) The Comptroller shall distribute ~~£~~:

7 (i) [6 percent of the fees received from the Board to the General  
8 Fund of the State;

9 (ii) 14 percent of the fees received from the Board to the State  
10 Scholarship Administration to be used as follows:

11 1. ~~One-half~~ A PERCENTAGE OF THE FEES RECEIVED FROM  
12 THE BOARD to make grants under the Health Manpower Shortage Incentive Grant  
13 Program under § 18-804.1 of the Education Article AS FOLLOWS:

14 1. FOUR PERCENT OF THE FEES RECEIVED DURING FISCAL  
15 YEAR 1999; AND

16 2. TWO PERCENT OF THE FEES RECEIVED DURING FISCAL  
17 YEAR 2000; and

18 ~~2. One-half~~ (II) \$350,000 to make grants under the Loan  
19 Assistance Repayment Program under § 18-1602(c) of the Education Article to  
20 physicians engaged in primary care or to medical STUDENTS AND residents specializing  
21 in primary care who agree to practice for at least 2 years as primary care physicians in a  
22 geographic area of the State that has been designated by the Secretary of Health and  
23 Mental Hygiene as being medically underserved; and

24 (iii) The balance of ~~£~~ the fees to the Board of Physician Quality  
25 Assurance Fund.

26 14-402.

27 (e) (1) (i) The Board shall assess each applicant APPROVED for a license to  
28 practice medicine or for renewal of a license to practice medicine a fee of not more than  
29 [\$50] 15% OF THE FEE ASSESSED BY THE BOARD TO THE APPLICANT FOR  
30 LICENSURE OR RENEWAL OF THE LICENSE to be set after the submission of a budget  
31 for the physician rehabilitation program and peer review activities by the Faculty to the  
32 Board.

33 (ii) The fee is to be used to fund the physician rehabilitation program  
34 and peer review activities of the Faculty, as approved by the Secretary.

35 (iii) The Board shall set a fee under this subsection in accordance with  
36 the budget submitted by the Faculty.

37 (2) The Legislative Auditor shall [annually] BIANNUALLY audit the  
38 accounts and transactions of the Faculty for the physician rehabilitation program and  
39 peer review activities as provided in § 2-1215 of the State Government Article.

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1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 ~~October~~ July 1, 1997.