

BY: Environmental Matters Committee

AMENDMENTS TO SENATE BILL NO. 650

(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “develop” in line 4 down through “terms” in line 15, inclusive, and substitute “submit certain information to the Department of Health and Mental Hygiene at a certain time; authorizing the Department to take certain action if a certain managed care organization does not comply with certain requirements by a certain time”.

AMENDMENT NO. 2

On pages 1 and 2, strike in their entirety the lines beginning with line 17 on page 1 through line 2 on page 2, inclusive, and substitute:

“BY repealing and reenacting, without amendments,

Article - Health - General

Section 15-103(b)(1)

Annotated Code of Maryland

(1994 Replacement Volume and 1997 Supplement)

BY repealing and reenacting, with amendments,

Article - Health - General

Section 15-103(b)(12)

Annotated Code of Maryland

(1994 Replacement Volume and 1997 Supplement)”;

and on page 2, strike in their entirety lines 3 through 22, inclusive.

AMENDMENT NO. 3

On pages 2 through 6, strike in their entirety the lines beginning with line 26 on page 2 through line 5 on page 6, inclusive.

(Over)

On page 6, after line 14, insert:

“15-103.

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

(12) (i) Each managed care organization shall notify each enrollee when the enrollee should obtain an immunization, examination, or other wellness service.

(ii) EACH [Managed care organizations] MANAGED CARE ORGANIZATION shall:

1. Maintain evidence of compliance with paragraph (9)(i) of this subsection; and

2. [Upon request by the Department, provide] PROVIDE to the Department, UPON INITIAL APPLICATION TO PROVIDE HEALTH CARE SERVICES TO ENROLLEES AND ON AN ANNUAL BASIS THEREAFTER, evidence of compliance with paragraph (9)(i) of this subsection, INCLUDING SUBMISSION OF A WRITTEN PLAN.

(iii) A managed care organization that does not comply with subparagraph (i) of this paragraph for at least 90% of its new enrollees:

1. Within 90 days of their enrollment may not receive more than 80% of its capitation payments;

2. Within 180 days of their enrollment may not receive more than 70% of its capitation payments; and

3. Within 270 days of their enrollment may not receive more than 50% of its capitation payments.

(IV) IF A MANAGED CARE ORGANIZATION DOES NOT COMPLY WITH THE REQUIREMENTS OF PARAGRAPH (9) OF THIS SUBSECTION, THE DEPARTMENT MAY CONTRACT WITH ANY COMMUNITY-BASED HEALTH

ORGANIZATION THAT THE DEPARTMENT DETERMINES IS WILLING AND ABLE TO PERFORM COMPREHENSIVE OUTREACH SERVICES TO ENROLLEES.

(V) IN ADDITION TO THE PROVISIONS OF SUBPARAGRAPH (IV) OF THIS PARAGRAPH, IF A MANAGED CARE ORGANIZATION DOES NOT COMPLY WITH THE REQUIREMENTS OF PARAGRAPH (9) OF THIS SUBSECTION OR FAILS TO PROVIDE EVIDENCE OF COMPLIANCE TO THE DEPARTMENT UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE DEPARTMENT MAY:

1. IMPOSE A FINE ON THE MANAGED CARE ORGANIZATION;
2. SUSPEND FURTHER ENROLLMENT INTO THE MANAGED CARE ORGANIZATION;
3. WITHHOLD ALL OR PART OF THE CAPITATION RATE FROM THE MANAGED CARE ORGANIZATION;
4. TERMINATE THE PROVIDER AGREEMENT; OR
5. DISQUALIFY THE MANAGED CARE ORGANIZATION FROM FUTURE PARTICIPATION IN THE MARYLAND MEDICAID MANAGED CARE PROGRAM.”.