

BY: Environmental Matters Committee and Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 4

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, at the top of the page, insert "EMERGENCY BILL".

AMENDMENT NO. 2

On page 1, in the sponsor line, strike "and Workman" and substitute "Workman, DeCarlo, Donoghue, McHale, Miller, Boston, Crumlin, Kirk, Eckardt, Mohorovic, Stup, Ciliberti, Klausmeier, and D. Hughes".

AMENDMENT NO. 3

On page 1, in line 5, after "for" insert "certain health benefits either through an employer sponsored health benefit plan or through the"; in the same line, "benefits;" and substitute "; altering the eligibility requirements for certain individuals under the Children and Families Health Care Program;"; in line 6, strike "Secretary" and substitute "Department"; in the same line, strike "presumptive" and substitute "expedited"; in line 7, after "circumstances;" insert "permitting certain enrollees of certain programs to have guaranteed eligibility for a certain time;"; strike beginning with "transferring" in line 7 down through "Foundation;" in line 10; in lines 10 and 11, in each instance, strike "the Foundation" and substitute "the Department"; strike beginning with "requiring" in line 12 down through "basis;" in line 20 and substitute "establishing certain guidelines for terminating employer sponsored health insurance; requiring that after the Governor appoints the initial members of the Board of Trustees for the Health Care Foundation, subsequent trustees shall be elected by the board members; providing for the appointment, compensation, and duties of an Executive Director for the Foundation; requiring certain entities to conduct a certain study and to provide recommendations in a report to the General Assembly on certain dates; authorizing the Department to establish certain regulations for the imposition of premiums;"; and in line 21, after "Department" insert "and the Foundation".

On pages 1 and 2, strike beginning with "requiring" on page 1 in line 25 through "date;" on

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page 2 in line 4 and substitute “prohibiting an agent, broker, or insurer from referring an employee or a dependent of an employee to the Children and Families Health Care Program or arranging for an employee or a dependent of an employee to apply to the Children and Families Health Care Program under certain circumstances;”.

On page 2, in line 5, strike “a certain provision of this Act;” and substitute “certain provisions of this Act; requiring the Department to seek approval from the federal Health Care Financing Administration for a tax credit program; providing for certain funds to be included in the budget for the Foundation; making this Act an emergency measure; providing for the effective date of certain provisions of this Act; altering a certain definition;”; in line 22, strike “15-304” and substitute “15-305”; in line 28, strike “20-506” and substitute “15-601, 20-504, 20-505, and 20-506”; in line 33, after “15-124” insert “and 27-220”; and after line 30, insert:

“BY repealing and reenacting, with amendments,

Article - Health - General

Section 15-301

Annotated Code of Maryland

(1994 Replacement Volume and 1997 Supplement)

(As enacted by Section 3 of this Act)”.

AMENDMENT NO. 4

On page 4, in line 6, after “recipients” insert “OR INDIVIDUALS OR FAMILIES SERVED UNDER THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM”.

AMENDMENT NO. 5

On page 5, strike beginning with “and” in line 12 down through “185” in line 13 and substitute “WHOSE FAMILY INCOME IS AT OR BELOW 200”; after line 13, insert:

“(III) SHALL PROVIDE, SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET, COMPREHENSIVE MEDICAL AND OTHER HEALTH CARE SERVICES FOR ALL ELIGIBLE CHILDREN CURRENTLY UNDER THE AGE OF 1 WHOSE FAMILY INCOME FALLS BELOW 185 PERCENT OF THE POVERTY LEVEL, AS PERMITTED BY FEDERAL LAW;”;

and in lines 14, 18, 22, 27, 32, and 38, strike “(iii)”, “(iv)”, “(v)”, “(vi)”, “(vii)”, and “(viii)”, respectively, and substitute “(IV)”, “(V)”, “(VI)”, “(VII)”, “(VIII)”, and “(IX)”, respectively.

On page 6, in line 1, strike “(ix)” and substitute “(X)”.

AMENDMENT NO. 6

On page 6, in lines 6 and 10, in each instance, strike “PRESUMPTIVE” and substitute “EXPEDITED”; in line 7, after “SECTION” insert “OR FOR THE PROGRAM UNDER § 15-301 OF THIS TITLE”; in line 9, after “ORGANIZATIONS” insert “, SUCH AS FEDERALLY QUALIFIED COMMUNITY HEALTH CENTERS AND DISPROPORTIONATE SHARE HOSPITALS.”; in line 17, strike “PROGRAM” and substitute “PROGRAMS”; in line 21, strike “(I)”; and strike in their entirety lines 24 through 28, inclusive.

AMENDMENT NO. 7

On page 7, in line 9, after “subsection” insert “AND THE PROGRAM DEVELOPED UNDER § 15-301 OF THIS TITLE”.

AMENDMENT NO. 8

On page 12, in lines 1 and 2, strike “OR THE FOUNDATION”; in line 6, strike “OR THE FOUNDATION”; in lines 8, 11, 13, and 17, in each instance, strike the brackets; in lines 11, 13, and 17, in each instance, strike “FOUNDATION”; and in lines 8 and 9, strike “AS PROVIDED IN § 15-302 OF THIS TITLE, THE FOUNDATION”.

On page 14, in lines 28 and 32, in each instance, strike the bracket.

On page 15, in lines 1 and 3, in each instance, strike the brackets; and in lines 1 and 3, strike “(25)” and “(26)”, respectively.

AMENDMENT NO. 9

On page 17, in line 31, after “DEPARTMENT” insert “AND TO THE FOUNDATION”.

AMENDMENT NO. 10

On page 18, before line 1, insert:

“SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Health - General”;

strike in the entirety lines 3 through 18, inclusive, and substitute:

“(A) IN THIS SECTION, “CARRIER” MEANS:

(1) AN INSURER;

(2) A NONPROFIT SERVICE PLAN;

(3) A HEALTH MAINTENANCE ORGANIZATION; OR

(4) ANY OTHER PERSON THAT PROVIDES HEALTH BENEFIT PLANS SUBJECT TO REGULATION BY THE STATE.

(B) THERE IS A CHILDREN AND FAMILIES HEALTH CARE PROGRAM.

(C) THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM SHALL PROVIDE, SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET AND ANY OTHER REQUIREMENTS IMPOSED BY THE STATE AND AS PERMITTED BY FEDERAL LAW OR WAIVER, COMPREHENSIVE MEDICAL CARE AND OTHER HEALTH CARE SERVICES TO AN INDIVIDUAL WHO HAS A FAMILY INCOME AT OR BELOW 200 PERCENT OF THE FEDERAL POVERTY LEVEL AND WHO IS UNDER THE AGE OF 19 YEARS.

(D) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM SHALL BE ADMINISTERED THROUGH THE PROGRAM DEVELOPED UNDER SUBTITLE 1 OF THIS TITLE REQUIRING INDIVIDUALS TO ENROLL IN MANAGED CARE ORGANIZATIONS.

(E) (1) IF AN INDIVIDUAL’S PARENT OR GUARDIAN IS COVERED UNDER AN

EMPLOYER SPONSORED HEALTH BENEFIT PLAN WITH DEPENDENT COVERAGE, CERTIFIED UNDER PARAGRAPH (4) OF THIS SUBSECTION, THE INDIVIDUAL IS NOT ELIGIBLE FOR THE PROGRAM DEVELOPED UNDER SUBTITLE 1 OF THIS TITLE AND IS ONLY ELIGIBLE TO RECEIVE A VOUCHER TO COVER THE COSTS OF DEPENDENT COVERAGE.

(2) UNTIL DEPENDENT COVERAGE UNDER AN EMPLOYER SPONSORED HEALTH BENEFIT PLAN HAS BEEN CERTIFIED BY THE SECRETARY UNDER PARAGRAPH (4) OF THIS SUBSECTION, THE INDIVIDUAL IS ELIGIBLE THROUGH THE PROGRAM DEVELOPED UNDER SUBTITLE 1 OF THIS TITLE.

(3) AN ELIGIBLE INDIVIDUAL MAY BE ENROLLED IN AN EMPLOYER SPONSORED HEALTH BENEFIT PLAN UNDER:

(I) AN INDEPENDENT INSURANCE POLICY; OR

(II) AN ADD-ON TO AN EXISTING POLICY.

(4) (I) A CARRIER THAT OFFERS AN EMPLOYER SPONSORED HEALTH BENEFIT PLAN OR A CARRIER THAT INTENDS TO OFFER AN EMPLOYER SPONSORED HEALTH BENEFIT PLAN UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL SUBMIT THE PLAN TO THE SECRETARY.

(II) THE SECRETARY, IN CONSULTATION WITH THE COMMISSIONER, SHALL CERTIFY, WITHIN A REASONABLE TIME, THE EMPLOYER SPONSORED HEALTH BENEFIT PLAN, IF THE PLAN MEETS THE COVERAGE REQUIREMENTS UNDER TITLE XXI OF THE SOCIAL SECURITY ACT AND ANY OTHER FEDERAL REQUIREMENTS, AND INCLUDES A BENEFIT THAT IS SUBSTANTIALLY EQUIVALENT TO THE EARLY PERIODIC SCREENING DIAGNOSIS AND TREATMENT PROGRAM.

(III) IF THE SECRETARY DETERMINES THAT THE EMPLOYER SPONSORED HEALTH BENEFIT PLAN DOES NOT MEET THE REQUIREMENTS OF

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SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE SECRETARY SHALL NOTIFY THE CARRIER OF THAT DETERMINATION WITHIN A REASONABLE TIME.

(5) A CARRIER THAT OFFERS AN EMPLOYER SPONSORED HEALTH BENEFIT PLAN SHALL SUBMIT A CERTIFICATION OF ELIGIBILITY FOR THE ELIGIBLE INDIVIDUAL ON THE FORM REQUIRED BY THE SECRETARY.

(6) IN CONSULTATION WITH THE COMMISSIONER, THE SECRETARY SHALL:

(I) SET PREMIUM PAYMENTS AT A LEVEL THAT IS ADJUSTED TO THE BENEFITS PROVIDED; AND

(II) UPON NOTICE OF ENROLLMENT OF AN ELIGIBLE INDIVIDUAL INTO A QUALIFIED EMPLOYER SPONSORED HEALTH BENEFIT PLAN, MAKE PREMIUM PAYMENTS FOR THE ELIGIBLE INDIVIDUAL'S PORTION OF THE BENEFIT COST DIRECTLY TO THE CARRIER.

(F) (1) IN THIS SUBSECTION, "FAMILY CONTRIBUTION" MEANS THE COST TO AN ELIGIBLE INDIVIDUAL UNDER THE AGE OF 19 YEARS TO ENROLL AND PARTICIPATE IN THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM.

(2) IN ADDITION TO ANY OTHER REQUIREMENTS OF THIS SUBTITLE, AS A REQUIREMENT TO ENROLL AND MAINTAIN PARTICIPATION IN THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM, AN APPLICANT SHALL AGREE TO PAY AN ANNUAL FAMILY CONTRIBUTION AMOUNT DETERMINED BY THE DEPARTMENT IN ACCORDANCE WITH PARAGRAPH (3) OF THIS SUBSECTION.

(3) (I) FOR ELIGIBLE INDIVIDUALS WHOSE FAMILY INCOME IS AT OR ABOVE 185 PERCENT OF THE FEDERAL POVERTY LEVEL, THE DEPARTMENT, IN CONSULTATION WITH THE MANAGED CARE ORGANIZATIONS UNDER CONTRACT WITH THE DEPARTMENT UNDER SUBTITLE 1 OF THIS TITLE, SHALL DEVELOP A PREMIUM PAYMENT SYSTEM THAT IS BASED ON A SLIDING SCALE SUCH THAT THE COST OF THE PREMIUM IS AT LEAST 1 PERCENT OF THE ANNUAL FAMILY INCOME

BUT DOES NOT EXCEED 3 PERCENT OF THE ANNUAL FAMILY INCOME.

(II) IN ACCORDANCE WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE DEPARTMENT SHALL DETERMINE BY REGULATION THE FAMILY CONTRIBUTION AMOUNT SCHEDULES AND THE METHOD OF COLLECTION.”.

AMENDMENT NO. 11

On page 18, before line 19, insert:

“SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Health - General

15-302.

(A) (1) THE DEPARTMENT SHALL MONITOR APPLICATIONS TO DETERMINE WHETHER EMPLOYERS AND EMPLOYEES HAVE VOLUNTARILY TERMINATED COVERAGE UNDER AN EMPLOYER SPONSORED HEALTH BENEFIT PLAN THAT INCLUDED DEPENDENT COVERAGE IN ORDER TO PARTICIPATE IN THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM ESTABLISHED UNDER § 15-301 OF THIS SUBTITLE.

(2) THE DEPARTMENT, IN PARTICULAR, SHALL REVIEW APPLICATIONS OF INDIVIDUALS WHO QUALIFIED FOR PROGRAM BENEFITS UNDER THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM ESTABLISHED UNDER § 15-301 OF THIS SUBTITLE.

(B) (1) AN APPLICATION MAY BE DISAPPROVED IF IT IS DETERMINED THAT AN INDIVIDUAL UNDER THE AGE OF 19 YEARS TO BE COVERED UNDER THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM ESTABLISHED UNDER § 15-301 OF THIS SUBTITLE FOR WHOM THE APPLICATION WAS SUBMITTED WAS COVERED BY AN EMPLOYER SPONSORED HEALTH BENEFIT PLAN WITH DEPENDENT COVERAGE WHICH WAS VOLUNTARILY TERMINATED WITHIN 6 MONTHS PRECEDING THE DATE OF THE APPLICATION.

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(2) IN DETERMINING WHETHER AN APPLICANT HAS VOLUNTARILY TERMINATED COVERAGE UNDER AN EMPLOYER SPONSORED HEALTH BENEFIT PLAN FOR PURPOSES OF PARAGRAPH (1) OF THIS SUBSECTION, A VOLUNTARY TERMINATION MAY NOT BE CONSTRUED TO INCLUDE:

(I) LOSS OF EMPLOYMENT DUE TO FACTORS OTHER THAN VOLUNTARY TERMINATION;

(II) CHANGE TO A NEW EMPLOYER THAT DOES NOT PROVIDE AN OPTION FOR DEPENDENT COVERAGE;

(III) CHANGE OF ADDRESS SO THAT NO EMPLOYER SPONSORED HEALTH BENEFIT PLAN IS AVAILABLE;

(IV) DISCONTINUATION OF HEALTH BENEFITS TO ALL DEPENDENTS OF EMPLOYEES OF THE APPLICANT'S EMPLOYER; OR

(V) EXPIRATION OF THE APPLICANT'S CONTINUATION OF COVERAGE UNDER THE CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT (COBRA)."

AMENDMENT NO. 12

On page 18, in line 19, strike "15-302." and substitute "15-303."; in lines 20, 24, 27, 33, 36, in each instance, strike "FOUNDATION" and substitute "DEPARTMENT"; in lines 21 and 22, strike "THE PROGRAM ESTABLISHED UNDER § 15-103 OF THIS TITLE AND"; and in line 32, after "PROGRAM" insert "ESTABLISHED UNDER § 15-103 OF THIS TITLE AND THE PROGRAM ESTABLISHED UNDER § 15-301 OF THIS SUBTITLE".

On page 19, strike in their entirety lines 1 and 2, inclusive, and substitute "ESTABLISHED UNDER § 15-103 OF THIS TITLE AND THE PROGRAM ESTABLISHED UNDER § 15-301 OF THIS SUBTITLE.".

AMENDMENT NO. 13



On page 19, strike in their entirety lines 3 through 14, inclusive; and in line 15, strike “15-303.” and substitute “15-304.”.

On page 19, in line 17, strike “15-302” and substitute “15-303”; and in lines 17 and 30, in each instance, strike “FOUNDATION” and substitute “DEPARTMENT”.

On page 19, in line 27, after “ORGANIZATIONS,” insert “COMMUNITY-BASED PROVIDERS,”; and in line 34, after “CENTERS,” insert “FEDERAL OR STATE QUALIFIED COMMUNITY HEALTH CENTERS,”.

AMENDMENT NO. 14

On page 19, after line 34, insert:

“20-504.

(a) The powers and duties of the Maryland Health Care Foundation shall rest in and be exercised by a board of 19 Trustees.

(b) The INITIAL Board of Trustees shall consist of:

(1) The President of the Senate of Maryland or the President's designee;

(2) The Speaker of the House of Delegates of Maryland or the Speaker's designee;

(3) The Secretaries of Health and Mental Hygiene and Human Resources and the Maryland Insurance Commissioner, ex officio, or their designees; and

(4) Fourteen individuals initially appointed by the Governor, with the advice and consent of the Senate, as follows:

(i) Three shall represent the interests of the payor community;

(ii) Three shall represent the interests of the health care provider community;

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(iii) Two shall represent the business community;

(iv) Two shall represent the labor community; and

(v) Four shall represent the interests of the general public and may not have any connection with the management or policy of a health care provider or payor.

(c) The Governor shall consider geographical balance in making appointments to the Board of Trustees.

(d) Except for the ex officio members or their designees:

(1) The term of a member is 4 years;

(2) The terms of members are staggered as required by the terms provided for members of the Board on October 1, 1997;

(3) At the end of a term, a member continues to serve until a successor is [appointed and qualifies] ELECTED UNDER SUBSECTION (E) OF THIS SECTION;

(4) A member who is appointed after a term is begun serves for the rest of the term and until a successor is [appointed and qualifies] ELECTED UNDER SUBSECTION (E) OF THIS SECTION; and

(5) A member may serve no more than two terms.

(E) (1) AFTER THE EXPIRATION OF THE TERM OF A MEMBER APPOINTED UNDER SUBSECTION (B)(4) OF THIS SECTION OR UPON EARLIER VACANCY BY THE MEMBER, THE BOARD SHALL ELECT A SUBSEQUENT MEMBER AT THE FIRST ANNUAL MEETING OF THE BOARD AND, AS NECESSARY, AT EACH ANNUAL MEETING THEREAFTER.

(2) IN CARRYING OUT THE DUTIES UNDER PARAGRAPH (1) OF THIS

SUBSECTION, THE BOARD SHALL CONSIDER THE GEOGRAPHICAL, RACIAL, ETHNIC, AND GENDER MAKEUP OF THE POPULATION OF THE STATE AND SHALL ENSURE THAT THE ORIGINAL REPRESENTATION OF THE BOARD UNDER SUBSECTION (B)(4) OF THIS SECTION IS MAINTAINED.

20-505.

(a) The Board of Trustees shall elect one of their members to serve as chairman.

(b) The Board shall meet at places and dates to be determined by the Board, but not less than two times a year.

(c) Nine trustees shall constitute a quorum, but action may not be taken by less than a vote of nine members.

(d) A trustee:

(1) May not receive compensation; but

(2) Is entitled to reimbursement for expenses under the Standard State Travel Regulations as provided in the State budget.

(e) Except as provided in subsection (d) of this section, a trustee may not financially benefit either directly or indirectly from the activities of the Foundation.

(f) The State agencies represented on the Foundation shall provide staff, supplies, and office space and shall be reimbursed for these expenses from moneys of the Foundation.

(G) (1) THE BOARD OF TRUSTEES SHALL APPOINT AN EXECUTIVE DIRECTOR WHO SHALL BE THE CHIEF ADMINISTRATIVE OFFICER OF THE FOUNDATION AND WHO SHALL SERVE AT THE PLEASURE OF THE BOARD OF TRUSTEES.

(2) THE BOARD OF TRUSTEES SHALL DETERMINE THE COMPENSATION

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FOR THE EXECUTIVE DIRECTOR, SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET.

(3) UNDER THE DIRECTION OF THE BOARD OF TRUSTEES, THE EXECUTIVE DIRECTOR SHALL PERFORM ANY DUTY OR FUNCTION THAT THE BOARD OF TRUSTEES REQUIRES.

(4) THE EXECUTIVE DIRECTOR, WITH THE APPROVAL OF THE BOARD OF TRUSTEES, MAY EMPLOY ADDITIONAL STAFF, SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET.

(H) THE FOUNDATION IS SUBJECT TO THE PROVISIONS OF § 15-601(C) OF THE STATE GOVERNMENT ARTICLE.”.

AMENDMENT NO. 15

On page 20, strike in their entirety lines 8 through 10, inclusive, and substitute:

“(3) STUDY THE FEASIBILITY AND COST-EFFECTIVENESS OF PROVIDING HEALTH INSURANCE COVERAGE THROUGH THE PRIVATE MARKET TO UNINSURED CHILDREN AND THEIR FAMILIES AS PART OF THE PROGRAM ESTABLISHED IN § 15-301 OF THIS ARTICLE;”;

strike in their entirety lines 18 and 19, inclusive; and in lines 20, 22, 23, 25, 27, and 29, strike “(9)”, “(10)”, “(11)”, “(12)”, “(13)”, and “(14)”, respectively, and substitute “(8)”, “(9)”, “(10)”, “(11)”, “(12)”, and “(13)”, respectively.

AMENDMENT NO. 16

On page 21, after line 17, insert:

“27-220.

AN AGENT, BROKER, OR INSURER MAY NOT REFER AN INDIVIDUAL EMPLOYEE OR DEPENDENT OF AN EMPLOYEE TO THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM ESTABLISHED UNDER TITLE 15, SUBTITLE 3 OF THE

HEALTH - GENERAL ARTICLE OR ARRANGE FOR AN INDIVIDUAL EMPLOYEE OR DEPENDENT OF AN EMPLOYEE TO APPLY FOR THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM ESTABLISHED UNDER TITLE 15, SUBTITLE 3 OF THE HEALTH - GENERAL ARTICLE IF THE AGENT, BROKER, OR INSURER HAS AN ECONOMIC INTEREST IN THE REFERRAL OR THE ARRANGEMENT AND THE AGENT'S, BROKER'S, OR INSURER'S SOLE PURPOSE IS TO SEPARATE THAT EMPLOYEE OR THAT EMPLOYEE'S DEPENDENT FROM GROUP OR BLANKET HEALTH INSURANCE COVERAGE PROVIDED IN CONNECTION WITH THE EMPLOYEE'S EMPLOYMENT."

AMENDMENT NO. 17

On page 21, before line 18, insert:

"Article - State Government

15-601.

(a) Except as provided in subsection (b) of this section, and subject to subsections (c) and (d) of this section, each official and candidate for office as a State official shall file a statement as specified in §§ 15-602 through 15-608 of this subtitle.

(b) Financial disclosure by a judge of a court under Article IV, § 1 of the Constitution, a candidate for elective office as a judge, or a judicial appointee as defined in Maryland Rule 1232 is governed by § 15-610 of this subtitle.

(c) An individual who is a public official only as a member of a board OR WHO IS A MEMBER OF THE BOARD OF TRUSTEES OF THE MARYLAND HEALTH CARE FOUNDATION ESTABLISHED UNDER § 2-501 OF THE HEALTH - GENERAL ARTICLE and who receives annual compensation that is less than 25% of the lowest annual compensation at State grade level 16 shall file the statement required by subsection (a) of this section in accordance with § 15-609 of this subtitle.

(d) A commissioner or an applicant for appointment as commissioner of a bicounty commission shall file the statement required by subsection (a) of this section in accordance with

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Subtitle 8, Part III of this title.”.

AMENDMENT NO. 18

On page 21, in line 18, strike “3.” and substitute “5.”; in line 21, strike “15-304.” and substitute “15-305.”; and after line 21, insert:

“(A) THE PURPOSE OF THE HEALTH CARE FOUNDATION UNDER THIS SECTION IS TO:

(1) DEVELOP PROGRAMS TO EXPAND THE AVAILABILITY OF HEALTH INSURANCE COVERAGE TO LOW-INCOME, UNINSURED CHILDREN IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION;

(2) INVOLVE THE PRIVATE HEALTH INSURANCE MARKET IN THE DELIVERY OF HEALTH INSURANCE COVERAGE IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION;

(3) IDENTIFY AND AGGRESSIVELY PURSUE A MIX OF STATE, FEDERAL, AND PRIVATE FUNDS, INCLUDING GRANTS, TO ENABLE THE FOUNDATION TO PROVIDE AND FUND HEALTH CARE INSURANCE COVERAGE IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION;

(4) DEVELOP METHODS TO MINIMIZE THE EFFECT OF EMPLOYERS OR EMPLOYEES TERMINATING EMPLOYER SPONSORED HEALTH INSURANCE OR PRIVATELY PURCHASED HEALTH CARE INSURANCE; AND

(5) COORDINATE ITS ACTIVITIES WITH THE OTHER NECESSARY ENTITIES IN ORDER TO ADDRESS THE HEALTH CARE NEEDS OF LOW-INCOME, UNINSURED CHILDREN OF THE STATE AND THEIR FAMILIES.”.

AMENDMENT NO. 19

On pages 21 and 22, strike in their entirety the lines beginning with line 22 on page 21 through line 27 on page 22, inclusive, and substitute:

“(B) THE DEPARTMENT, IN CONSULTATION WITH THE MARYLAND

INSURANCE ADMINISTRATION, THE HEALTH CARE ACCESS AND COST COMMISSION, THE FOUNDATION, THE BUSINESS COMMUNITY, AND THE HEALTH CARE INSURANCE INDUSTRY SHALL:

(1) CONDUCT A STUDY TO DETERMINE THE FEASIBILITY AND COST EFFECTIVENESS OF PROVIDING HEALTH INSURANCE COVERAGE THROUGH THE PRIVATE MARKET TO UNINSURED CHILDREN AND THEIR FAMILIES AS PART OF THE PROGRAM ESTABLISHED UNDER § 15-301 OF THIS SUBTITLE; AND

(2) RECOMMEND PROGRAMS TO PROVIDE HEALTH INSURANCE COVERAGE THROUGH THE PRIVATE MARKET TO UNINSURED CHILDREN AND THEIR FAMILIES THAT WOULD QUALIFY FOR THE ENHANCED FEDERAL MATCH PROVIDED FOR UNDER TITLE XXI OF THE SOCIAL SECURITY ACT AS PART OF THE PROGRAM ESTABLISHED UNDER § 15-301 OF THIS SUBTITLE.

(C) THE DEPARTMENT SHALL REPORT ON THE RESULT OF ITS STUDY AND ITS RECOMMENDATIONS TO THE SENATE FINANCE COMMITTEE, THE HOUSE ENVIRONMENTAL MATTERS COMMITTEE, THE HOUSE ECONOMIC MATTERS COMMITTEE, THE HOUSE APPROPRIATIONS COMMITTEE, THE HOUSE WAYS AND MEANS COMMITTEE, AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY, ON OR BEFORE DECEMBER 1, 1998 AND EACH DECEMBER 1 THEREAFTER.”.

AMENDMENT NO. 20

On pages 22 and 23, strike in their entirety the lines beginning with line 28 on page 22 through line 4 on page 23, inclusive, and substitute:

“SECTION 6. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Health - General

Subtitle 3. Children and Families Health Care Program.

(Over)

15-301.

(a) In this section, “carrier” means:

(1) An insurer;

(2) A nonprofit service plan;

(3) A health maintenance organization; or

(4) Any other person that provides health benefit plans subject to regulation by the State.

(b) There is a Children and Families Health Care Program.

(c) The Children and Families Health Care Program shall provide, subject to the limitations of the State budget and any other requirements imposed by the State and as permitted by federal law or waiver, comprehensive medical care and other health care services to an individual who [has a family income at or below 200 percent of the federal poverty level and who is under the age of 19 years] IS ELIGIBLE FOR THE PROGRAM UNDER EITHER SUBSECTION (D) OR SUBSECTION (E) OF THIS SECTION.

(d) [Except as provided in subsection (e) of this section, the] THE Children and Families Health Care Program shall be administered through the program developed under Subtitle 1 of this title requiring [individuals] AN INDIVIDUAL to enroll in managed care organizations, IF THE INDIVIDUAL:

(1) IS UNDER THE AGE OF 19 YEARS;

(2) HAS A FAMILY INCOME THAT IS AT LEAST 185 PERCENT OF THE FEDERAL POVERTY LEVEL BUT DOES NOT EXCEED 200 PERCENT OF THE FEDERAL POVERTY LEVEL;



(3) IS NOT COVERED UNDER AN EMPLOYER SPONSORED HEALTH BENEFIT PLAN WITH CERTIFIED DEPENDENT COVERAGE UNDER SUBSECTION (E)(4) OF THIS SECTION; AND

(4) DOES NOT QUALIFY FOR A PROGRAM DEVELOPED UNDER § 15-305 OF THIS SECTION.

(e) (1) If an individual's parent or guardian is covered under an employer sponsored health benefit plan with dependent coverage, certified under paragraph (4) of this subsection, the individual is not eligible for the program developed under Subtitle 1 of this title and is only eligible to receive a voucher to cover the costs of dependent coverage IF:

(I) THE INDIVIDUAL IS UNDER THE AGE OF 19 YEARS; AND

(II) THE INDIVIDUAL HAS A FAMILY INCOME AT OR BELOW 200 PERCENT OF THE FEDERAL POVERTY LEVEL.

(2) Until dependent coverage under an employer sponsored health benefit plan has been certified by the Secretary under paragraph (4) of this subsection, the individual is eligible through the program developed under Subtitle 1 of this title.

(3) An eligible individual may be enrolled in an employer sponsored health benefit plan under:

(i) An independent insurance policy; or

(ii) An add-on to an existing policy.

(4) (i) A carrier that offers an employer sponsored health benefit plan or a carrier that intends to offer an employer sponsored health benefit plan under paragraph (1) of this subsection shall submit the plan to the Secretary.

(ii) The Secretary, in consultation with the Commissioner, shall certify,

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within a reasonable time, the employer sponsored health benefit plan, if the plan meets the coverage requirements under Title XXI of the Social Security Act and any other federal requirements, and includes a benefit that is substantially equivalent to the early periodic screening diagnosis and treatment program.

(iii) If the Secretary determines that the employer sponsored health benefit plan does not meet the requirements of subparagraph (ii) of this paragraph, the Secretary shall notify the carrier of that determination within a reasonable time.

(5) A carrier that offers an employer sponsored health benefit plan shall submit a certification of eligibility for the eligible individual on the form required by the Secretary.

(6) In consultation with the Commissioner, the Secretary shall:

(i) Set premium payments at a level that is adjusted to the benefits provided;  
and

(ii) Upon notice of enrollment of an eligible individual into a qualified employer sponsored health benefit plan, make premium payments for the eligible individual's portion of the benefit cost directly to the carrier.

(f) (1) In this subsection, "family contribution" means the cost to an eligible individual under the age of 19 years to enroll and participate in the Children and Families Health Care Program.

(2) In addition to any other requirements of this subtitle, as a requirement to enroll and maintain participation in the Children and Families Health Care Program, an applicant shall agree to pay an annual family contribution amount determined by the Department in accordance with paragraph (3) of this subsection.

(3) (i) For eligible individuals whose family income is at or above 185 percent of the federal poverty level, the Department, in consultation with the managed care organizations under contract with the Department under Subtitle 1 of this title, shall develop a premium payment system that is based on a sliding scale such that the cost of the premium is at least 1 percent of the annual family income but does not exceed 3 percent of the annual family income.

(ii) In accordance with subparagraph (i) of this paragraph, the Department shall determine by regulation the family contribution amount schedules and the method of collection.”.

AMENDMENT NO. 21

On page 23, strike in their entirety lines 5 through 27, inclusive, and substitute:

“SECTION 7. AND BE IT FURTHER ENACTED, That, in the budget submitted to the General Assembly, the Governor shall include a General Fund appropriation to a dedicated purpose account for the Maryland Health Care Foundation to fund proposals developed under § 15-305 of the Health - General Article equivalent to the amount by which the legislative appropriations from the General Fund for the Children and Families Health Care Program exceed actual expenditures for the second year prior to the fiscal year for which the budget is introduced.

SECTION 8. AND BE IT FURTHER ENACTED, That the Governor shall include at least \$500,000 for the Maryland Health Care Foundation, to cover the expenses associated with the operation of the Foundation, in the budget submitted at the 1999 Session of the General Assembly and each year thereafter, for the duration of this Act. Authorization is granted to the Governor to transfer by contract, grant, or otherwise, \$500,000 to the Foundation in the 1999 fiscal year, to cover the expenses associated with the operation of the Foundation.

SECTION 9. AND BE IT FURTHER ENACTED, That the Department of Health and Mental Hygiene shall take whatever steps are necessary to receive approval from the federal Health Care Financing Administration for a tax credit program for the Maryland Children and Families Health Care Program. On or before December 1, 1998, the Department shall report to the General Assembly, in accordance with § 2-1246 of the State Government Article, on the status of the Department’s efforts to receive approval for a tax credit program for the General Assembly to consider modifications to the Maryland Children and Families Health Care Program.

SECTION 10. AND BE IT FURTHER ENACTED, That Section 6 does not apply to any individual who:

(Over)

(1) enrolled in the Children and Families Health Care Program established under § 15-301 of the Health - General Article before July 1, 2000;

(2) maintains a family income over 185 percent of the federal poverty level; and

(3) otherwise remains eligible for the Children and Families Health Care Program established under §15-301 of the Health - General Article.

SECTION 11. AND BE IT FURTHER ENACTED, That at the end of June 30, 2000, with no further action required by the General Assembly, Section 3 of this Act shall be abrogated and of no further force and effect.

SECTION 12. AND BE IT FURTHER ENACTED, That at the end of June 30, 2004, with no further action required by the General Assembly, Section 5 of this Act shall be abrogated and of no further force and effect.

SECTION 13. AND BE IT FURTHER ENACTED, That Section 6 of this Act shall take effect July 1, 2000.

SECTION 14. AND BE IT FURTHER ENACTED, That, except as provided in Section 13 of this Act, this Act is an emergency measure, is necessary for the immediate preservation of the public health and safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.”.