

BY: Economic Matters Committee

AMENDMENTS TO SENATE BILL NO. 136

(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 3, strike "Benefits Evaluation" and substitute "Services - Process of Evaluation"; strike beginning with "requiring" in line 13 down through "Commission" in line 23 and substitute "establishing a Joint Committee on Mandated Health Insurance Services; requiring the Committee to review and evaluate the benefits under certain plans; requiring the Committee to make certain determinations and assessments; requiring the Committee to review certain proposals under certain circumstances; requiring certain reports under certain circumstances; defining certain terms; repealing the establishment and authority of the Interdepartmental Committee on Mandated Health Insurance Benefits; providing for the termination of this Act; and generally relating to benefits for health care services".

On page 2, in line 7, strike "Mandated Health Insurance Benefits" and substitute "Health Services".

AMENDMENT NO. 2

On page 2, in line 17, strike "MANDATED HEALTH INSURANCE BENEFITS" and substitute "HEALTH SERVICES".

On pages 2 through 6, strike in their entirety the lines beginning with line 19 on page 2 through line 10 on page 6, inclusive, and substitute:

"15-1501.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "CARRIER" MEANS:

(Over)

(I) AN INSURER;

(II) A NONPROFIT HEALTH SERVICE PLAN;

(III) A HEALTH MAINTENANCE ORGANIZATION;

(IV) A DENTAL PLAN ORGANIZATION; OR

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

(3) “COMMITTEE” MEANS THE JOINT COMMITTEE ON MANDATED HEALTH INSURANCE SERVICES.

(4) (I) “MANDATED HEALTH INSURANCE SERVICE” MEANS A LEGISLATIVE PROPOSAL OR A STATUTE THAT WOULD REQUIRE A PARTICULAR HEALTH CARE SERVICE TO BE PROVIDED OR OFFERED IN A HEALTH BENEFIT PLAN, BY A CARRIER OR OTHER ORGANIZATION AUTHORIZED TO PROVIDE HEALTH BENEFIT PLANS IN THE STATE.

(II) “MANDATED HEALTH INSURANCE SERVICE”, AS APPLICABLE TO ALL CARRIERS, DOES NOT INCLUDE SERVICES ENUMERATED TO DESCRIBE A HEALTH MAINTENANCE ORGANIZATION UNDER § 19-701(F)(2) OF THE HEALTH - GENERAL ARTICLE.

(B) (1) THERE IS A JOINT COMMITTEE ON MANDATED HEALTH INSURANCE SERVICES.

(2) THE COMMITTEE CONSISTS OF:

(I) THE CHAIRMAN OF THE HOUSE ECONOMIC MATTERS COMMITTEE OR DESIGNEE OF THE CHAIRMAN AND FOUR ADDITIONAL MEMBERS OF THE HOUSE OF DELEGATES DESIGNATED BY THE SPEAKER OF THE HOUSE; AND

(II) THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE OR DESIGNEE OF THE CHAIRMAN AND FOUR ADDITIONAL MEMBERS OF THE SENATE

DESIGNATED BY THE PRESIDENT OF THE SENATE.

(3) THE SENATE CHAIRMAN AND THE HOUSE CHAIRMAN OF THE COMMITTEE SHALL BE APPOINTED BY THE PRESIDENT AND THE SPEAKER, RESPECTIVELY, FROM THE MEMBERSHIP OF THE COMMITTEE. THE PRESIDING CHAIRMANSHIP AND COCHAIRMANSHIP SHALL BE ALTERNATED ANNUALLY BETWEEN THE SENATE AND THE HOUSE.

(C) (1) TO DETERMINE A BASELINE FOR ASSESSMENT OF A PROPOSED HEALTH INSURANCE SERVICE UNDER SUBSECTION (D) OF THIS SECTION, THE COMMITTEE SHALL REVIEW AND EVALUATE:

(I) THE BENEFITS PROVIDED UNDER THE STATE EMPLOYEE HEALTH BENEFITS FOR MEDICAL COVERAGE; AND

(II) THE STANDARD PLAN AS DEFINED IN § 15-1201 OF THIS ARTICLE, ADJUSTED TO INCLUDE ANY MANDATED SERVICES REQUIRED UNDER THIS TITLE THAT ARE NOT INCLUDED IN THE STANDARD PLAN.

(2) THE REVIEW SHALL DETERMINE:

(I) THE PREMIUM COST OF BENEFITS FOR MEDICAL COVERAGE AS A PERCENTAGE OF THE AVERAGE ANNUAL WAGE AS DETERMINED BY THE DEPARTMENT OF ECONOMIC AND BUSINESS DEVELOPMENT; AND

(II) THE PORTION OF PREMIUM ATTRIBUTABLE TO MANDATED HEALTH INSURANCE SERVICES.

(D) (1) THE COMMITTEE SHALL ASSESS THE SOCIAL, MEDICAL, AND FINANCIAL IMPACTS OF A PROPOSED MANDATED HEALTH INSURANCE SERVICE.

(2) IN ASSESSING A PROPOSED MANDATED HEALTH INSURANCE SERVICE AND TO THE EXTENT THAT INFORMATION IS AVAILABLE, THE COMMITTEE

(Over)

SHALL CONSIDER:

(I) SOCIAL IMPACTS, INCLUDING:

1. THE EXTENT TO WHICH THE SERVICE IS GENERALLY UTILIZED BY A SIGNIFICANT PORTION OF THE POPULATION;

2. THE EXTENT TO WHICH THE INSURANCE COVERAGE IS ALREADY GENERALLY AVAILABLE;

3. IF COVERAGE IS NOT GENERALLY AVAILABLE, THE EXTENT TO WHICH THE LACK OF COVERAGE RESULTS IN INDIVIDUALS AVOIDING NECESSARY HEALTH CARE TREATMENTS;

4. IF COVERAGE IS NOT GENERALLY AVAILABLE, THE EXTENT TO WHICH THE LACK OF COVERAGE RESULTS IN UNREASONABLE FINANCIAL HARDSHIP;

5. THE LEVEL OF PUBLIC DEMAND FOR THE SERVICE;

6. THE LEVEL OF PUBLIC DEMAND FOR INSURANCE COVERAGE OF THE SERVICE;

7. THE LEVEL OF INTEREST OF COLLECTIVE BARGAINING AGENTS IN NEGOTIATING PRIVATELY FOR INCLUSION OF THIS COVERAGE IN GROUP CONTRACTS; AND

8. THE EXTENT TO WHICH THE MANDATED HEALTH INSURANCE SERVICE IS COVERED BY SELF-FUNDED EMPLOYER GROUPS OF EMPLOYERS IN THE STATE WHO EMPLOY AT LEAST 500 EMPLOYEES;

(II) MEDICAL IMPACTS, INCLUDING:

1. THE EXTENT TO WHICH THE SERVICE IS GENERALLY RECOGNIZED BY THE MEDICAL COMMUNITY AS BEING EFFECTIVE AND

EFFICACIOUS IN THE TREATMENT OF PATIENTS;

2. THE EXTENT TO WHICH THE SERVICE IS GENERALLY RECOGNIZED BY THE MEDICAL COMMUNITY AS DEMONSTRATED BY A REVIEW OF SCIENTIFIC AND PEER REVIEW LITERATURE; AND

3. THE EXTENT TO WHICH THE SERVICE IS GENERALLY AVAILABLE AND UTILIZED BY TREATING PHYSICIANS; AND

(III) FINANCIAL IMPACTS, INCLUDING:

1. THE EXTENT TO WHICH THE COVERAGE WILL INCREASE OR DECREASE THE COST OF THE SERVICE;

2. THE EXTENT TO WHICH THE COVERAGE WILL INCREASE THE APPROPRIATE USE OF THE SERVICE;

3. THE EXTENT TO WHICH THE MANDATED SERVICE WILL BE A SUBSTITUTE FOR A MORE EXPENSIVE SERVICE;

4. THE EXTENT TO WHICH THE COVERAGE WILL INCREASE OR DECREASE THE ADMINISTRATIVE EXPENSES OF INSURERS AND THE PREMIUM AND ADMINISTRATIVE EXPENSES OF POLICYHOLDERS;

5. THE IMPACT OF THIS COVERAGE ON THE TOTAL COST OF HEALTH CARE; AND

6. THE IMPACT OF ALL MANDATED HEALTH INSURANCE SERVICES ON EMPLOYERS' ABILITY TO PURCHASE HEALTH BENEFITS POLICIES MEETING THEIR EMPLOYEES' NEEDS.

(E) THE COMMITTEE SHALL REPORT ITS ASSESSMENT TO THE SENATE FINANCE COMMITTEE AND THE HOUSE ECONOMIC MATTERS COMMITTEE ON OR

(Over)

BEFORE DECEMBER 1 OF EACH YEAR.

SECTION 3. AND BE IT FURTHER ENACTED, That the Department of Legislative Services shall provide staff support to the Joint Committee on Mandated Health Insurance Services and may contract for actuarial services and other professional services to carry out the provisions of this Act.

SECTION 4. AND BE IT FURTHER ENACTED, That the Joint Committee on Mandated Health Insurance Services may make reasonable requests upon carriers to submit data on the cost of a mandated service, utilization of a mandated service, or other information as determined appropriate to carry out the provisions of this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That, if a member of the General Assembly submits a proposal for a mandated health insurance service on or before July 1 of any year, the Joint Committee on Mandated Health Insurance Services shall review and evaluate the proposal in accordance with § 15-1501(d) of the Insurance Article, as enacted by this Act, and submit its report to the Senate Finance Committee and the House Economic Matters Committee on or before December 1 of the same year.

SECTION 6. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1998. It shall remain effective for a period of 4 years and, at the end of June 30, 2002, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.”.