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By: **Delegate Hurson**  
Introduced and read first time: February 13, 1998  
Assigned to: Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Medical Assistance - Federally Qualified Health Centers - Supplemental**  
3 **Payment**

4 FOR the purpose of establishing a supplemental payment to federally qualified  
5 health centers to be paid by the Department of Health and Mental Hygiene in  
6 an amount that equals the difference between the payment received by the  
7 centers from managed care organizations and the reasonable cost to the centers  
8 in providing these services to enrollees who are Maryland Medical Assistance  
9 Program recipients.

10 BY adding to  
11 Article - Health - General  
12 Section 15-103(e)  
13 Annotated Code of Maryland  
14 (1994 Replacement Volume and 1997 Supplement)

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

17 **Article - Health - General**

18 15-103.

19 (E) (1) AT LEAST QUARTERLY, THE DEPARTMENT SHALL PAY TO A  
20 FEDERALLY QUALIFIED HEALTH CENTER THE DIFFERENCE BETWEEN THE  
21 PAYMENT RECEIVED BY THE CENTER FROM A MANAGED CARE ORGANIZATION FOR  
22 SERVICES PROVIDED TO ENROLLEES OF THE MANAGED CARE ORGANIZATION AND  
23 THE REASONABLE COST TO THE CENTER IN PROVIDING THOSE SERVICES.

24 (2) THE REASONABLE COST TO A FEDERALLY QUALIFIED HEALTH  
25 CENTER IN PROVIDING SERVICES TO ENROLLEES SHALL BE DETERMINED IN  
26 ACCORDANCE WITH § 1902(A)(13)(C)(I) OF THE SOCIAL SECURITY ACT, AS AMENDED BY  
27 THE BALANCED BUDGET ACT OF 1997, AND ANY APPLICABLE REGULATIONS.

1                   (3)       IN CARRYING OUT THE PAYMENT REQUIREMENTS OF THIS  
2 SUBSECTION, THE DEPARTMENT:

3                   (I)       MAY NOT DELEGATE RESPONSIBILITY FOR SUCH PAYMENTS TO  
4 THE MANAGED CARE ORGANIZATION OR ANY OTHER ENTITY; AND

5                   (II)      SHALL BE RESPONSIBLE FOR MAKING SUCH PAYMENTS  
6 DIRECTLY TO THE FEDERALLY QUALIFIED HEALTH CENTER.

7       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 July 1, 1998.