

SENATE BILL 85
EMERGENCY BILL

Unofficial Copy
J1

1998 Regular Session
(8lr6166)

ENROLLED BILL

-- Finance/Environmental Matters and Economic Matters --

Introduced by **The President (Administration) and Senators Bromwell,
Young, Dorman, Astle, Della, Derr, Hafer, Madden, Roesser, Teitelbaum,
Trotter, Hollinger, Currie, Forehand, Kelley, Ruben, Pinsky, Middleton,
and Miller**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

President.

CHAPTER _____

1 AN ACT concerning

2
3

Maryland Children's Health Program
Children and Families First Health Care Act of 1998

4 ~~FOR the purpose of requiring the Medical Assistance Program to provide certain~~
5 ~~services to certain minors and other individuals who meet certain family income~~
6 ~~standards; providing that in order to qualify for the Program an individual may~~
7 ~~not be covered by or have voluntarily terminated certain employer-based health~~
8 ~~insurance coverage within a certain time period; requiring the Department to~~
9 ~~make certain outreach efforts; providing that Program applications shall be~~
10 ~~made available in a certain manner; requiring the Department to apply for a~~
11 ~~certain waiver, conduct certain studies, and submit certain reports; making~~
12 ~~provisions of this Act severable; and generally relating to the Maryland~~
13 ~~Children's Health Program.~~

14 FOR the purpose of establishing the Children and Families Health Care Program

1 under which certain individuals who meet certain family income standards
2 would be eligible for certain health benefits either through an employer
3 sponsored health benefit plan, an individual health benefit plan, or the
4 Maryland Medical Assistance Program; altering the eligibility requirements for
5 certain individuals under the Maryland Medical Assistance Program; permitting
6 certain enrollees of certain programs to have guaranteed eligibility for a certain
7 time; requiring certain individuals enrolled in the Children and Families Health
8 Care Program to pay a family contribution amount on or before a certain date;
9 authorizing the Department to establish certain regulations for a schedule for
10 family contribution amounts and collection of family contribution amounts;
11 establishing certain guidelines for terminating employer sponsored health
12 insurance; requiring the Department of Health and Mental Hygiene to enroll
13 certain individuals into the Children and Families Health Care Program;
14 requiring the Department to provide expedited eligibility to certain individuals
15 under certain circumstances and to provide certain organizations with certain
16 information; requiring the Department to establish a certain school-based
17 outreach program and to develop certain outreach mechanisms; providing for the
18 appointment, compensation, and duties of an Executive Director for the
19 Foundation; permitting the Foundation to employ staff; requiring the
20 Foundation to prepare certain budgets and to submit certain budgets to certain
21 General Assembly committees; requiring insurers and nonprofit health service
22 plans that issue or deliver group health insurance policies to provide enrollment
23 information for the Children and Families Health Care Program; prohibiting an
24 agent, broker, or insurer from referring an employee or a dependent of an
25 employee to the Children and Families Health Care Program or arranging for an
26 employee or a dependent of an employee to apply to the Children and Families
27 Health Care Program under certain circumstances; requiring the members of the
28 Foundation to file a certain disclosure statement; providing for certain goals for
29 the Foundation; requiring the Department, in consultation with certain entities,
30 to conduct a certain study and to provide certain recommendations in a report to
31 the General Assembly on certain dates; requiring the Department to conduct a
32 study and report to the General Assembly on the administrative costs of
33 implementing employer sponsored health benefit plans, individual health benefit
34 plans, and family contribution requirements; permitting the Department to
35 submit to the federal Health Care Financing Administration a State plan that
36 does not include the use of employer sponsored health benefit plans, individual
37 health benefit plans, or family contribution amount requirements; requiring the
38 Department to conduct certain studies and to provide certain reports to the
39 General Assembly on whether the federal Health Care Financing Administration
40 will approve certain amendments to the State plan by a certain date; providing
41 for the construction of certain provisions of this Act; providing for the termination
42 of certain provisions of this Act; requiring the Department of Legislative Services
43 to conduct a certain study and report to the General Assembly by a certain date;
44 providing for certain funds to be included in the budget for the Foundation;
45 making this Act an emergency measure; altering a certain definition; defining
46 certain terms; and generally relating to establishing the Children and Families
47 Health Care Program.

48 ~~BY renumbering~~

1 ~~Article - Health - General~~
 2 ~~Section 15-103.1~~
 3 ~~to be Section 15-103.2~~
 4 ~~Annotated Code of Maryland~~
 5 ~~(1994 Replacement Volume and 1997 Supplement)~~

6 ~~BY repealing and reenacting, without amendments,~~
 7 ~~Article - Health - General~~
 8 ~~Section 15-101(a), (h), and (i)~~
 9 ~~Annotated Code of Maryland~~
 10 ~~(1994 Replacement Volume and 1997 Supplement)~~

11 ~~BY adding to~~
 12 ~~Article - Health - General~~
 13 ~~Section 15-103.1~~
 14 ~~Annotated Code of Maryland~~
 15 ~~(1994 Replacement Volume and 1997 Supplement)~~

16 BY repealing and reenacting, without amendments,
 17 Article - Health - General
 18 Section 15-103(b)(1)
 19 Annotated Code of Maryland
 20 (1994 Replacement Volume and 1997 Supplement)

21 BY renumbering
 22 Article - Health - General
 23 Section 15-301 and the subtitle "Subtitle 3. Evaluation and Planning Services"
 24 to be Section 15-501 and the subtitle "Subtitle 5. Evaluation and Planning
 25 Services"
 26 Annotated Code of Maryland
 27 (1994 Replacement Volume and 1997 Supplement)

28 BY repealing and reenacting, with amendments,
 29 Article - Health - General
 30 Section 15-101 and 15-103(a) and (b)(3)
 31 Annotated Code of Maryland
 32 (1994 Replacement Volume and 1997 Supplement)

33 BY adding to
 34 Article - Health - General
 35 Section 15-301 through 15-305, inclusive, to be under the new subtitle "Subtitle
 36 3. Children and Families Health Care Program"
 37 Annotated Code of Maryland

1 (1994 Replacement Volume and 1997 Supplement)

2 BY repealing and reenacting, with amendments,

3 Article - Health - General

4 Section 20-504, 20-505, and 20-506

5 Annotated Code of Maryland

6 (1996 Replacement Volume and 1997 Supplement)

7 BY adding to

8 Article - Insurance

9 Section 15-124 and 27-220

10 Annotated Code of Maryland

11 (1997 Volume)

12 BY repealing and reenacting, with amendments,

13 Article - State Government

14 Section 15-601

15 Annotated Code of Maryland

16 (1995 Replacement Volume and 1997 Supplement)

17 ~~SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF~~
 18 ~~MARYLAND, That Section(s) 15-103.1 of Article - Health - General of the Annotated~~
 19 ~~Code of Maryland be renumbered to be Section(s) 15-103.2.~~

20 ~~SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland~~
 21 ~~read as follows:~~

22 ~~**Article - Health - General**~~

23 ~~15-101.~~

24 ~~(a) In this title the following words have the meanings indicated.~~

25 ~~(b) "Program" means the Maryland Medical Assistance Program.~~

26 ~~(c) "Program recipient" means an individual who receives benefits under the~~
 27 ~~Program.~~

28 ~~15-103.1.~~

29 ~~(A) SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET, THE PROGRAM~~
 30 ~~SHALL PROVIDE COMPREHENSIVE MEDICAL CARE AND OTHER HEALTH CARE~~
 31 ~~SERVICES TO AN INDIVIDUAL WHO HAS A FAMILY INCOME AT OR BELOW 200% OF~~
 32 ~~THE FEDERAL POVERTY LEVEL AND WHO IS:~~

33 ~~(1) UNDER THE AGE OF 19 YEARS; OR~~

34 ~~(2) PREGNANT OR UP TO 2 MONTHS POSTPARTUM.~~

1 (B) TO QUALIFY AS A PROGRAM RECIPIENT UNDER THIS SECTION, AN
2 INDIVIDUAL MAY NOT:

3 (1) BE COVERED BY EMPLOYER-BASED HEALTH INSURANCE; OR

4 (2) HAVE VOLUNTARILY TERMINATED EMPLOYER-BASED HEALTH
5 INSURANCE COVERAGE WITHIN THE PRECEDING 3 MONTHS.

6 (C) THE DEPARTMENT SHALL PUBLICIZE THE MARYLAND CHILDREN'S
7 HEALTH PROGRAM AND, IN CONJUNCTION WITH THE MARYLAND HEALTH CARE
8 FOUNDATION, MAKE OUTREACH EFFORTS THROUGHOUT THE STATE.

9 (D) (1) APPLICATIONS TO QUALIFY AS A PROGRAM RECIPIENT UNDER THIS
10 SECTION SHALL BE MADE AVAILABLE IN LOCAL HEALTH DEPARTMENTS AND LOCAL
11 DEPARTMENTS OF SOCIAL SERVICES.

12 (2) TO THE EXTENT POSSIBLE, APPLICATIONS TO QUALIFY AS A
13 PROGRAM RECIPIENT UNDER THIS SECTION SHALL BE MADE AVAILABLE IN
14 SCHOOLS, DAY CARE CENTERS, LIBRARIES, HEAD START PROGRAMS, AND OTHER
15 APPROPRIATE LOCATIONS.

16 (3) APPLICATIONS MAY BE SUBMITTED THROUGH THE MAIL.

17 SECTION 3. AND BE IT FURTHER ENACTED, That the Department shall
18 apply to the federal Health Care Financing Administration for a waiver and take any
19 other steps necessary to secure federal dollars at an enhanced matching rate for
20 coverage of pregnant women.

21 SECTION 4. AND BE IT FURTHER ENACTED, That the Department of
22 Health and Mental Hygiene shall study and report to the Senate Finance Committee,
23 the House Environmental Matters Committee, and, in accordance with § 2-1246 of
24 the State Government Article, the General Assembly, on or before December 31, 1998,
25 on the feasibility and cost effectiveness of providing family coverage for the families
26 of individuals who qualify to receive benefits under § 15-103.1 of the Health -
27 General Article.

28 SECTION 5. AND BE IT FURTHER ENACTED, That the Department of
29 Health and Mental Hygiene, in consultation with the Maryland Insurance
30 Administration, the Health Care Access and Cost Commission, the business
31 community, and the health insurance industry, shall conduct a study to determine the
32 effect the Maryland Children's Health Program has or may have on the availability of
33 private health care coverage to the Program's target population and on the
34 willingness of the families of the target population to purchase private health care
35 coverage. The study shall recommend ways to encourage and increase the availability
36 and purchase of private coverage. The study shall also examine the feasibility and
37 cost effectiveness of providing comprehensive medical care and other health care
38 services to Program recipients through the private market, including the prospect for
39 purchasing dependent medical coverage through an employer sponsored health plan.
40 If a private market proposal is found to be feasible, the Department shall apply to the
41 federal Health Care Financing Administration for a waiver, if necessary, and take any

~~1 other steps necessary to implement the proposal. The Department shall report the
2 results of its study to the Senate Finance Committee, the House Environmental
3 Matters Committee, and, in accordance with § 2-1246 of the State Government
4 Article, the General Assembly, on or before December 31, 1998.~~

~~5 SECTION 5. 6. AND BE IT FURTHER ENACTED, That if any provision of
6 this Act or the application thereof to any person or circumstance is not approved by
7 the federal Health Care Financing Administration, that disapproval does not affect
8 other provisions or any other application of this Act which is approved, and for this
9 purpose the provisions of this Act are declared severable.~~

~~10 SECTION 6. 7. AND BE IT FURTHER ENACTED, That this Act shall take
11 effect July 1, 1998.~~

~~12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That Section(s) 15-301 and the subtitle "Subtitle 3. Evaluation and
14 Planning Services" of Article - Health - General of the Annotated Code of Maryland be
15 renumbered to be Section(s) 15-501 and the subtitle "Subtitle 5. Evaluation and
16 Planning Services".~~

~~17 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
18 read as follows:~~

~~19 Article - Health - General~~

~~20 15-101.~~

~~21 (a) In this title the following words have the meanings indicated.~~

~~22 (b) "Enrollee" means a program recipient who is enrolled in a managed care
23 organization.~~

~~24 (c) "Facility" means a hospital or nursing facility including an intermediate
25 care facility, skilled nursing facility, comprehensive care facility, or extended care
26 facility.~~

~~27 (D) "FOUNDATION" MEANS THE MARYLAND HEALTH CARE FOUNDATION
28 ESTABLISHED UNDER TITLE 20, SUBTITLE 5 OF THIS ARTICLE.~~

~~29 [(d)] (E) (1) "Historic provider" means a health care provider, as defined in §
30 19-1501 of this article who, on or before June 30, 1995, had a demonstrated history of
31 providing services to program recipients, as defined by the Department in regulations.~~

~~32 (2) "Historic provider", to the extent the provider meets the requirements
33 in paragraph (1) of this subsection, shall include:~~

~~34 (i) A federal or State qualified community health center;~~

~~35 (ii) A provider with a program for the training of health care
36 professionals, including an academic medical center;~~

1 (iii) A hospital outpatient program, physician, or advanced practice
2 nurse that is a Maryland Access to Care (MAC) provider;

3 (iv) A local health department;

4 (v) A hospice, as defined in Title 19, Subtitle 9 of this article;

5 (vi) A pharmacy; and

6 (vii) Any other historic provider designated in accordance with
7 regulations adopted by the Department.

8 [(e)] (F) "Managed care organization" means:

9 (1) A certified health maintenance organization that is authorized to
10 receive medical assistance prepaid capitation payments; or

11 (2) A corporation that:

12 (i) Is a managed care system that is authorized to receive medical
13 assistance prepaid capitation payments;

14 (ii) Enrolls only program recipients OR INDIVIDUALS OR FAMILIES
15 SERVED UNDER THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM; and

16 (iii) Is subject to the requirements of § 15-102.4 of this title.

17 [(f)] (G) "Ombudsman program" means a program that assists enrollees in
18 resolving disputes with managed care organizations in a timely manner and that is
19 responsible, at a minimum, for the following functions:

20 (1) Investigating disputes between enrollees and managed care
21 organizations referred by the enrollee hotline;

22 (2) Reporting to the Department:

23 (i) The resolution of all disputes;

24 (ii) A managed care organization's failure to meet the Department's
25 requirements; and

26 (iii) Any other information specified by the Department;

27 (3) Educating enrollees about:

28 (i) The services provided by the enrollee's managed care
29 organization; and

30 (ii) The enrollee's rights and responsibilities in receiving services
31 from the managed care organization; and

1 (4) Advocating on behalf of the enrollee before the managed care
2 organization, including assisting the enrollee in using the managed care
3 organization's grievance process.

4 [(g)] (H) "Primary mental health services" means the clinical evaluation and
5 assessment of services needed by an individual and the provision of services or referral
6 for additional services as deemed medically appropriate by a primary care provider.

7 [(h)] (I) "Program" means the Maryland Medical Assistance Program.

8 [(i)] (J) "Program recipient" means an individual who receives
9 benefits under the Program.

10 [(j)] (K) "Specialty mental health services" means any mental health services
11 other than primary mental health services.

12 15-103.

13 (a) (1) The Secretary shall administer the Maryland Medical Assistance
14 Program.

15 (2) The Program:

16 (i) Subject to the limitations of the State budget, shall provide
17 comprehensive medical and other health care services for indigent individuals or
18 medically indigent individuals or both;

19 (ii) Shall provide, subject to the limitations of the State budget,
20 comprehensive medical and other health care services for all eligible pregnant women
21 [and, at a minimum, all children currently under the age of 1 whose family income
22 falls below 185] WHOSE FAMILY INCOME IS AT OR BELOW 200 percent of the poverty
23 level, as permitted by the federal law;

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

29 [(iii)] (IV) Shall provide, subject to the limitations of the State budget,
30 family planning services to women currently eligible for comprehensive medical care
31 and other health care under item (ii) of this paragraph for 5 years after the second
32 month following the month in which the woman delivers her child;

33 [(iv)] (V) Shall provide, subject to the limitations of the State budget,
34 comprehensive medical and other health care services for all children from the age of
35 1 year up through and including the age of 5 years whose family income falls below
36 133 percent of the poverty level, as permitted by the federal law;

1 [(v)] (VI) Shall provide, subject to the limitations of the State budget,
 2 comprehensive medical care and other health care services for all children born after
 3 September 30, 1983 who are at least 6 years of age but are under 19 years of age whose
 4 family income falls below 100 percent of the poverty level, as permitted by federal law;

5 [(vi)] (VII) Shall provide, subject to the limitations of the State budget,
 6 comprehensive medical care and other health care services for all legal immigrants
 7 who meet Program eligibility standards and who arrived in the United States before
 8 August 22, 1996, the effective date of the federal Personal Responsibility and Work
 9 Opportunity Reconciliation Act, as permitted by federal law;

10 [(vii)] (VIII) Shall provide, subject to the limitations of the State
 11 budget and any other requirements imposed by the State, comprehensive medical care
 12 and other health care services for all legal immigrant children under the age of 18
 13 years and pregnant women who meet Program eligibility standards and who arrived
 14 in the United States on or after August 22, 1996, the effective date of the federal
 15 Personal Responsibility and Work Opportunity Reconciliation Act;

16 [(viii)] (IX) May include bedside nursing care for eligible Program
 17 recipients; and

18 [(ix)] (X) Shall provide services in accordance with funding
 19 restrictions included in the annual State budget bill.

20 (3) Subject to restrictions in federal law or waivers, the Department may
 21 impose cost-sharing on Program recipients.

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

25 (3) Subject to the limitations of the State budget and as permitted by
 26 federal law or waiver, the program developed under paragraph (1) of this subsection
 27 AND THE PROGRAM DEVELOPED UNDER § 15-301 OF THIS TITLE may provide
 28 guaranteed eligibility for each enrollee for up to 6 months, unless an enrollee obtains
 29 health insurance through another source.

30 SUBTITLE 3. CHILDREN AND FAMILIES HEALTH CARE PROGRAM.
 31 15-301.

32 (A) IN THIS SECTION, "CARRIER" MEANS:

33 (1) AN INSURER;

34 (2) A NONPROFIT SERVICE PLAN;

35 (3) A HEALTH MAINTENANCE ORGANIZATION; OR

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

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

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

10 (D) ON OR BEFORE JULY 1, 1999, THE DEPARTMENT OF HEALTH AND MENTAL
11 HYGIENE SHALL DEVELOP AND IMPLEMENT A PROGRAM TO PROVIDE
12 COMPREHENSIVE MEDICAL CARE AND OTHER HEALTH CARE SERVICES TO ELIGIBLE
13 INDIVIDUALS WITH A FAMILY INCOME THAT IS ABOVE 185 PERCENT OF THE
14 FEDERAL POVERTY LEVEL BUT DOES NOT EXCEED 200 PERCENT OF THE FEDERAL
15 POVERTY LEVEL THROUGH EMPLOYER SPONSORED HEALTH BENEFIT PLANS OR
16 INDIVIDUAL HEALTH BENEFIT PLANS.

17 (E) THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM SHALL BE
18 ADMINISTERED THROUGH:

19 (1) THE PROGRAM UNDER SUBTITLE 1 OF THIS TITLE REQUIRING
20 INDIVIDUALS TO ENROLL IN MANAGED CARE ORGANIZATIONS; OR

21 (2) THE PROGRAM DEVELOPED UNDER SUBSECTION (D) OF THIS
22 SECTION.

23 (F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,
24 UPON IMPLEMENTATION OF THE PROGRAM UNDER SUBSECTION (D) OF THIS
25 SECTION, AN INDIVIDUAL WITH A FAMILY INCOME THAT IS ABOVE 185 PERCENT OF
26 THE FEDERAL POVERTY LEVEL BUT DOES NOT EXCEED 200 PERCENT OF THE
27 FEDERAL POVERTY LEVEL IS NOT ELIGIBLE FOR THE PROGRAM UNDER SUBTITLE 1
28 OF THIS TITLE AND IS ONLY ELIGIBLE TO RECEIVE A VOUCHER TO COVER THE
29 COSTS OF DEPENDENT COVERAGE IF:

30 (I) DEPENDENT COVERAGE IS AVAILABLE TO THE INDIVIDUAL
31 UNDER AN EMPLOYER SPONSORED HEALTH BENEFIT PLAN OR AN INDIVIDUAL
32 HEALTH BENEFIT PLAN; AND

33 (II) DEPENDENT COVERAGE UNDER AN EMPLOYER SPONSORED
34 HEALTH BENEFIT PLAN OR INDIVIDUAL HEALTH BENEFIT PLAN HAS BEEN
35 CERTIFIED BY THE SECRETARY UNDER PARAGRAPH (4) OF THIS SUBSECTION AT THE
36 TIME THE INDIVIDUAL IS DETERMINED TO BE ELIGIBLE FOR THE CHILDREN AND
37 FAMILIES HEALTH CARE PROGRAM.

38 (2) AN INDIVIDUAL WHO IS IN THE CHILDREN AND FAMILIES HEALTH
39 CARE PROGRAM UNDER SUBTITLE 1 OF THIS TITLE MAY REMAIN IN THAT PROGRAM

1 EVEN IF A CERTIFIED EMPLOYER SPONSORED HEALTH BENEFIT PLAN OR A
2 CERTIFIED INDIVIDUAL HEALTH BENEFIT PLAN BECOMES AVAILABLE.

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

6 (I) AN INDEPENDENT INSURANCE POLICY; OR

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

8 (4) (I) A CARRIER THAT INTENDS TO PARTICIPATE IN THE CHILDREN
9 AND FAMILIES HEALTH CARE PROGRAM UNDER SUBSECTION (D) OF THIS SECTION
10 SHALL SUBMIT ITS HEALTH BENEFIT PLAN TO THE SECRETARY.

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

18 (III) IF THE SECRETARY DETERMINES THAT THE EMPLOYER
19 SPONSORED HEALTH BENEFIT PLAN OR INDIVIDUAL HEALTH BENEFIT PLAN DOES
20 NOT MEET THE REQUIREMENTS OF SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE
21 SECRETARY SHALL NOTIFY THE CARRIER OF THAT DETERMINATION WITHIN A
22 REASONABLE TIME.

23 (IV) AS PART OF THE CERTIFICATION REVIEW UNDER
24 SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE SECRETARY SHALL ENSURE THAT
25 THE PREMIUM PAYMENT FOR THE ELIGIBLE INDIVIDUAL'S PORTION OF THE
26 BENEFIT COST TO BE PAID BY THE STATE IN ACCORDANCE WITH PARAGRAPH (6)(II)
27 OF THIS SUBSECTION, DOES NOT EXCEED THE COST THAT THE STATE WOULD INCUR
28 IF THE INDIVIDUAL WAS ENROLLED IN THE PROGRAM UNDER SUBTITLE 1 OF THIS
29 TITLE.

30 (V) A CARRIER PARTICIPATING IN THE CHILDREN AND FAMILIES
31 HEALTH CARE PROGRAM SHALL OFFER ITS HEALTH BENEFIT PLANS:

32 1. FOR EMPLOYER SPONSORED HEALTH BENEFIT PLANS TO
33 EACH EMPLOYER THAT HAS EMPLOYEES WITH DEPENDENTS WHO MAY QUALIFY FOR
34 THE PROGRAM UNDER SUBSECTION (D) OF THIS SECTION; OR

35 2. FOR INDIVIDUAL HEALTH BENEFIT PLANS TO EACH
36 INDIVIDUAL WHO MAY QUALIFY FOR THE PROGRAM UNDER SUBSECTION (D) OF THIS
37 SECTION.

1 (5) A CARRIER THAT PARTICIPATES IN THE CHILDREN AND FAMILIES
2 HEALTH CARE PROGRAM SHALL SUBMIT A CERTIFICATION OF ELIGIBILITY FOR THE
3 ELIGIBLE INDIVIDUAL ON THE FORM REQUIRED BY THE SECRETARY.

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

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

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

12 (G) (1) IN THIS SUBSECTION, "FAMILY CONTRIBUTION" MEANS THE
13 PORTION OF THE PREMIUM COST PAID BY AN ELIGIBLE INDIVIDUAL TO ENROLL AND
14 PARTICIPATE IN THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM.

15 (2) ON OR BEFORE JULY 1, 1999 AND IN ADDITION TO ANY OTHER
16 REQUIREMENTS OF THIS SUBTITLE, AS A REQUIREMENT TO ENROLL AND MAINTAIN
17 PARTICIPATION IN THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM, AN
18 INDIVIDUAL'S PARENT OR GUARDIAN SHALL AGREE TO PAY AN ANNUAL FAMILY
19 CONTRIBUTION AMOUNT DETERMINED BY THE DEPARTMENT IN ACCORDANCE WITH
20 PARAGRAPH (3) OF THIS SUBSECTION.

21 (3) (I) FOR ELIGIBLE INDIVIDUALS WHOSE FAMILY INCOME IS AT OR
22 ABOVE 185 PERCENT OF THE FEDERAL POVERTY LEVEL, THE DEPARTMENT SHALL
23 DEVELOP AN ANNUAL FAMILY CONTRIBUTION AMOUNT PAYMENT SYSTEM SUCH
24 THAT THE COST OF THE FAMILY CONTRIBUTION IS AT LEAST 1 PERCENT OF THE
25 ANNUAL FAMILY INCOME BUT DOES NOT EXCEED 2 PERCENT OF THE ANNUAL
26 FAMILY INCOME.

27 (II) THE DEPARTMENT SHALL DETERMINE BY REGULATION THE
28 SCHEDULES AND THE METHOD OF COLLECTION FOR THE FAMILY CONTRIBUTION
29 AMOUNT UNDER SUBPARAGRAPH (1) OF THIS PARAGRAPH.

30 15-302.

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

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

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

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

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

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

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

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

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

23 15-303.

24 (A) (1) THE DEPARTMENT SHALL BE RESPONSIBLE FOR ENROLLING
25 PROGRAM RECIPIENTS INTO MANAGED CARE ORGANIZATIONS UNDER THE
26 CHILDREN AND FAMILIES HEALTH CARE PROGRAM ESTABLISHED UNDER § 15-301 OF
27 THIS SUBTITLE.

28 (2) THE DEPARTMENT MAY CONTRACT WITH AN ENTITY TO PERFORM
29 ANY PART OR ALL OF ITS ENROLLMENT RESPONSIBILITIES UNDER PARAGRAPH (1)
30 OF THIS SUBSECTION.

31 (3) THE DEPARTMENT OR ITS ENROLLMENT CONTRACTOR, TO THE
32 EXTENT FEASIBLE IN ITS MARKETING, OUTREACH, AND ENROLLMENT PROGRAMS,
33 SHALL HIRE INDIVIDUALS RECEIVING ASSISTANCE UNDER THE FAMILY
34 INVESTMENT PROGRAM ESTABLISHED UNDER ARTICLE 88A OF THE CODE.

35 (B) (1) TO THE EXTENT ALLOWED UNDER FEDERAL LAW AND
36 REGULATIONS, THE SECRETARY SHALL IMPLEMENT EXPEDITED ELIGIBILITY FOR
37 ANY INDIVIDUAL WHO APPLIES FOR THE CHILDREN AND FAMILIES HEALTH CARE
38 PROGRAM UNDER § 15-301 OF THIS SUBTITLE.

1 (2) THE SECRETARY SHALL DESIGNATE ORGANIZATIONS THAT MAY:

2 (I) ASSIST INDIVIDUALS IN THE APPLICATION PROCESS; AND

3 (II) PERFORM OTHER OUTREACH FUNCTIONS.

4 (3) IN DESIGNATING THE ORGANIZATIONS UNDER PARAGRAPH (2) OF
5 THIS SUBSECTION, THE SECRETARY SHALL ENSURE THE INCLUSION OF STATEWIDE
6 AND LOCAL ORGANIZATIONS THAT PROVIDE SERVICES TO CHILDREN OF ALL AGES
7 IN EACH REGION OF THE STATE, AND SHALL PROVIDE SUCH ORGANIZATIONS WITH:

8 (I) FORMS THAT ARE NECESSARY FOR PARENTS, GUARDIANS, AND
9 OTHER INDIVIDUALS TO SUBMIT APPLICATIONS TO THE CHILDREN AND FAMILIES
10 HEALTH CARE PROGRAM ON BEHALF OF A CHILD; AND

11 (II) INFORMATION ON HOW TO ASSIST PARENTS, GUARDIANS, AND
12 OTHER INDIVIDUALS IN COMPLETING AND FILING SUCH APPLICATIONS.

13 15-304.

14 (A) (1) FOR PURPOSES OF INCREASING THE NUMBER OF ELIGIBLE
15 INDIVIDUALS WHO ENROLL IN THE CHILDREN AND FAMILIES HEALTH CARE
16 PROGRAM ESTABLISHED UNDER § 15-301 OF THIS SUBTITLE, THE DEPARTMENT
17 SHALL DEVELOP AND IMPLEMENT A SCHOOL-BASED OUTREACH PROGRAM.

18 (2) AS APPROPRIATE TO CARRY OUT ITS RESPONSIBILITIES UNDER
19 PARAGRAPH (1) OF THIS SUBSECTION, THE DEPARTMENT MAY ENTER INTO
20 CONTRACTS WITH COUNTY BOARDS OF EDUCATION TO PROVIDE INFORMATION AT
21 PUBLIC SCHOOLS ON THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM
22 ESTABLISHED UNDER § 15-301 OF THIS SUBTITLE.

23 (B) (1) FOR PURPOSES OF THIS SUBSECTION, "COMMUNITY-BASED
24 ORGANIZATION" INCLUDES DAY CARE CENTERS, SCHOOLS, AND SCHOOL-BASED
25 HEALTH CLINICS.

26 (2) IN ADDITION TO THE SCHOOL-BASED OUTREACH PROGRAM
27 ESTABLISHED UNDER SUBSECTION (A) OF THIS SECTION, THE DEPARTMENT, IN
28 CONSULTATION WITH THE MARYLAND MEDICAID ADVISORY COMMITTEE
29 ESTABLISHED UNDER § 15-103(B) OF THIS TITLE, SHALL DEVELOP MECHANISMS FOR
30 OUTREACH FOR THE PROGRAM WITH A SPECIAL EMPHASIS ON IDENTIFYING
31 CHILDREN WHO MAY BE ELIGIBLE FOR PROGRAM BENEFITS UNDER THE CHILDREN
32 AND FAMILIES HEALTH CARE PROGRAM ESTABLISHED UNDER § 15-301 OF THIS
33 SUBTITLE.

34 (3) FROM THE MECHANISMS TO BE DEVELOPED FOR OUTREACH UNDER
35 PARAGRAPH (1) OF THIS SUBSECTION, ONE MECHANISM SHALL INCLUDE THE
36 DEVELOPMENT AND DISSEMINATION OF MAIL-IN APPLICATIONS AND APPROPRIATE
37 OUTREACH MATERIALS THROUGH COMMUNITY-BASED ORGANIZATIONS,
38 COMMUNITY-BASED PROVIDERS, THE OFFICE OF THE STATE COMPTROLLER, THE
39 DEPARTMENTS OF HUMAN RESOURCES AND HEALTH AND MENTAL HYGIENE,

1 COUNTY BOARDS OF EDUCATION, AND ANY OTHER APPROPRIATE STATE AGENCY OR
2 UNIT THE DEPARTMENT CONSIDERS APPROPRIATE.

3 20-504.

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

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

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

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

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

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

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

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

17 (iii) Two shall represent the business community;

18 (iv) Two shall represent the labor community; and

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

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

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

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

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

28 (3) At the end of a term, a member continues to serve until a successor is
29 appointed and qualifies;

30 (4) A member who is appointed after a term is begun serves for the rest of
31 the term and until a successor is appointed and qualifies; and

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

1 20-505.

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

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

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

7 (d) A trustee:

8 (1) May not receive compensation; but

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

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

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

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

19 (2) THE BOARD OF TRUSTEES SHALL DETERMINE THE COMPENSATION
20 FOR THE EXECUTIVE DIRECTOR.

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

24 (4) THE EXECUTIVE DIRECTOR, WITH THE APPROVAL OF THE BOARD OF
25 TRUSTEES, MAY EMPLOY ANY ADDITIONAL STAFF.

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

28 (I) THE FOUNDATION SHALL PREPARE CAPITAL AND OPERATING BUDGETS.

29 (J) FOR INFORMATION ONLY, THE FOUNDATION SHALL SUBMIT THE
30 BUDGETS TO THE SENATE BUDGET AND TAXATION COMMITTEE AND THE HOUSE
31 APPROPRIATIONS COMMITTEE.

32 20-506.

33 (a) The Foundation shall:

1 (1) Solicit and accept any gift, grant, legacy, or endowment of money,
 2 including in-kind services, from the federal government, State government, local
 3 government, or any private source in furtherance of the Foundation;

4 (2) Provide grants to programs that:

5 (i) Promote public awareness of the need to provide more timely and
 6 cost-effective care for uninsured Marylanders;

7 (ii) Expand access to health care services for uninsured individuals;
 8 or

9 (iii) Provide or subsidize health insurance coverage for uninsured
 10 individuals;

11 (3) STUDY THE FEASIBILITY AND COST-EFFECTIVENESS OF PROVIDING
 12 HEALTH INSURANCE COVERAGE THROUGH THE PRIVATE MARKET TO UNINSURED
 13 CHILDREN AND THEIR FAMILIES AS PART OF THE PROGRAM ESTABLISHED UNDER §
 14 15-301 OF THIS ARTICLE;

15 [(3)] (4) Develop programs for sponsorship by corporate and business
 16 organizations or private individuals;

17 [(4)] (5) Develop criteria for awarding grants to health care delivery
 18 programs, insurance coverage programs, or corporate sponsorship programs;

19 [(5)] (6) Develop criteria for prioritizing programs to be supported;

20 [(6)] (7) Develop criteria for evaluating the effectiveness of programs
 21 receiving grants;

22 [(7)] (8) Make, execute, and enter into any contract or other legal
 23 instrument;

24 [(8)] (9) Receive appropriations as provided in the State budget;

25 [(9)] (10) Lease and maintain an office at a place within the State that the
 26 Foundation designates;

27 [(10)] (11) Adopt bylaws for the regulation of its affairs and the conduct of
 28 its business;

29 [(11)] (12) Take any other action necessary to carry out the purposes of the
 30 Foundation; and

31 [(12)] (13) Report annually to the Governor and, subject to § 2-1246 of the
 32 State Government Article, to the General Assembly, on its activities during the
 33 preceding year, including an evaluation of the effectiveness of funded programs,
 34 together with any recommendations or requests deemed appropriate to further the
 35 purposes of the Foundation.

1 (b) The Foundation may sue and be sued, but only to enforce contractual or
 2 similar agreements with the Foundation.

3 Article - Insurance

4 15-124.

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

7 (2) "GROUP HEALTH INSURANCE" HAS THE MEANING STATED IN § 15-301
 8 OF THIS TITLE.

9 (B) THIS SECTION APPLIES TO INSURERS AND NONPROFIT HEALTH SERVICE
 10 PLANS THAT ISSUE OR DELIVER GROUP HEALTH INSURANCE POLICIES IN THE
 11 STATE.

12 (C) AN ENTITY SUBJECT TO THIS SECTION WHEN ISSUING OR RENEWING A
 13 GROUP HEALTH INSURANCE POLICY WITH AN EMPLOYER THAT DOES NOT INCLUDE
 14 DEPENDENT COVERAGE SHALL PROVIDE ENROLLMENT INFORMATION TO INSURED
 15 EMPLOYEES REGARDING THE METHODS OF ENROLLING ANY DEPENDENT OF AN
 16 INSURED EMPLOYEE IN THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM
 17 ESTABLISHED UNDER § 15-301 OF THE HEALTH - GENERAL ARTICLE.

18 27-220.

19 AN AGENT, BROKER, OR INSURER MAY NOT REFER AN INDIVIDUAL EMPLOYEE
 20 OR DEPENDENT OF AN EMPLOYEE TO THE CHILDREN AND FAMILIES HEALTH CARE
 21 PROGRAM ESTABLISHED UNDER TITLE 15, SUBTITLE 3 OF THE HEALTH - GENERAL
 22 ARTICLE OR ARRANGE FOR AN INDIVIDUAL EMPLOYEE OR DEPENDENT OF AN
 23 EMPLOYEE TO APPLY FOR THE CHILDREN AND FAMILIES HEALTH CARE PROGRAM
 24 ESTABLISHED UNDER TITLE 15, SUBTITLE 3 OF THE HEALTH - GENERAL ARTICLE IF
 25 THE AGENT, BROKER, OR INSURER HAS AN ECONOMIC INTEREST IN THE REFERRAL
 26 OR THE ARRANGEMENT AND THE AGENT'S, BROKER'S, OR INSURER'S SOLE PURPOSE
 27 IS TO SEPARATE THAT EMPLOYEE OR THAT EMPLOYEE'S DEPENDENT FROM GROUP
 28 HEALTH INSURANCE COVERAGE PROVIDED IN CONNECTION WITH THE EMPLOYEE'S
 29 EMPLOYMENT.

30 Article - State Government

31 15-601.

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

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

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

7 (d) A commissioner or an applicant for appointment as commissioner of a
8 bicounty commission shall file the statement required by subsection (a) of this section
9 in accordance with Subtitle 8, Part III of this title.

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

12 Article - Health - General

13 15-305.

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

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

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

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

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

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

32 (B) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE, IN CONSULTATION
33 WITH THE MARYLAND INSURANCE ADMINISTRATION, THE HEALTH CARE ACCESS
34 AND COST COMMISSION, THE FOUNDATION, THE BUSINESS COMMUNITY, AND THE
35 HEALTH CARE INSURANCE INDUSTRY SHALL:

36 (1) CONDUCT A STUDY TO DETERMINE THE FEASIBILITY AND COST
37 EFFECTIVENESS OF PROVIDING HEALTH INSURANCE COVERAGE THROUGH THE
38 PRIVATE MARKET TO UNINSURED CHILDREN AND THEIR FAMILIES, AND IN

1 PARTICULAR TO THOSE INDIVIDUALS WITH A FAMILY INCOME BETWEEN 185
2 PERCENT OF THE FEDERAL POVERTY LEVEL AND 200 PERCENT OF THE FEDERAL
3 POVERTY LEVEL, AS PART OF THE PROGRAM ESTABLISHED UNDER § 15-301 OF THIS
4 SUBTITLE; AND

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

10 (C) THE DEPARTMENT SHALL REPORT ON THE RESULT OF ITS STUDY AND ITS
11 RECOMMENDATIONS TO THE GOVERNOR, AND IN ACCORDANCE WITH § 2-1246 OF THE
12 STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY, ON OR BEFORE
13 DECEMBER 1, 1998 AND EACH DECEMBER 1 THEREAFTER.

14 SECTION 4. AND BE IT FURTHER ENACTED, That the Department of Health
15 and Mental Hygiene shall submit to the federal Health Care Financing
16 Administration a State plan to implement the Children and Families Health Care
17 Program established under § 15-301 of the Health - General Article. Notwithstanding
18 the provisions of § 15-301 of the Health - General Article, the Department shall not be
19 required to include a description of the use of employer sponsored health benefit plans,
20 individual health benefit plans, or family contribution amount requirements in the
21 State plan that the Department submits to the federal Health Care Financing
22 Administration. However, the Department shall submit to the federal Health Care
23 Financing Administration a proposed amendment to the State plan to include the use
24 of employer sponsored health benefit plans and individual health benefit plans for
25 individuals with a family income above 185 percent of the federal poverty level but
26 does not exceed 200 percent of the federal poverty level, and the use of family
27 contribution amounts in sufficient time to meet the July 1, 1999 implementation date
28 for employer sponsored health benefit plans, individual health benefit plans, and
29 family contribution amount requirements.

30 SECTION 5. AND BE IT FURTHER ENACTED, That authorization is granted
31 to the Governor to transfer by contract, grant, or otherwise, \$500,000 to the Foundation
32 in the 1998 fiscal year or 1999 fiscal year budgets to cover the expenses associated with
33 the operation of the Foundation.

34 SECTION 6. AND BE IT FURTHER ENACTED, That the Department of Health
35 and Mental Hygiene shall seek a written determination or decision from the federal
36 Health Care Financing Administration as to whether the State can employ a
37 refundable tax credit in the Children and Families Health Care Program established
38 under § 15-301 of the Health - General Article. On or before December 1, 1998, the
39 Department shall report to the General Assembly, in accordance with § 2-1246 of the
40 State Government Article, on the following:

41 (1) the federal Health Care Financing Administration's written
42 determination or decision as to whether the State can employ a refundable tax credit in
43 the Children and Families Health Care Program; and

1 (2) if the federal Health Care Financing Administration approves a
2 refundable tax credit, the feasibility of and methods for employing a refundable tax
3 credit in the Children and Families Health Care Program.

4 SECTION 7. AND BE IT FURTHER ENACTED, That the Department of Health
5 and Mental Hygiene shall seek a written determination or decision from the federal
6 Health Care Financing Administration as to whether the State can extend the use of
7 employer sponsored health benefit plans or individual health benefit plans on a
8 voluntary basis to individuals who have a family income at or below 185 percent of the
9 federal poverty level. On or before December 1, 1998, the Department shall report to the
10 General Assembly, in accordance with § 2-1246 of the State Government Article, on the
11 following:

12 (1) the federal Health Care Financing Administration's written
13 determination or decision as to whether the State can extend the use of an employer
14 sponsored health benefit plan or an individual health benefit plan on a voluntary
15 basis to individuals with a family income at or below 185 percent of the federal poverty
16 level; and

17 (2) if the federal Health Care Financing Administration approves
18 extending the use of an employer sponsored health benefit plan or an individual health
19 benefit plan to individuals with a family income at or below 185 percent of the federal
20 poverty level, the feasibility of and methods for implementing the use of employer
21 sponsored health benefit plans or individuals health benefit plans on a voluntary basis
22 to individuals with a family income at or below 185 percent of the federal poverty level.

23 SECTION 8. AND BE IT FURTHER ENACTED, That, on or before December 1,
24 1998, the Department of Health and Mental Hygiene shall study and report to the
25 Governor and, in accordance with § 2-1246 of the State Government Article, to the
26 General Assembly on the administrative costs associated with mandating the use of
27 employer sponsored health benefit plans, individual health benefit plans, and family
28 contribution requirements, including an estimate of the administrative costs that the
29 Department, carriers, managed care organizations, and employers will incur in
30 implementing the use of employer sponsored health benefit plans, individual health
31 benefit plans, and family contribution amounts. Notwithstanding the provisions of
32 this Section, the Department shall take whatever steps are necessary to move forward
33 with the implementation of the requirements contained in Title 15, Subtitle 3 of the
34 Health - General Article.

35 SECTION 9. AND BE IT FURTHER ENACTED, That on or before December 1,
36 1998, the Department of Legislative Services shall study and report to the Governor
37 and, in accordance with § 2-1246 of the State Government Article, the General
38 Assembly on the structure and organization of entities similar to the Maryland Health
39 Care Foundation established under § 20-501 of the Health - General Article.

40 SECTION 10. AND BE IT FURTHER ENACTED, That if any provision of this
41 Act or the application thereof to any person or circumstance is not approved by the
42 federal Health Care Financing Administration, that disapproval does not affect other

1 provisions or any other application of this Act which is approved, and for this purpose
2 the provisions of this Act are declared severable.

3 SECTION 11. AND BE IT FURTHER ENACTED, That at the end of June 30,
4 2004, with no further action required by the General Assembly, Section 3 of this Act
5 shall be abrogated and of no further force and effect.

6 SECTION 12. AND BE IT FURTHER ENACTED, That this Act is an emergency
7 measure, is necessary for the immediate preservation of the public health and safety,
8 has been passed by a yea and nay vote supported by three-fifths of all the members
9 elected to each of the two Houses of the General Assembly, and shall take effect from
10 the date it is enacted.