

SENATE BILL 590

Unofficial Copy  
J1

1998 Regular Session  
(8lr2297)

*ENROLLED BILL*  
*-- Finance/Environmental Matters --*

Introduced by **Senators Lawlah, Hogan, Kasemeyer, Van Hollen, and Hoffman**

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 **Medical Assistance and Other State Programs - Dental Services**

3 FOR the purpose of requiring ~~certain managed care organizations to provide access by~~  
4 ~~its enrollees to certain dental services to increase utilization of dental services in~~  
5 ~~accordance with certain utilization targets established by the Department of~~  
6 ~~Health and Mental Hygiene in an Oral Health Care Plan to issue a request for~~  
7 ~~proposals for the administration of dental services for recipients of the Maryland~~  
8 ~~Medical Assistance Program for the purpose of making a certain comparison~~  
9 ~~between managed care organizations and dental managed care organizations;~~  
10 ~~requiring the Department to provide certain access to program recipients to~~  
11 ~~dental services in accordance with certain utilization targets of the Department;~~  
12 ~~requiring that dental services for pregnant women be included as a benefit~~  
13 ~~under a certain program under the Maryland Medical Assistance Program;~~  
14 requiring the Department, in cooperation with representatives of the dental  
15 community care community, dental managed care organizations, and managed  
16 care organizations in the State, to make a certain assessment, develop and  
17 implement a certain strategy, and establish a certain plan for a certain period

1 that sets certain utilization targets for dental services; requiring a certain plan  
 2 to include a certain assessment process and a certain statewide follow-up  
 3 survey; requiring the Department to collaborate with representatives of the  
 4 dental ~~community care community, dental managed care organizations, and~~  
 5 managed care organizations in the State concerning the design and  
 6 implementation of a certain assessment process and survey; requiring the  
 7 Department, subject to the State budget, to establish an Office of Oral Health in  
 8 the Department with certain responsibilities, including the establishment of  
 9 certain demonstration projects for certain high-risk children in certain State  
 10 programs; requiring the Department to submit a certain annual report to the  
 11 General Assembly; requiring the Department to ensure a certain equivalency in  
 12 the provision of dental services to certain enrollees of a managed care  
 13 organization or a dental managed care organization; requiring the Department,  
 14 on or before a certain date, to apply to the federal Health Care Financing  
 15 Administration for a special waiver to qualify for additional federal funds on a  
 16 certain basis; defining ~~a certain term~~ certain terms; and generally relating to  
 17 the provision of dental services under certain State programs.

18 BY repealing and reenacting, with amendments,  
 19 Article - Health - General  
 20 Section 15-101 and 15-103(b)(9)  
 21 Annotated Code of Maryland  
 22 (1994 Replacement Volume and 1997 Supplement)

23 BY repealing and reenacting, without amendments,  
 24 Article - Health - General  
 25 Section 15-103(b)(9)  
 26 Annotated Code of Maryland  
 27 (1994 Replacement Volume and 1997 Supplement)

28 BY adding to  
 29 Article - Health - General  
 30 Section 15-103.2  
 31 Annotated Code of Maryland  
 32 (1994 Replacement Volume and 1997 Supplement)

33 BY adding to  
 34 Article - Health - General  
 35 Section 15-103(b)(2)(v)  
 36 Annotated Code of Maryland  
 37 (1994 Replacement Volume and 1997 Supplement)

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

**Article - Health - General**

1 15-101.

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

3 ~~(A-1)~~ (A-2) "DENTAL MANAGED CARE ORGANIZATION" MEANS A PRE-PAID DENTAL  
4 PLAN THAT RECEIVES FEES TO MANAGE DENTAL SERVICES.

5 ~~(A-1)~~ (A-2) "DENTAL SERVICES" MEANS DIAGNOSTIC, EMERGENCY,  
6 PREVENTIVE, AND THERAPEUTIC SERVICES FOR ORAL DISEASES.

7 (b) "Enrollee" means a program recipient who is enrolled in a managed care  
8 organization.

9 (c) "Facility" means a hospital or nursing facility including an intermediate  
10 care facility, skilled nursing facility, comprehensive care facility, or extended care  
11 facility.

12 (d) (1) "Historic provider" means a health care provider, as defined in §  
13 19-1501 of this article who, on or before June 30, 1995, had a demonstrated history of  
14 providing services to program recipients, as defined by the Department in  
15 regulations.

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

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

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

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

23 (iv) A local health department;

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

25 (vi) A pharmacy; and

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

28 (e) "Managed care organization" means:

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

31 (2) A corporation that:

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

3 (ii) Enrolls only program recipients; and

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

5 (f) "Ombudsman program" means a program that assists enrollees in  
6 resolving disputes with managed care organizations in a timely manner and that is  
7 responsible, at a minimum, for the following functions:

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

10 (2) Reporting to the Department:

11 (i) The resolution of all disputes;

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

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

15 (3) Educating enrollees about:

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

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

20 (4) Advocating on behalf of the enrollee before the managed care  
21 organization, including assisting the enrollee in using the managed care  
22 organization's grievance process.

23 (g) "Primary mental health services" means the clinical evaluation and  
24 assessment of services needed by an individual and the provision of services or  
25 referral for additional services as deemed medically appropriate by a primary care  
26 provider.

27 (h) "Program" means the Maryland Medical Assistance Program.

28 (i) "Program recipient" means an individual who receives benefits under the  
29 Program.

30 (j) "Specialty mental health services" means any mental health services other  
31 than primary mental health services.

1 15-103.

2 (b) (2) (V) NOTWITHSTANDING SUBPARAGRAPH (I) OF THIS PARAGRAPH,  
3 THE BENEFITS REQUIRED BY THE PROGRAM DEVELOPED UNDER PARAGRAPH (1) OF  
4 THIS SUBSECTION SHALL INCLUDE DENTAL SERVICES FOR PREGNANT WOMEN.

5 (9) Each managed care organization shall:

6 (i) Have a quality assurance program in effect which is subject to  
7 the approval of the Department and which, at a minimum:

8 1. Complies with any health care quality improvement  
9 system developed by the Health Care Financing Administration;

10 2. Complies with the quality requirements of applicable  
11 State licensure laws and regulations;

12 3. Complies with practice guidelines and protocols specified  
13 by the Department;

14 4. Provides for an enrollee grievance system, including an  
15 enrollee hotline;

16 5. Provides a provider grievance system;

17 6. Provides for enrollee and provider satisfaction surveys, to  
18 be taken at least annually;

19 7. Provides for a consumer advisory board to receive regular  
20 input from enrollees;

21 8. Provides for an annual consumer advisory board report to  
22 be submitted to the Secretary; and

23 9. Complies with specific quality, access, data, and  
24 performance measurements adopted by the Department for treating enrollees with  
25 special needs;

26 (ii) Submit to the Department:

27 1. Service-specific data by service type in a format to be  
28 established by the Department; and

29 2. Utilization and outcome reports, such as the Health Plan  
30 Employer Data and Information Set (HEDIS), as directed by the Department;

31 (iii) Promote timely access to and continuity of health care services  
32 for enrollees;

1 (iv) Demonstrate organizational capacity to provide special  
2 programs, including outreach, case management, and home visiting, tailored to meet  
3 the individual needs of all enrollees;

4 (v) Provide assistance to enrollees in securing necessary health  
5 care services;

6 (vi) Provide or assure alcohol and drug abuse treatment for  
7 substance abusing pregnant women and all other enrollees of managed care  
8 organizations who require these services;

9 (vii) Educate enrollees on health care prevention and good health  
10 habits;

11 (viii) Assure necessary provider capacity in all geographic areas  
12 under contract;

13 (ix) Be accountable and hold its subcontractors accountable for  
14 standards established by the Department and, upon failure to meet those standards,  
15 be subject to one or more of the following penalties:

16 1. Fines;

17 2. Suspension of further enrollments;

18 3. Withholding of all or part of the capitation payment;

19 4. Termination of the contract;

20 5. Disqualification from future participation in the Program;

21 and

22 6. Any other penalties that may be imposed by the  
23 Department;

24 (x) Subject to applicable federal and State law, include incentives  
25 for enrollees to comply with provisions of the managed care organization;

26 (xi) Provide or arrange to provide primary mental health services;

27 (xii) Provide or arrange to provide all Medicaid-covered services  
28 required to comply with State statutes and regulations mandating health and mental  
29 health services for children in State supervised care:

30 1. According to standards set by the Department; and

31 2. Locally, to the extent the services are available locally;

32 (xiii) Submit to the Department aggregate information from the  
33 quality assurance program, including complaints and resolutions from the enrollee

1 and provider grievance systems, the enrollee hotline, and enrollee satisfaction  
2 surveys;

3 (xiv) Maintain as part of the enrollee's medical record the following  
4 information:

5 1. The basic health risk assessment conducted on  
6 enrollment;

7 2. Any information the managed care organization receives  
8 that results from an assessment of the enrollee conducted for the purpose of any early  
9 intervention, evaluation, planning, or case management program;

10 3. Information from the local department of social services  
11 regarding any other service or benefit the enrollee receives, including assistance or  
12 benefits under Article 88A of the Code; and

13 4. Any information the managed care organization receives  
14 from a school-based clinic, a core services agency, a local health department, or any  
15 other person that has provided health services to the enrollee; {and}

16 (xv) Upon provision of information specified by the Department  
17 under paragraph (19) of this subsection, pay school-based clinics for services provided  
18 to the managed care organization's enrollees; ~~AND~~

19 15-103.2.

20 (A) THE DEPARTMENT SHALL ISSUE A REQUEST FOR PROPOSALS FOR THE  
21 ADMINISTRATION OF DENTAL SERVICES FOR PROGRAM RECIPIENTS FOR THE  
22 PURPOSE OF COMPARING AND EVALUATING THE PERFORMANCE AND COST OF  
23 DENTAL SERVICES PROVIDED BY A MANAGED CARE ORGANIZATION AND THE  
24 PERFORMANCE AND COST OF DENTAL SERVICES PROVIDED BY A DENTAL MANAGED  
25 CARE ORGANIZATION THAT IS SEPARATE FROM A MANAGED CARE ORGANIZATION.

26 ~~(XVI)~~ (B) THE DEPARTMENT SHALL PROVIDE ACCESS TO  
27 ENROLLEES PROGRAM RECIPIENTS FOR DENTAL SERVICES TO INCREASE  
28 UTILIZATION OF DENTAL SERVICES IN ACCORDANCE WITH UTILIZATION TARGETS  
29 THAT THE DEPARTMENT BY REGULATION ESTABLISHES IN AN ORAL HEALTH CARE  
30 PLAN.

31 (C) THE ACCESS REQUIRED UNDER SUBSECTION (B) OF THIS SECTION MAY BE  
32 THROUGH A MANAGED CARE ORGANIZATION OR A DENTAL MANAGED CARE  
33 ORGANIZATION THAT IS SEPARATE FROM A MANAGED CARE ORGANIZATION.

34 SECTION 2. AND BE IT FURTHER ENACTED, That the Department of  
35 Health and Mental Hygiene, in cooperation with representatives of the dental care  
36 community, dental managed care organizations, and managed care organizations in  
37 the State, shall:

1           (1)     assess the availability and accessibility of dentists throughout the  
 2 State participating in the Maryland Medical Assistance Program, either on a  
 3 fee-for-service basis or through a Medicaid managed care organization;

4           (2)     develop and implement a strategy for increasing the participation of  
 5 dentists in the Program;

6           (+)     (3)     establish by regulation a Five Year Oral Health Care Plan that  
 7 sets utilization targets for managed care organizations and dental managed care  
 8 organizations under the Maryland Medical Assistance Program to measure  
 9 demonstrated increases in access by Program enrollees to dental services; and

10          (=)     (4)     based on the current 14% level of utilization of dental services,  
 11 set a utilization target of 30% in the first year of the Plan, with annual increases in  
 12 utilization of 10% until a minimum level of utilization of 70% is attained in the fifth  
 13 year of the Plan.

14       SECTION 3. AND BE IT FURTHER ENACTED, That the Five Year Oral  
 15 Health Care Plan developed by the Department of Health and Mental Hygiene under  
 16 Section 2 of this Act shall include:

17           (1)     an assessment process with ongoing oversight by the Department to  
 18 determine if utilization targets are being met and to ensure that corrective action is  
 19 taken by a managed care organization or a dental managed care organization that  
 20 fails to meet the utilization targets;

21           (2)     a requirement for a statewide follow-up survey to be conducted by  
 22 the Department in the year 2000 concerning the oral health status of school children  
 23 in the State.

24       SECTION 4. AND BE IT FURTHER ENACTED, That the Department of  
 25 Health and Mental Hygiene shall collaborate with representatives of the dental care  
 26 community, dental managed care organizations, and managed care organizations in  
 27 the State in the design and implementation of the assessment process and statewide  
 28 survey required under Section 3 of this Act.

29       SECTION 5. AND BE IT FURTHER ENACTED, That, subject to the State  
 30 budget, the Department of Health and Mental Hygiene shall establish an Office of  
 31 Oral Health in the Department with responsibility for:

32           (1)     promoting the participation of dentists throughout the State in the  
 33 Maryland Medical Assistance Program;

34           (+)     (2)     ensuring that managed care organizations and or dental  
 35 managed care organizations provide dental services under the Maryland Medical  
 36 Assistance Program as required by § ~~15-103(b)(9)(xvi)~~ 15-103.2 of the Health -  
 37 General Article, as enacted by Section 1 of this Act;

38           (=)     (3)     overseeing the assessment process and statewide survey  
 39 required under Section 3 of this Act; and

1           ~~(3)~~    (4)     establishing one or more demonstration projects for high-risk  
2 children in populations for whom dental services are not ordinarily available, such as  
3 children in school-based health clinics, Head Start programs, pediatric ambulatory  
4 centers, and the Women, Infants, and Children (WIC) Program.

5           SECTION 6. AND BE IT FURTHER ENACTED, That the Department of  
6 Health and Mental Hygiene, subject to § 2-1246 of the State Government Article,  
7 shall submit a report to the General Assembly annually concerning:

8           (1)     the availability and accessibility of dentists throughout the State  
9 participating in the Maryland Medical Assistance Program;

10          ~~(1)~~    (2)     the outcomes that managed care organizations and dental  
11 managed care organizations under the Maryland Medical Assistance Program achieve  
12 concerning the utilization targets required by Section 2 of this Act, including:

13                   (i)     loss ratios that the managed care organizations and dental  
14 managed care organizations experience for providing dental services; and

15                   (ii)    corrective action by managed care organizations and dental  
16 managed care organizations to achieve the utilization targets; and

17          ~~(2)~~    (3)     the allocation and use of funds authorized by this Act.

18           SECTION 7. AND BE IT FURTHER ENACTED, That the Department of  
19 Health and Mental Hygiene shall ensure that dental services equivalent to those  
20 provided under the Maryland Medical Assistance Program are provided to any  
21 portion of the enrollees of a managed care organization or a dental managed care  
22 organization that the State may move to private health insurance.

23           SECTION 8. AND BE IT FURTHER ENACTED, That on or before December 1,  
24 1999, the Department of Health and Mental Hygiene shall apply to the federal Health  
25 Care Financing Administration for a special waiver to qualify for additional federal  
26 matching funds based on the extensive level of dental services needed by children in  
27 this State.

28           SECTION 9. AND BE IT FURTHER ENACTED, That this Act shall take effect  
29 October 1, 1998.