
By: **Senator Madden**

Introduced and read first time: February 15, 1999

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Medical Assistance Program - Managed Care Organizations -**
3 **Special Needs Children**

4 FOR the purpose of requiring the Secretary of the Department of Health and Mental
5 Hygiene to authorize certain diagnostic and evaluation visits for children with
6 special health care needs with certain providers; providing for certain
7 reimbursement rates for certain services; providing for the collection of certain
8 data; providing for funding to community based organizations for outreach to
9 families of children with special health care needs; and generally relating to the
10 Maryland Medical Assistance Program.

11 BY adding to
12 Article - Health - General
13 Section 15-103(b)(5a) and 15-103(b)(18a)
14 Annotated Code of Maryland
15 (1994 Replacement Volume and 1998 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article - Health - General
18 Section 15-103(b)(4) and (5)
19 Annotated Code of Maryland
20 (1994 Replacement Volume and 1998 Supplement)

21 BY repealing and reenacting, without amendments,
22 Article - Health - General
23 Section 15-103(b)(18)
24 Annotated Code of Maryland
25 (1994 Replacement Volume and 1998 Supplement)

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

1 **Article - Health - General**

2 15-103.

3 (b) (4) (i) The Secretary may exclude specific populations or services from
4 the program developed under paragraph (1) of this subsection.5 (ii) For any populations or services excluded under this paragraph,
6 the Secretary may authorize a managed care organization to provide the services or
7 provide for the population, including authorization of a separate dental managed care
8 organization or a managed care organization to provide services to Program
9 recipients with special needs.10 (III) FOR CHILDREN WITH SPECIAL HEALTH CARE NEEDS, THE
11 SECRETARY SHALL:12 1. AUTHORIZE A SELF-REFERRED ANNUAL DIAGNOSTIC AND
13 EVALUATION SERVICE VISIT FOR THE PURPOSE OF ESTABLISHING, IN
14 CONSULTATION WITH THE FAMILY, PRIMARY CARE PROVIDER, AND MANAGED CARE
15 ORGANIZATION, A TREATMENT PLAN; AND

16 2. REQUIRE THAT:

17 A. PROVIDERS PERFORMING THE ANNUAL DIAGNOSTIC AND
18 EVALUATION SERVICE VISIT BE CREDENTIALLED BY THE DEPARTMENT'S CHILDREN'S
19 MEDICAL SERVICES PROGRAM;20 B. REIMBURSEMENT RATES FOR THE ANNUAL DIAGNOSTIC
21 AND EVALUATION SERVICE VISIT BE FEE FOR SERVICE AND REFLECT A CURRENT
22 RESOURCE-BASED RELATIVE VALUE SCALE METHODOLOGY; AND23 C. AGGREGATE DATA FROM THE ANNUAL DIAGNOSTIC AND
24 EVALUATION SERVICE VISIT BE COLLECTED BY THE DEPARTMENT.25 (5) (i) Except for a service excluded by the Secretary under paragraph
26 (4) of this subsection, each managed care organization shall provide all the benefits
27 required by regulations adopted under paragraph (2) of this subsection.28 (ii) For a population or service excluded by the Secretary under
29 paragraph (4) of this subsection, the Secretary may authorize a managed care
30 organization to provide only for that population or provide only that service.31 (iii) A managed care organization may subcontract specified
32 required services to a health care provider that is licensed or authorized to provide
33 those services.34 (5A) THE SECRETARY SHALL PROVIDE FUNDING TO COMMUNITY BASED
35 ORGANIZATIONS FOR OUTREACH TO THE FAMILIES OF CHILDREN WITH SPECIAL
36 HEALTH CARE NEEDS WHO MAY BE ELIGIBLE FOR THE PROGRAM.

1 (18) (i) The Department shall make capitation payments to each
2 managed care organization as provided in this paragraph.

3 (ii) In consultation with the Insurance Commissioner, the Secretary
4 shall:

5 1. Set capitation payments at a level that is actuarially
6 adjusted to the benefits provided; and

7 2. Actuarially adjust the capitation payments to reflect the
8 relative risk assumed by the managed care organization.

9 (18A) FOR CASE MANAGEMENT SERVICES PROVIDED TO CHILDREN WITH
10 SPECIAL HEALTH CARE NEEDS, THE DEPARTMENT SHALL ASSURE THAT MANAGED
11 CARE ORGANIZATIONS REIMBURSE PROVIDERS:

12 (I) ON A FEE FOR SERVICE BASIS, USING A RESOURCE-BASED
13 RELATIVE VALUE SCALE METHODOLOGY; OR

14 (II) WITH APPROPRIATE RISK ADJUSTED CAPITATION RATES.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 October 1, 1999.