

BY: Economic Matters and Environmental Matters Committees

AMENDMENTS TO HOUSE BILL NO. 2

(First Reading File Bill, Second Printing)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “Delegates Taylor,” and substitute “Delegate Taylor, the Speaker (Administration), and Delegates”; and strike “and Vallario” and substitute “Vallario, W. Baker, Barkley, Bobo, Bohanan, Bozman, Bronrott, Brown, Cadden, Cane, Carlson, Clagett, Conroy, Conway, D’Amato, D. Davis, DeCarlo, Doory, Dypski, Finifter, Franchot, Frush, Fulton, Giannetti, Goldwater, Gordon, Griffith, Hammen, Healey, Hecht, Heller, Hill, Hubers, James, V. Jones, Kirk, Klausmeier, Krysiak, Love, Malone, Mandel, Marriott, McHale, Moe, Morhaim, Nathan-Pulliam, Oaks, Patterson, Pendergrass, Petzold, Pitkin, Proctor, Rosso, Rudolph, Sher, Sophocleus, Stern, Turner, Valderrama, Weir, and Zirkin”; in line 14, after “restrictions;” insert “authorizing the Department to disapprove a certain application if the applicant was covered by certain insurance that was voluntarily terminated within a certain time frame; specifying that certain benefits offered under a certain employer-sponsored health benefit plan are subject to certain requirements; specifying that certain carriers that offer certain benefits are required to offer the benefits only to certain employers; making certain stylistic and technical changes; providing for the effective dates of this Act;”; in the same line, strike “a”; in the same line, strike “date” and substitute “dates for portions of this Act”; after line 15, insert:

“BY repealing

Article - Health - General

Section 15-301(e)

Annotated Code of Maryland

(1994 Replacement Volume and 1999 Supplement)”;

in line 23, strike “15-101(f) and”; in the same line, strike “through 15-304, inclusive,”; and after line 26, insert “(As enacted by Section 1 of this Act)”

BY repealing and reenacting, with amendments,

(Over)

Article - Health - General
Section 15-101(f) and 15-302 through 15-304
Annotated Code of Maryland
(1994 Replacement Volume and 1999 Supplement)".

On page 2, in line 6, after "15-1208," insert "15-1213"; and after line 8, insert:

"BY repealing and reenacting, with amendments,

Article - Health - General
Section 15-302(b)
Annotated Code of Maryland
(1994 Replacement Volume and 1999 Supplement)
(As enacted by Section 2 of this Act)".

AMENDMENT NO. 2

On page 2, after line 10, insert:

"Article - Health - General

15-301.

[(e) (1) In this subsection, "family contribution" means the portion of the premium cost paid by an eligible individual to enroll and participate in the Children and Families Health Care Program.

(2) On or before July 1, 2000 and in addition to any other requirements of this subtitle, as a requirement to enroll and maintain participation in the Children and Families Health Care Program, an individual's parent or guardian shall agree to pay an annual family contribution amount determined by the Department in accordance with paragraph (3) of this subsection.

(3) (i) For eligible individuals whose family income is at or above 185 percent of the federal poverty level, the Department shall develop an annual family contribution amount payment system such that the cost of the family contribution is at least 1 percent of the annual family income but does not exceed 2 percent of the annual family income.

(ii) The Department shall determine by regulation the schedules and the method of collection for the family contribution amount under subparagraph (i) of this paragraph.

(iii) Before collecting a family contribution from any individual, the Department shall provide the individual with notice of the requirements of the family contribution amount and the options available to the individual to make premium payments.]

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

On page 3, in line 10, strike “through”; in line 11, after “(1)” insert “FOR INDIVIDUALS WHOSE FAMILY INCOME IS AT OR BELOW 200 PERCENT OF THE FEDERAL POVERTY GUIDELINES, THROUGH”; in the same line, strike the brackets; in the same line, strike “THE”; in line 13, strike “BETWEEN”; in line 14, strike “AND” and substitute “, BUT AT OR BELOW”; in the same line, after “GUIDELINES,” insert “THROUGH”; and strike in their entirety lines 16 through 35, inclusive.

On page 4, in lines 9 and 19, in each instance, strike “BETWEEN” and substitute “ABOVE”; in line 9, strike the second “AND” and substitute “, BUT AT OR BELOW”; in line 12, strike “BY” and substitute “FOR”; in line 15, strike “FOR PROVIDING” and substitute “TO PROVIDE”; in line 16, after “THROUGH” insert “EMPLOYER-SPONSORED HEALTH BENEFIT PLANS AND MANAGED CARE ORGANIZATIONS UNDER”; and in line 19, strike “AND” and substitute “, BUT AT OR BELOW”.

On page 5, in line 3, after the second “THE” insert “ELIGIBLE”; in lines 7 and 18, in each instance, after “EMPLOYER-SPONSORED” insert “HEALTH BENEFIT”; in line 19, after “(E)” insert “(1)”; in the same line, after “OF” insert “ENROLLMENT AND”; in lines 24 and 28, strike “(1)” and “(2)”, respectively, and substitute “(I)” and “(II)”, respectively; in lines 24 and 28, in each instance, strike “BETWEEN” and substitute “ABOVE”; in lines 25 and 29, in each instance, strike “AND” and substitute “, BUT AT OR BELOW”; in line 29, strike “251” and substitute “250”; and after line 31, insert:

“(2) THE FAMILY CONTRIBUTION AMOUNTS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION APPLY ON A PER FAMILY BASIS REGARDLESS

OF THE NUMBER OF ELIGIBLE INDIVIDUALS EACH FAMILY HAS ENROLLED IN THE MCHP PRIVATE OPTION PLAN.”.

AMENDMENT NO. 3

On page 6, strike beginning with “established” in line 9 down through “subtitle” in line 10 and substitute a comma; in line 11, after “submitted” insert a comma; in line 12, strike “within” and substitute “:

(I) WITHIN”;

in line 13, after “application” insert “OF AN INDIVIDUAL AT OR BELOW 200 PERCENT OF THE FEDERAL POVERTY GUIDELINES; OR

(II) WITHIN 12 MONTHS PRECEDING THE DATE OF THE APPLICATION OF AN INDIVIDUAL ABOVE 200 PERCENT, BUT AT OR BELOW 300 PERCENT OF THE FEDERAL POVERTY GUIDELINES”;

and in line 29, strike “into” and substitute “IN”.

On page 10, after line 27, insert:

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

Article - Health - General

15-302.

(b) (1) An application may be disapproved if it is determined that an individual under the age of 19 years to be covered under the Maryland Children’s Health Program, for whom the application was submitted, was covered by an employer sponsored health benefit plan with dependent coverage which was voluntarily terminated[:

(i) within] WITHIN 6 months preceding the date of the application [of an individual at or below 200 percent of the Federal Poverty Guidelines; or

(ii) within 12 months preceding the date of the application of an individual above 200 percent, but at or below 300 percent of the Federal Poverty Guidelines].

(2) In determining whether an applicant has voluntarily terminated coverage under an employer sponsored health benefit plan for purposes of paragraph (1) of this subsection, a voluntary termination may not be construed to include:

(i) Loss of employment due to factors other than voluntary termination;

(ii) Change to a new employer that does not provide an option for dependent coverage;

(iii) Change of address so that no employer sponsored health benefit plan is available;

(iv) Discontinuation of health benefits to all dependents of employees of the applicant's employer; or

(v) Expiration of the applicant's continuation of coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA).”.

AMENDMENT NO. 4

On page 9, in line 1, after the second “INDIVIDUAL” insert “WHO”; in line 2, after “ARTICLE” insert “REQUESTS ENROLLMENT WITHIN 30 DAYS AFTER BECOMING ELIGIBLE”; in line 6, strike “A” and substitute “EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, A”; in line 11, strike “For” and substitute “EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, FOR”; and after line 18, insert:

“(E) SUBSECTIONS (C) AND (D) OF THIS SECTION DO NOT APPLY TO AN INDIVIDUAL OR A FAMILY MEMBER OF AN INDIVIDUAL WHO IS ELIGIBLE FOR ENROLLMENT IN THE MCHP PRIVATE OPTION PLAN ESTABLISHED UNDER § 15-301.1 OF THE HEALTH - GENERAL ARTICLE AND IS A LATE ENROLLEE.

15-1213.

(a) This section does not apply to any insurance enumerated in § 15-1201(f)(3)(i) through (xiii) of this subtitle.

(b) Each benefit offered in addition to the Standard Plan that increases access to care choices or lowers the cost-sharing arrangement in the Standard Plan is subject to all of the provisions of this subtitle applicable to the Standard Plan, including:

- (1) guaranteed issuance;
- (2) guaranteed renewal;
- (3) adjusted community rating; and
- (4) the prohibition on preexisting condition limitations.

(c) (1) Each benefit offered in addition to the Standard Plan that increases the type of services available or the frequency of services is not subject to guaranteed issuance but is subject to all other provisions of this subtitle applicable to the Standard Plan, including:

- (i) guaranteed renewal;
- (ii) adjusted community rating; and
- (iii) the prohibition on preexisting condition limitations.

(2) For each additional benefit offered under this subsection, a carrier shall accept or reject the application of the entire group.

(3) The Commissioner may prohibit a carrier from offering an additional benefit under this subsection if the Commissioner finds that the additional benefit will be sold in conjunction

with the Standard Plan in a manner designed to promote risk selection or underwriting practices otherwise prohibited by this subtitle.

(D) (1) A BENEFIT OFFERED IN ADDITION TO THE STANDARD PLAN TO LOWER THE COST-SHARING ARRANGEMENT IN THE STANDARD PLAN IN ACCORDANCE WITH § 15-301.1 OF THE HEALTH - GENERAL ARTICLE IS SUBJECT TO:

(I) GUARANTEED ISSUANCE;

(II) GUARANTEED RENEWAL;

(III) ADJUSTED COMMUNITY RATING; AND

(IV) THE PROHIBITION ON PREEXISTING CONDITION LIMITATIONS.

(2) A CARRIER THAT OFFERS A BENEFIT UNDER THIS SUBSECTION SHALL BE REQUIRED TO GUARANTEE ISSUANCE AND GUARANTEE RENEWAL OF THE ADDITIONAL BENEFIT ONLY TO EMPLOYERS WHO ARE PARTICIPATING IN THE MCHP PRIVATE OPTION PLAN ESTABLISHED UNDER § 15-301.1 OF THE HEALTH - GENERAL ARTICLE.”.

On page 10, in line 5, strike the brackets; strike beginning with the semicolon in line 14 down through “ARTICLE” in line 16; and after line 16, insert:

“(E) A CARRIER SHALL ALLOW AN EMPLOYEE OR DEPENDENT WHO IS ELIGIBLE, BUT NOT ENROLLED, FOR COVERAGE UNDER THE TERMS OF A GROUP HEALTH BENEFIT PLAN TO ENROLL FOR COVERAGE UNDER THE TERMS OF THE PLAN IF THE EMPLOYEE OR DEPENDENT REQUESTS ENROLLMENT WITHIN 30 DAYS AFTER THE EMPLOYEE OR DEPENDENT IS DETERMINED TO BE ELIGIBLE FOR COVERAGE UNDER THE MCHP PRIVATE OPTION PLAN IN ACCORDANCE WITH § 15-301.1 OF THE HEALTH - GENERAL ARTICLE.”.

(Over)

AMENDMENT NO. 5

On page 10, before line 28, insert:

“SECTION 4. AND BE IT FURTHER ENACTED, That the publisher of the Annotated Code of Maryland, subject to the approval of the Department of Legislative Services, shall correct any references to the Children and Families Health Care Program throughout the Code that are rendered incorrect by this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take effect June 1, 2000.

SECTION 6. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect July 1, 2003.”;

in line 28, strike “2.” and substitute “7.”; and in the same line, after “That” insert “, except as provided in Sections 5 and 6 of this Act.”.