
By: **Delegate Morhaim**

Introduced and read first time: February 20, 2001

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Medical Assistance Program - Nonprofit Health Maintenance**
3 **Organizations Required**

4 FOR the purpose of requiring certain health maintenance organizations to be
5 organized as nonprofit corporations unless the Secretary of Health and Mental
6 Hygiene determines that such a requirement will have certain adverse effects;
7 providing for a delayed effective date; and generally relating to the Maryland
8 Medical Assistance Program.

9 BY repealing and reenacting, with amendments,
10 Article - Health - General
11 Section 15-103(b)(2)
12 Annotated Code of Maryland
13 (2000 Replacement Volume)

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

16 **Article - Health - General**

17 15-103.

18 (b) (2) (i) The benefits required by the program developed under
19 paragraph (1) of this subsection shall be adopted by regulation and shall be
20 equivalent to the benefit level required by the Maryland Medical Assistance Program
21 on January 1, 1996.

22 (ii) Subject to the limitations of the State budget and as permitted
23 by federal law or waiver, the Department shall provide reimbursement for medically
24 necessary and appropriate inpatient, intermediate care, and halfway house substance
25 abuse treatment services for substance abusing enrollees 21 years of age or older who
26 are recipients of temporary cash assistance under the Family Investment Program.

1 (iii) Each managed care organization participating in the program
2 developed under paragraph (1) of this subsection shall provide or arrange for the
3 provision of the benefits described in subparagraph (ii) of this paragraph.

4 (iv) Nothing in this paragraph may be construed to prohibit a
5 managed care organization from offering additional benefits, if the managed care
6 organization is not receiving capitation payments based on the provision of the
7 additional benefits.

8 (v) Notwithstanding subparagraph (i) of this paragraph, the
9 benefits required by the program developed under paragraph (1) of this subsection
10 shall include dental services for pregnant women.

11 (VI) EACH MANAGED CARE ORGANIZATION THAT IS A CERTIFIED
12 HEALTH MAINTENANCE ORGANIZATION IN ACCORDANCE WITH § 15-101(F)(2) OF THIS
13 SUBTITLE SHALL BE ORGANIZED AS A NONPROFIT CORPORATION, UNLESS THE
14 SECRETARY DETERMINES THAT THE EXCLUSION OF FOR-PROFIT HEALTH
15 MAINTENANCE ORGANIZATIONS FROM THE PROGRAM WILL HAVE AN ADVERSE
16 EFFECT ON THE COST OR AVAILABILITY OF SERVICES UNDER THE PROGRAM.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 January 1, 2003.