

SENATE BILL 568

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2001 Regular Session
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By: **Senators Hollinger and Bromwell**
Introduced and read first time: February 2, 2001
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Care Foundation - Health Insurance Demonstration**
3 **Project for Uninsured, Low-Income, Working Adults**

4 FOR the purpose of authorizing the Maryland Health Care Foundation to contract to
5 offer, through demonstration projects, employer-based health insurance to
6 uninsured, low-income, working adults; providing authorization for a specific
7 demonstration project; providing for the qualifications of individuals eligible to
8 be covered and their employers under the demonstration project; specifying the
9 benefits to be provided under this Act; providing that certain benefits need not
10 be provided under this Act; limiting the total number of enrollees; requiring the
11 Maryland Insurance Administration to annually review the records of the
12 demonstration project and the insurer for fiscal soundness and compliance with
13 certain laws; requiring the Foundation to report annually to certain committees
14 of the General Assembly; providing for the termination of this Act; and generally
15 relating to the Maryland Health Care Foundation and health insurance
16 demonstration projects for uninsured, low-income, working adults.

17 BY repealing and reenacting, with amendments,
18 Article - Health - General
19 Section 20-506
20 Annotated Code of Maryland
21 (2000 Replacement Volume)

22 BY adding to
23 Article - Health - General
24 Section 20-506.1
25 Annotated Code of Maryland
26 (2000 Replacement Volume)

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

1 **Article - Health - General**

2 20-506.

3 (a) The Foundation shall:

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

7 (2) Provide grants to programs that:

8 (i) Promote public awareness of the need to provide more timely
9 and cost-effective care for uninsured Marylanders;10 (ii) Expand access to health care services for uninsured individuals;
11 or12 (iii) Provide or subsidize health insurance coverage for uninsured
13 individuals;14 (3) Study the feasibility and cost-effectiveness of providing health
15 insurance coverage through the private market to uninsured children and their
16 families as part of the program established under § 15-301 of this article;17 (4) Develop programs for sponsorship by corporate and business
18 organizations or private individuals;19 (5) Develop criteria for awarding grants to health care delivery
20 programs, insurance coverage programs, or corporate sponsorship programs;

21 (6) Develop criteria for prioritizing programs to be supported;

22 (7) Develop criteria for evaluating the effectiveness of programs
23 receiving grants;

24 (8) Make, execute, and enter into any contract or other legal instrument;

25 (9) Receive appropriations as provided in the State budget;

26 (10) Lease and maintain an office at a place within the State that the
27 Foundation designates;28 (11) Adopt bylaws for the regulation of its affairs and the conduct of its
29 business;30 (12) Take any other action necessary to carry out the purposes of the
31 Foundation; and32 (13) Report annually to the Governor and, subject to § 2-1246 of the State
33 Government Article, to the General Assembly, on its activities during the preceding

1 year, including an evaluation of the effectiveness of funded programs, together with
2 any recommendations or requests deemed appropriate to further the purposes of the
3 Foundation.

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

6 (C) THROUGH DEMONSTRATION PROJECTS, THE FOUNDATION MAY
7 CONTRACT TO OFFER EMPLOYER-BASED HEALTH INSURANCE TO UNINSURED,
8 LOW-INCOME, WORKING ADULTS.

9 20-506.1.

10 (A) THE FOUNDATION MAY CONTRACT THROUGH COMPETITIVE
11 PROCUREMENT PROCEDURES TO PROVIDE, THROUGH A 3-YEAR DEMONSTRATION
12 PROJECT BEGINNING ON OR BEFORE JANUARY 1, 2002, EMPLOYER-BASED HEALTH
13 INSURANCE COVERAGE TO ANY UNINSURED ADULT WHO:

14 (1) HAS A GROSS FAMILY INCOME OF NOT MORE THAN 300 PERCENT OF
15 THE FEDERAL POVERTY LEVEL; AND

16 (2) IS WORKING PART TIME OR FULL TIME FOR A MARYLAND EMPLOYER:

17 (I) WHO HAS 51 OR MORE EMPLOYEES;

18 (II) WHO OFFERED HEALTH INSURANCE COVERAGE TO
19 EMPLOYEES IN THE PREVIOUS 12 MONTHS; AND

20 (III) THE MAJORITY OF WHOSE EMPLOYEES DID NOT PURCHASE
21 THE HEALTH INSURANCE OFFERED IN THE PREVIOUS 12 MONTHS.

22 (B) (1) THE INSURANCE OFFERED UNDER THIS SECTION SHALL PROVIDE
23 COVERAGE FOR A PACKAGE OF HEALTH CARE BENEFITS THAT INCLUDES:

24 (I) OUTPATIENT PREVENTIVE SERVICES;

25 (II) OUTPATIENT PRIMARY CARE SERVICES; AND

26 (III) SPECIALTY SERVICES.

27 (2) THE INSURANCE OFFERED UNDER THIS SECTION IS NOT REQUIRED
28 TO PROVIDE COVERAGE FOR:

29 (I) THE MINIMUM BENEFITS REQUIRED UNDER TITLE 15,
30 SUBTITLE 8 OF THE INSURANCE ARTICLE OR TITLE 19, SUBTITLE 7 OF THE HEALTH -
31 GENERAL ARTICLE; OR

32 (II) THE MINIMUM BENEFITS REQUIRED UNDER THE
33 COMPREHENSIVE STANDARD HEALTH BENEFIT PLAN CREATED UNDER § 15-207 OF
34 THE INSURANCE ARTICLE.

1 (C) THE TOTAL NUMBER OF ENROLLEES IN THE INSURANCE PLAN OFFERED
2 UNDER THE DEMONSTRATION PROJECT MAY NOT EXCEED 30,000 INDIVIDUALS.

3 (D) THE MARYLAND INSURANCE ADMINISTRATION SHALL ANNUALLY REVIEW
4 THE RECORDS OF THE DEMONSTRATION PROJECT AND THE INSURER CONTRACTED
5 TO PROVIDE BENEFITS UNDER THE DEMONSTRATION PROJECT TO ENSURE FISCAL
6 SOUNDNESS AND COMPLIANCE WITH:

7 (1) TITLE 4, SUBTITLE 3 OF THE INSURANCE ARTICLE;

8 (2) TITLE 5, SUBTITLES 1, 2, AND 9 OF THE INSURANCE ARTICLE; AND

9 (3) TITLE 9 OF THE INSURANCE ARTICLE.

10 (E) ON OR BEFORE SEPTEMBER 1 OF EACH YEAR AND SUBJECT TO § 2-1246 OF
11 THE STATE GOVERNMENT ARTICLE, THE FOUNDATION SHALL PROVIDE ANNUAL
12 REPORTS TO THE APPROPRIATE COMMITTEES OF THE MARYLAND GENERAL
13 ASSEMBLY ON THE SCOPE AND STATUS OF THE DEMONSTRATION PROJECT.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 July 1, 2001. It shall remain effective for a period of 42 months and, at the end of
16 December 31, 2005, with no further action required by the General Assembly, this Act
17 shall be abrogated and of no further force and effect.