BY: Economic Matters Committee

AMENDMENTS TO SENATE BILL NO. 466 (Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike "Health Maintenance Organizations -"; in the same line, strike "Noncontracting" and substitute "<u>Health Care</u>"; in lines 5, 8, and 10, in each instance, strike "repealing" and substitute "<u>extending</u>"; in line 12, after "manner;" insert "<u>requiring the Maryland</u> <u>Health Care Commission and the Health Services Cost Review Commission to conduct a certain study and present findings and recommendations from the study to the House Economic Matters and Senate Finance Committees on or before a certain date; specifying certain issues about which the Commissions must make recommendations; specifying a certain intent of the General Assembly that certain licensed entities and individuals cooperate with the Commissions in a certain manner;"; and in line 22, strike "with" and substitute "<u>without</u>".</u>

AMENDMENT NO. 2

On page 2, in lines 22 and 27, in each instance, after "SERVICES" insert a comma.

On page 3, strike beginning with the period in line 16 down through "months" in line 17; in line 17, strike "2002" and substitute "2005"; and in lines 19, 22, and 26, in each instance, strike the bracket.

AMENDMENT NO. 3

On page 3, after line 26, insert:

"SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) <u>The Maryland Health Care Commission and the Health Services Cost Review</u> <u>Commission shall jointly study and make recommendations to the House Economic Matters and</u> <u>Senate Finance Committees regarding health care provider reimbursements by commercial insurers</u> <u>and health maintenance organizations in the State.</u> (b) In performing the study, the Commissions shall develop recommendations on the following issues:

(i) whether the State should maintain a prohibition against the balance billing of health maintenance organization subscribers for covered services;

(ii) the feasibility and desirability of the development of a provider rate setting system that would establish both minimum and maximum reimbursement levels for health care services delivered in the State;

(iii) the feasibility and desirability of expanding the hospital rate setting system to include reimbursement of hospital-based and university-based physicians;

(iv) the feasibility of establishing an uncompensated care fund to subsidize reimbursements to providers that deliver a disproportionate amount of uncompensated care to State residents, including emergency room physicians, trauma physicians, hospital-based and university-based physicians, and other health care providers as determined by the Commissions;

(v) the prevalence of health care provider reimbursement methodologies employed by commercial insurance carriers, including health maintenance organizations, that are based on provider licensure; and

(vi) the level of reimbursement provided by commercial payers in the State as a percentage of Medicare reimbursement compared, as feasible, to reimbursement provided by Medicaid as a percentage of Medicare reimbursement.

(c) It is the intent of the General Assembly that licensed entities and individuals including health insurers, nonprofit health service plans, health maintenance organizations, hospitals, physicians, and nonphysician providers cooperate with the Commissions in the execution of the study by providing complete data in a timely manner.

(d) The findings and recommendations of the study shall be presented, subject to § 2-1246 of the State Government Article, to the House Economic Matters Committee and Senate Finance Committee on or before January 1, 2004."; and in line 27, strike "2." and substitute "<u>3.</u>".