Unofficial Copy 2002 Regular Session
J2 2lr0871

By: Delegate Morhaim

Introduced and read first time: February 8, 2002

Assigned to: Environmental Matters

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#### A BILL ENTITLED

#### 1 AN ACT concerning

# 2 Maryland Medical Assistance Authority

- 3 FOR the purpose of establishing the Maryland Medical Assistance Authority;
- 4 transferring oversight of certain medical assistance programs from the
- 5 Department of Health and Mental Hygiene to the Maryland Medical Assistance
- 6 Authority; defining certain terms; declaring the intent of the General Assembly;
- 7 providing for the purpose of the Authority; providing that the Authority is an
- 8 instrumentality of the State and a public corporation; providing for the
- 9 membership and duties of the Authority; providing for the appointment and
- 10 duties of the Executive Director of the Authority; providing that the Authority
- shall administer the Maryland Medical Assistance Program, the Maryland
- 12 Pharmacy Discount Program, the Maryland AIDS Insurance Assistance
- Program, the Maryland Children's Health Program, and the Short-Term
- 14 Prescription Drug Subsidy Plan; requiring the Department of Health and
- 15 Mental Hygiene to apply for a certain waiver; providing for certain
- 16 contingencies; requiring the Authority to make a certain report to certain
- 17 committees of the General Assembly under certain circumstances; providing for
- the continuity of certain functions, powers, duties, equipment, assets, liabilities,
- and employees; providing for the effective date of this Act; making the Act,
- 20 except for a certain provision, subject to a certain contingency; and generally
- 21 relating to the establishment of the Maryland Medical Assistance Authority and
- 22 to the transfer of oversight over certain medical assistance programs from the
- 23 Department of Health and Mental Hygiene to the Maryland Medical Assistance
- 24 Authority.
- 25 BY repealing
- 26 Article Health General
- 27 Section 15-101, 15-102, 15-102.2, 15-102.3, 15-103, 15-103.2, 15-121.3, and
- 28 15-303
- 29 Annotated Code of Maryland
- 30 (2000 Replacement Volume and 2001 Supplement)
- 31 BY adding to
- 32 Article Health General

1 2 3 4 5 6	Section 15-101 through 15-105, inclusive, to be under the amended subtitle "Subtitle 1. Maryland Medical Assistance Authority"; and 15-1A-01 through 15-1A-05, inclusive, to be under the new subtitle "Subtitle 1A. Medical and Pharmacy Assistance Programs" Annotated Code of Maryland (2000 Replacement Volume and 2001 Supplement)
7	BY repealing and reenacting, with amendments,
8	Article - Health - General
9	Section 15-103.1, 15-104 through 15-114.1, 15-115 through 15-118, 15-120
10	through 15-121.2, 15-122, 15-122.1, 15-122.2, 15-123, 15-124, 15-124.2,
11	15-125 through 15-133, 15-202 through 15-205, 15-301, 15-301.1,
12 13	15-302, 15-304, 15-305, 15-501, 15-602, 15-605, and 15-606 Annotated Code of Maryland
13	(2000 Replacement Volume and 2001 Supplement)
17	(2000 Replacement volume and 2001 Supplement)
15	BY repealing and reenacting, without amendments,
16	Article - Health - General
17	Section 15-201, 15-601, 15-603, and 15-604
18	Annotated Code of Maryland
19	(2000 Replacement Volume and 2001 Supplement)
20	BY renumbering
21	Article - Health - General
22	Section 15-124.1
23	to be Section 15-1A-31.1
24	Annotated Code of Maryland
25	(2000 Replacement Volume and 2001 Supplement)
26	(As enacted by Chapters 134 and 135 of the Acts of the General Assembly of
27	2001)
28	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
_	MARYLAND, That Section(s) 15-101, 15-102, 15-102.2, 15-102.3, 15-103.2,
	15-121.3, and 15-303 of Article - Health - General of the Annotated Code of
	Maryland be repealed.
32	SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
33	read as follows:

1	Article - Health - General
2	Subtitle 1. [Medical and Pharmacy Assistance Programs] MARYLAND MEDICAL ASSISTANCE AUTHORITY.
4	15-101.
5 6	(A) THERE IS A BODY CORPORATE AND POLITIC KNOWN AS THE MARYLAND MEDICAL ASSISTANCE AUTHORITY.
7 8	(B) THE PURPOSE OF THE AUTHORITY IS TO OPERATE MEDICAL ASSISTANCE PROGRAMS IN THE STATE IN COMPLIANCE WITH FEDERAL LAW OR REGULATION.
9 10	(C) THE AUTHORITY IS AN INSTRUMENTALITY OF THE STATE AND A PUBLIC CORPORATION BY THAT NAME, STYLE, AND TITLE.
11 12	(D) THE AUTHORITY IS AN INDEPENDENT UNIT IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT.
13 14	(E) THE EXERCISE BY THE AUTHORITY OF THE POWERS CONFERRED BY THIS SUBTITLE IS THE PERFORMANCE OF AN ESSENTIAL PUBLIC FUNCTION.
15	15-102.
16 17	(A) THE AUTHORITY CONSISTS OF SEVEN MEMBERS APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE.
18	(B) THE GOVERNOR SHALL DESIGNATE ONE OF THE MEMBERS AS CHAIRMAN.
19	(C) (1) THE TERM OF A MEMBER IS 4 YEARS.
20 21	(2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE TERMS PROVIDED FOR MEMBERS OF THE BOARD ON JULY 1, 2002.
22 23	(3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.
	(4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.
	(5) UPON THE END OF A TERM, RESIGNATION, OR REMOVAL OF A MEMBER, THE GOVERNOR SHALL APPOINT A NEW MEMBER TO THE AUTHORITY WITH THE ADVICE AND CONSENT OF THE SENATE.

30 (D) THE GOVERNOR MAY REMOVE A MEMBER FOR INCOMPETENCE, 31 MISCONDUCT, OR FAILURE TO PERFORM THE DUTIES OF THE POSITION.

- 1 15-103.
- 2 (A) FOUR MEMBERS OF THE AUTHORITY CONSTITUTE A QUORUM FOR THE 3 PURPOSE OF CONDUCTING BUSINESS.
- 4 (B) ACTIONS OF THE AUTHORITY MUST RECEIVE THE AFFIRMATIVE VOTE OF 5 AT LEAST FOUR MEMBERS.
- 6 (C) THE AUTHORITY SHALL DETERMINE THE TIMES AND PLACES OF ITS 7 MEETINGS.
- 8 15-104.
- 9 (A) THE AUTHORITY, WITH THE APPROVAL OF THE GOVERNOR, SHALL 10 APPOINT AN EXECUTIVE DIRECTOR, WHO IS THE CHIEF ADMINISTRATIVE OFFICER 11 OF THE AUTHORITY.
- 12 (B) THE EXECUTIVE DIRECTOR SERVES AT THE PLEASURE OF THE
- 13 AUTHORITY SUBJECT TO THE CONCURRENCE OF THE GOVERNOR.
- 14 (C) IN ADDITION TO ANY OTHER DUTIES SET FORTH IN THIS SUBTITLE, THE 15 EXECUTIVE DIRECTOR SHALL:
- 16 (1) DIRECT AND SUPERVISE THE ADMINISTRATIVE AFFAIRS AND 17 ACTIVITIES OF THE AUTHORITY, IN ACCORDANCE WITH ITS RULES, REGULATIONS,
- 18 AND POLICIES;
- 19 (2) ATTEND ALL MEETINGS OF THE AUTHORITY;
- 20 (3) APPROVE ALL ACCOUNTS FOR SALARIES, PER DIEM PAYMENTS, AND
- 21 ALLOWABLE EXPENSES OF THE AUTHORITY AND ITS EMPLOYEES AND
- 22 CONSULTANTS AND APPROVE ALL EXPENSES INCIDENTAL TO THE OPERATION OF
- 23 THE AUTHORITY:
- 24 (4) REPORT AND MAKE RECOMMENDATIONS TO THE AUTHORITY ON
- 25 PROPOSALS REGARDING MEDICAL ASSISTANCE; AND
- 26 (5) PERFORM ANY OTHER DUTY THAT THE AUTHORITY REQUIRES FOR 27 CARRYING OUT THE PROVISIONS OF THIS TITLE.
- 28 15-105.
- 29 IN ADDITION TO THE POWERS SET FORTH IN THIS SUBTITLE, THE AUTHORITY 30 MAY:
- 31 (1) ADOPT AND ALTER AN OFFICIAL SEAL;
- 32 (2) SUE AND BE SUED, PLEAD AND BE IMPLEADED;

- 1 (3) ADOPT BYLAWS, RULES, AND REGULATIONS TO CARRY OUT THE
- 2 PROVISIONS OF THIS SUBTITLE IN ACCORDANCE WITH THE PROVISIONS OF TITLE 10,
- 3 SUBTITLE 1 OF THE STATE GOVERNMENT ARTICLE;
- 4 (4) MAINTAIN AN OFFICE AT THE PLACE DESIGNATED BY THE
- 5 AUTHORITY;
- 6 (5) EMPLOY, EITHER AS REGULAR EMPLOYEES OR INDEPENDENT
- 7 CONTRACTORS, ANY PERSONNEL THAT THE AUTHORITY DETERMINES TO BE
- 8 NECESSARY, AND FIX THEIR COMPENSATION: AND
- 9 (6) APPOINT ADVISORY COMMITTEES COMPOSED OF LOCAL HEALTH
- 10 OFFICIALS. PROVIDER AND OTHER PUBLIC HEALTH INTEREST GROUPS. AND SUCH
- 11 OTHER EXPERTS AS MAY BE APPROPRIATE.
- 12 SUBTITLE 1A. MEDICAL AND PHARMACY ASSISTANCE PROGRAMS.
- 13 15-1A-01.
- 14 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS 15 INDICATED.
- 16 (B) "AUTHORITY" MEANS THE MARYLAND MEDICAL ASSISTANCE AUTHORITY,
- 17 ESTABLISHED UNDER THIS TITLE.
- 18 (C) "FACILITY" MEANS A HOSPITAL OR NURSING FACILITY INCLUDING AN
- 19 INTERMEDIATE CARE FACILITY, SKILLED NURSING FACILITY, COMPREHENSIVE CARE
- 20 FACILITY, OR EXTENDED CARE FACILITY.
- 21 (D) "FOUNDATION" MEANS THE MARYLAND HEALTH CARE FOUNDATION
- 22 ESTABLISHED UNDER TITLE 20, SUBTITLE 5 OF THIS ARTICLE.
- 23 (E) "PROGRAM" MEANS THE MARYLAND MEDICAL ASSISTANCE PROGRAM.
- 24 (F) "PROGRAM RECIPIENT" MEANS AN INDIVIDUAL WHO RECEIVES BENEFITS
- 25 UNDER THE PROGRAM.
- 26 15-1A-02.
- 27 THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:
- 28 (1) IT IS A GOAL OF THIS STATE TO PROMOTE THE DEVELOPMENT OF A
- 29 HEALTH CARE SYSTEM THAT PROVIDES ADEQUATE AND APPROPRIATE HEALTH
- 30 CARE SERVICES TO INDIGENT AND MEDICALLY INDIGENT INDIVIDUALS: AND
- 31 (2) THE ESTABLISHMENT OF A STATE PUBLIC CORPORATION TO
- 32 ADMINISTER MEDICAL ASSISTANCE PROGRAMS, IN WHICH THE STATE HAS NOT
- 33 DEMONSTRATED THE ABILITY TO DELIVER EFFECTIVE MEDICAL CARE, WOULD
- 34 SERVE THE PUBLIC INTEREST.

31

32 NECESSARY;

1 15-1A-03. THE AUTHORITY SHALL ADMINISTER THE MARYLAND MEDICAL ASSISTANCE 3 PROGRAM. 4 15-1A-04. 5 SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET, THE AUTHORITY SHALL: PROVIDE PREVENTIVE AND HOME CARE SERVICES FOR INDIGENT 6 7 AND MEDICALLY INDIGENT INDIVIDUALS: (2) EXAMINE MECHANISMS TO MAINTAIN OR REDUCE THE NUMBER OF 9 UNINSURED IN THE STATE THROUGH: (I)AUTHORIZING A PRIVATE EMPLOYER OR INDIVIDUAL TO BUY 11 IN TO THE PROGRAM AT COST; AND PROVIDING PREMIUM ASSISTANCE FOR PRIVATE INSURANCE 12 (II)13 TO EMPLOYERS WHO EMPLOY PROGRAM RECIPIENTS; DEVELOP PROTOCOLS FOR PROVIDERS ON THE IDENTIFICATION 15 AND MANAGEMENT OF HIGH COST PROGRAM RECIPIENTS: ESTABLISH A MEDICAID PROGRAM. WITH AN EMPHASIS ON 16 17 PREVENTION AND ACCOUNTABILITY, THAT INCLUDES: 18 A REQUIREMENT THAT MEDICAID ENROLLEES COMPLETE AN (I) 19 ADVANCE DIRECTIVE, AS DEFINED IN § 5-602 OF THIS ARTICLE, IN ORDER TO 20 RECEIVE BENEFITS: 21 MANDATORY PROGRAMS FOR PROVIDERS AND PROGRAM (II)22 RECIPIENTS, AND MECHANISMS FOR MEASURING OUTCOME DATA RELATED TO: 1. PREVENTIVE HEALTH CARE; 23 24 2. GOOD HEALTH HABITS; 25 3. ADDICTION; 26 4. TOBACCO; 27 5. OBESITY; 28 6. **END-OF-LIFE CARE**;

29 7. THE VALUE OF DEVELOP 30 WITH PRIMARY CARE AND LOWER COST PROVIDERS; AND

8.

THE VALUE OF DEVELOPING ONGOING RELATIONSHIPS

ANY OTHER PROGRAM THAT THE AUTHORITY FINDS

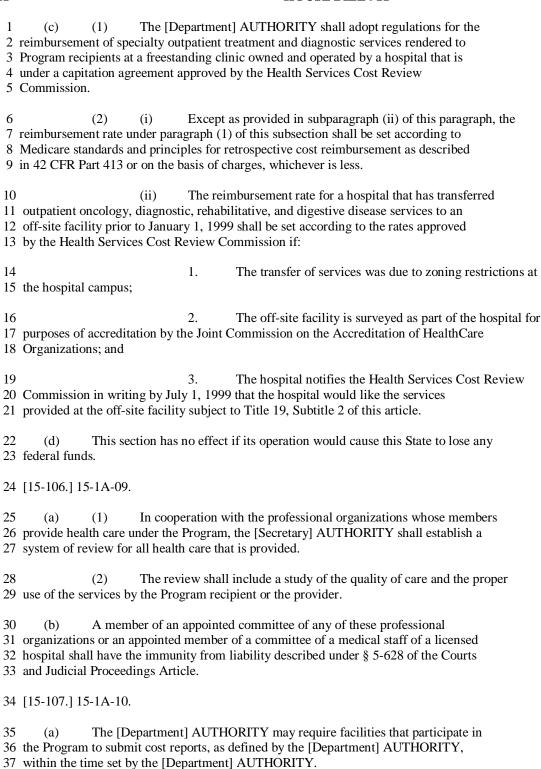
- **HOUSE BILL 911** 1 (III)MECHANISMS FOR MEASURING APPOINTMENT COMPLIANCE, 2 NONESSENTIAL EMERGENCY ROOM VISITS, SMOKING CESSATION, DRUG USE, 3 WEIGHT CONTROL, AND ANY OTHER MEASUREMENT MECHANISM THAT THE 4 AUTHORITY FINDS NECESSARY; AND (IV) A SYSTEM OF ACCOUNTABILITY FOR ENROLLEES TO 6 ENCOURAGE COMPLIANCE AND DISCOURAGE NONCOMPLIANCE; DEVELOP A PRENATAL CARE PROGRAM FOR PROGRAM RECIPIENTS 8 AND ENCOURAGE ITS UTILIZATION: ALLOCATE STATE RESOURCES FOR THE PROGRAM TO PROVIDE A (6) 10 BALANCED SYSTEM OF HEALTH CARE SERVICES TO THE POPULATION SERVED BY 11 THE PROGRAM; (7) SEEK TO COORDINATE PROGRAM ACTIVITIES WITH OTHER STATE 13 PROGRAMS AND INITIATIVES THAT ARE NECESSARY TO ADDRESS THE HEALTH CARE 14 NEEDS OF THE POPULATION SERVED BY THE PROGRAM; PROMOTE PROGRAM POLICIES THAT FACILITATE ACCESS TO 15 16 HEALTH CARE AND CONTINUITY OF CARE BY ENCOURAGING: 17 PROVIDER AVAILABILITY THROUGHOUT THE STATE: (I) 18 (II)CONSUMER EDUCATION; THE DEVELOPMENT OF ONGOING RELATIONSHIPS BETWEEN 19 (III)20 PROGRAM RECIPIENTS AND PRIMARY HEALTH CARE PROVIDERS; AND THE REGULAR REVIEW OF THE PROGRAM'S REGULATIONS TO 21 (IV) 22 DETERMINE WHETHER THE ADMINISTRATIVE REQUIREMENTS OF THOSE 23 REGULATIONS ARE UNNECESSARILY BURDENSOME ON PROGRAM PROVIDERS; STRONGLY URGE HEALTH CARE PROVIDERS TO PARTICIPATE IN THE 24 (9) 25 PROGRAM AND THEREBY ADDRESS THE NEEDS OF PROGRAM RECIPIENTS; REQUIRE HEALTH CARE PROVIDERS WHO PARTICIPATE IN THE 26 (10)27 PROGRAM TO PROVIDE ACCESS TO PROGRAM RECIPIENTS ON A 28 NONDISCRIMINATORY BASIS IN ACCORDANCE WITH STATE AND FEDERAL LAW;
- 29 (11) SEEK TO PROVIDE APPROPRIATE LEVELS OF REIMBURSEMENT FOR
- 30 PROVIDERS TO ENCOURAGE GREATER PARTICIPATION BY PROVIDERS IN THE
- 31 PROGRAM;
- 32 (12) ENCOURAGE THE PROGRAM AND MARYLAND'S HEALTH CARE
- 33 REGULATORY SYSTEM TO WORK TO COOPERATIVELY PROMOTE THE DEVELOPMENT
- 34 OF AN APPROPRIATE MIX OF HEALTH CARE PROVIDERS, LIMIT COST INCREASES FOR
- 35 THE DELIVERY OF HEALTH CARE TO PROGRAM RECIPIENTS, AND ENSURE THE
- 36 DELIVERY OF QUALITY HEALTH CARE TO PROGRAM RECIPIENTS;

- 1 (13) ENCOURAGE THE DEVELOPMENT AND UTILIZATION OF COST
- 2 EFFECTIVE AND PREVENTIVE ALTERNATIVES TO THE DELIVERY OF HEALTH CARE
- 3 SERVICES TO APPROPRIATE PROGRAM RECIPIENTS IN INPATIENT INSTITUTIONAL
- 4 SETTINGS;
- 5 (14) ENCOURAGE THE APPROPRIATE EXECUTIVE AGENCIES TO
- 6 COORDINATE THE ELIGIBILITY DETERMINATION, POLICY, OPERATIONS, AND
- 7 COMPLIANCE COMPONENTS OF THE PROGRAM;
- 8 (15) WORK WITH REPRESENTATIVES OF INPATIENT INSTITUTIONS, THIRD 9 PARTY PAYORS, AND THE APPROPRIATE STATE AGENCIES TO CONTAIN PROGRAM
- 10 COSTS:
- 11 (16) IDENTIFY AND SEEK TO DEVELOP AN OPTIMAL MIX OF STATE,
- 12 FEDERAL, AND PRIVATELY FINANCED HEALTH CARE SERVICES FOR PROGRAM
- 13 RECIPIENTS, WITHIN AVAILABLE RESOURCES THROUGH COOPERATIVE
- 14 INTERAGENCY EFFORTS;
- 15 (17) DEVELOP JOINT LEGISLATIVE AND EXECUTIVE BRANCH
- 16 STRATEGIES TO PERSUADE THE FEDERAL GOVERNMENT TO RECONSIDER THOSE
- 17 POLICIES THAT DISCOURAGE THE DELIVERY OF COST-EFFECTIVE HEALTH CARE
- 18 SERVICES TO PROGRAM RECIPIENTS;
- 19 (18) EVALUATE AUTHORITY RECOMMENDATIONS AS TO THOSE PERSONS
- 20 WHOSE FINANCIAL NEED OR HEALTH CARE NEEDS ARE MOST ACUTE; AND
- 21 (19) ESTABLISH MECHANISMS FOR AGGRESSIVELY PURSUING
- 22 RECOVERIES AGAINST THIRD PARTIES PERMITTED UNDER CURRENT LAW AND
- 23 EXPLORING ADDITIONAL METHODS FOR SEEKING TO RECOVER OTHER MONEYS
- 24 EXPENDED BY THE PROGRAM.
- 25 15-1A-05.
- 26 (A) (1) SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET, THE
- 27 PROGRAM SHALL PROVIDE COMPREHENSIVE MEDICAL AND OTHER HEALTH CARE
- 28 SERVICES FOR:
- 29 (I) INDIGENT INDIVIDUALS AND MEDICALLY INDIGENT
- 30 INDIVIDUALS:
- 31 (II) ELIGIBLE PREGNANT WOMEN WHOSE FAMILY INCOME IS AT OR
- 32 BELOW 250% OF THE POVERTY LEVEL, AS PERMITTED BY FEDERAL LAW;
- 33 (III) ELIGIBLE CHILDREN CURRENTLY UNDER THE AGE OF 1 WHOSE
- 34 FAMILY INCOME FALLS BELOW 185% OF THE POVERTY LEVEL, AS PERMITTED BY
- 35 FEDERAL LAW;
- 36 (IV) CHILDREN FROM THE AGE OF 1 YEAR UP THROUGH AND
- 37 INCLUDING THE AGE OF 5 YEARS WHOSE FAMILY INCOME FALLS BELOW 133% OF
- 38 THE POVERTY LEVEL, AS PERMITTED BY FEDERAL LAW;

,	HOUSE BILL 911
3	(V) CHILDREN BORN AFTER SEPTEMBER 30, 1983 WHO ARE AT LEAST 6 YEARS OF AGE BUT ARE UNDER 19 YEARS OF AGE AND WHOSE FAMILY INCOME FALLS BELOW 100% OF THE POVERTY LEVEL, AS PERMITTED BY FEDERAL LAW;
7	(VI) LEGAL IMMIGRANTS WHO MEET PROGRAM ELIGIBILITY STANDARDS AND WHO ARRIVED IN THE UNITED STATES BEFORE AUGUST 22, 1996, THE EFFECTIVE DATE OF THE FEDERAL PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT, AS PERMITTED BY FEDERAL LAW; AND
11 12 13	(VII) SUBJECT TO ANY OTHER REQUIREMENTS IMPOSED BY THE STATE, LEGAL IMMIGRANT CHILDREN UNDER THE AGE OF 18 YEARS AND PREGNANT WOMEN WHO MEET PROGRAM ELIGIBILITY STANDARDS AND WHO ARRIVED IN THE UNITED STATES ON OR AFTER AUGUST 22, 1996, THE EFFECTIVE DATE OF THE FEDERAL PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT.
15 16	(2) SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET, THE PROGRAM:
17 18	(I) MAY INCLUDE BEDSIDE NURSING CARE FOR ELIGIBLE PROGRAM RECIPIENTS; AND
	(II) SHALL PROVIDE FAMILY PLANNING SERVICES TO WOMEN CURRENTLY ELIGIBLE FOR COMPREHENSIVE MEDICAL CARE AND OTHER HEALTH CARE UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION.
22 23	(3) SUBJECT TO RESTRICTIONS IN FEDERAL LAW OR WAIVERS, THE AUTHORITY MAY IMPOSE COST-SHARING ON PROGRAM RECIPIENTS.
24 25	(B) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
28	(II) "CERTIFIED NURSE PRACTITIONER" MEANS A REGISTERED NURSE WHO IS LICENSED IN THIS STATE, HAS COMPLETED A NURSE PRACTITIONER PROGRAM APPROVED BY THE STATE BOARD OF NURSING, AND HAS PASSED AN EXAMINATION APPROVED BY THAT BOARD.
30	(III) "NURSE ANESTHETIST" MEANS A REGISTERED NURSE WHO IS:
31 32	1. CERTIFIED UNDER THE HEALTH OCCUPATIONS ARTICLE TO PRACTICE NURSE ANESTHESIA; AND
33 34	2. CERTIFIED BY THE COUNCIL ON CERTIFICATION OR THE COUNCIL ON RECERTIFICATION OF NURSE ANESTHETISTS.
35 36	(IV) "NURSE MIDWIFE" MEANS A REGISTERED NURSE WHO IS LICENSED IN THIS STATE AND HAS BEEN CERTIFIED BY THE AMERICAN COLLEGE OF

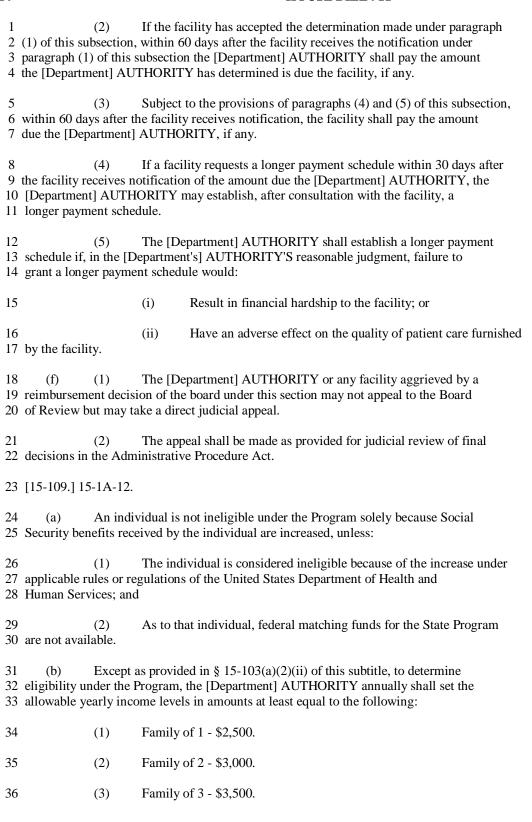
37 NURSE-MIDWIVES AS A NURSE MIDWIFE.

- 1 (V) "OPTOMETRIST" HAS THE MEANING STATED IN § 11-101 OF THE 2 HEALTH OCCUPATIONS ARTICLE.
- 3 (2) THE AUTHORITY MAY CONTRACT FOR THE PROVISION OF CARE 4 UNDER THE PROGRAM TO ELIGIBLE PROGRAM RECIPIENTS.
- 5 (3) THE AUTHORITY MAY CONTRACT WITH INSURANCE COMPANIES OR
- 6 NONPROFIT HEALTH SERVICE PLANS OR WITH INDIVIDUALS, ASSOCIATIONS,
- 7 PARTNERSHIPS, INCORPORATED OR UNINCORPORATED GROUPS OF PHYSICIANS,
- 8 CHIROPRACTORS, DENTISTS, PODIATRISTS, OPTOMETRISTS, PHARMACISTS,
- 9 HOSPITALS, NURSING HOMES, NURSES, INCLUDING NURSE ANESTHETISTS, NURSE
- 10 MIDWIVES AND CERTIFIED NURSE PRACTITIONERS, OPTICIANS, AND OTHER HEALTH
- 11 PRACTITIONERS WHO ARE LICENSED OR CERTIFIED IN THIS STATE AND PERFORM
- 12 SERVICES ON THE PRESCRIPTION OR REFERRAL OF A PHYSICIAN.
- 13 (4) FOR THE PURPOSES OF THIS SUBSECTION, THE NURSE MIDWIFE 14 NEED NOT BE UNDER THE SUPERVISION OF A PHYSICIAN.
- 15 (5) EXCEPT AS OTHERWISE PROVIDED BY LAW, A CONTRACT THAT THE
- 16 AUTHORITY MAKES UNDER THIS SUBSECTION SHALL CONTINUE UNLESS
- 17 TERMINATED UNDER THE TERMS OF THE CONTRACT BY THE PROGRAM OR BY THE
- 18 PROVIDER.
- 19 [15-103.1.] 15-1A-06.
- 20 The Program shall use its leverage as a high volume purchaser to promote the
- 21 cost effectiveness of Maryland's health care system.
- 22 [15-104.] 15-1A-07.
- 23 The [Secretary] AUTHORITY may contract with the Department of Human
- 24 Resources to provide medical services to those individuals for whom:
- 25 (1) Funds are appropriated to the Department of Human Resources; and
- 26 (2) The Department of Human Resources is responsible under the
- 27 appropriation.
- 28 [15-105.] 15-1A-08.
- 29 (a) The [Department] AUTHORITY shall adopt rules and regulations for the
- 30 reimbursement of providers under the Program. However, except for an invoice that
- 31 must be submitted to a Medicare intermediary or Medicare carrier for an individual
- 32 who may have both Medicare and Medicaid coverage, payment may not be made for
- 33 an invoice that is received more than 1 year after the dates of the services given.
- 34 (b) A provider who fails to submit an invoice within the required time may not
- 35 recover the amount later from the Program recipient.



3	(b) If a report is not submitted within that time, the [Department] AUTHORITY shall withhold from the facility up to 10 percent of current interim payments for the calendar month in which the report is due and any later calendar months until the report is submitted.					
5	[15-108.] 15-1A-11.					
6 7	(a) In this section, "board" means an appeal board established under this section.					
8	(b)	(1)	The [See	cretary] AUTHORITY may:		
9			(i)	Establish one or more boards for purposes of this section; and		
10			(ii)	Designate the jurisdiction of a board.		
11		(2)	A board	shall consist of 3 members.		
12		(3)	Of the 3	board members:		
13			(i)	2 shall be appointed by the [Secretary] AUTHORITY; and		
14			(ii)	1 shall be chosen by the appointed members.		
15		(4)	Of the 2	appointed members of a board:		
16 17	individual k	nowledge	(i) eable in M	1 shall be a representative of the industry affected who is an Medicare and Medicaid reimbursement principles; and		
	8 (ii) 1 shall be an individual who is employed by this State and 9 knowledgeable in Medicare and Medicaid reimbursement principles and who does not participate directly in the field verifications.					
23	1 (c) (1) If the [Department] AUTHORITY or an agent of the [Department] 2 AUTHORITY does a field verification of the costs and allowable charges of a facility 3 that participates in the Program, the [Department] AUTHORITY or agent shall notify 4 the facility of the results of the field verification.					
27 28	facility the a	amount th	of this sub ne [Depar	60 days after the facility receives the notification required bsection, the [Department] AUTHORITY shall pay the tment] AUTHORITY has determined is due the facility RITY regardless of whether or not the facility files an		
			e approp	ty may appeal the results of a field verification by filing riate board within 30 days after the facility receives ent] AUTHORITY or its agent.		
				Within 30 days after the filing of an appeal to the board by a AUTHORITY has determined owes money to the State, 'Y shall recalculate the amount that is due to the State		

	based on the field verification, exclusive of the amount in controversy which is subject to the appeal, and shall notify the facility of that amount.				
	(ii) Subject to the provisions of subparagraphs (iii) and (iv) of this paragraph, payment for the amount due the State, if any, after the recalculation shall be made within 60 days after the facility receives notification of the recalculation.				
8	(iii) If a facility requests a longer payment schedule within 60 days after the facility receives notification of the recalculation, the [Department] AUTHORITY may establish, after consultation with the facility, a longer payment schedule.				
	(iv) The [Department] AUTHORITY shall establish a longer payment schedule if, in the [Department's] AUTHORITY'S reasonable judgment, failure to grant a longer payment schedule would:				
13	1. Result in financial hardship to the facility; or				
14 15	2. Have an adverse effect on the quality of patient care furnished by the facility.				
16 17	(3) (i) If a facility files an appeal, the portion of the amount in controversy that is actually paid shall be subject to an award of interest that is:				
18 19	1. Calculated from the date the appeal was filed through the date of payment; and				
20 21	2. Determined in accordance with a rate of interest established by regulation.				
22 23	(ii) Interest paid by a facility under subparagraph (i) of this paragraph is not an allowable cost.				
	(iii) Interest paid to a facility under subparagraph (i) of this paragraph is not subject to any offset or other reduction against otherwise allowable costs.				
29 30	(4) If a facility other than a hospital, or if the [Department] AUTHORITY is aggrieved by a final decision of the board under this section, the facility or the [Department] AUTHORITY shall place any money due from the facility or from the [Department] AUTHORITY in an interest bearing escrow account. The money shall remain in escrow until a final decision has been rendered.				
	(5) Upon a final determination of the dispute, the appropriate person administering the escrow account shall distribute the money in that account, including any interest accrued, in conformity with the final determination.				
	(e) (1) After the [Department] AUTHORITY receives the findings of a board, the [Department] AUTHORITY shall determine the amount that is due either to this State or to the facility and notify the facility of that amount.				



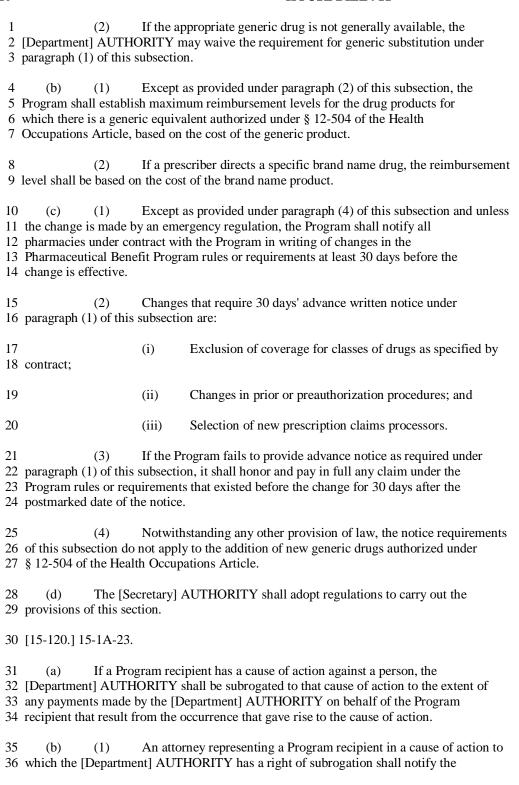
1	(4) Family of 4 - \$4,000.							
2 3	(5) Family of 5 or more - \$4,500 plus an increase of \$500 for each family ember in excess of 5.							
4 5	(c) This section is effective only to the extent that its provisions do not conflict ith federal requirements for the administration of the Program in this State.							
8 9	(d) As a condition of eligibility for medical assistance, a recipient is deemed to have assigned to the [Secretary of Health and Mental Hygiene or the Secretary's designee] AUTHORITY any rights to payment for medical care services from any third party who has the legal liability to make payments for those services, to the extent of any payments made by the [Department] AUTHORITY on behalf of the recipient.							
	(e) Subject to the confidentiality requirements of State and federal law, the ourts of this State shall admit a certified copy of a 206N form, also known as a ong-term care transaction form, into evidence.							
14	15-110.] 15-1A-13.							
17 18	The [Department] AUTHORITY shall reimburse acute general and chronic care ospitals that participate in the Program for care provided to Program recipients in ecordance with rates that the Health Services Cost Review Commission approves nder Title 19, Subtitle 2 of this article, if the United States Department of Health and Human Services approves this method of reimbursement.							
20	15-111.] 15-1A-14.							
23	(a) The [Department] AUTHORITY may authorize reimbursement of a censed day care center for the elderly or medically handicapped adults for medical are that the center provides to a Program recipient who is certified as requiring ursing home care.							
25 26	(b) (1) Reimbursement under this section is subject to the availability of ederal funds.							
27	(2) The reimbursement rate for medical day care:							
28 29	(i) May not exceed a maximum per diem rate established by egulation of the [Department] AUTHORITY; and							
30	(ii) Shall cover the following:							
31	1. Administrative overhead;							
32	2. Drugs, supplies, and equipment;							
33	3. Food;							
34	4. Medical services;							

1			5.	Staff; and
2			6.	Transportation.
3	[15-112.] 15-	-1A-15.		
	AUTHORIT	Y may at	uthorize reimburse	pard of Pharmacy, the [Secretary] ement of a physician for the dispensing of drugs as a licensed pharmacist if:
7 8	office; and	(1)	The physician dis	spenses drugs on a regular basis in the physician's
9		(2)	There is no pharm	nacy within 10 miles of that office.
10	[15-113.] 15	5-1A-16.		
11 12	(a) Title 42, § 4			a public institution" has the meaning stated in leral Regulations (1978 edition).
15		ical care	e [Department] Althat is provided to	public institution is eligible for federally funded UTHORITY shall pay the custodial authority the inmate during the month when the
17 18	applicable re	(2) ules and 1	Payments under tregulations for the	his subsection shall be made in accordance with Program.
	(c) of medical c of a public i	are by ei	ther the State or lo	ORITY shall be reimbursed for the nonfederal cost cal authority that is responsible for the inmate
22	[15-114.] 15	5-1A-17.		
23 24	(a) as classified			stitution" includes any of the following facilities, rule, or regulation:
25		(1)	A comprehensive	care facility.
26		(2)	An extended care	facility.
27		(3)	An intermediate of	care facility.
28		(4)	A skilled nursing	facility.
29 30	(b) reimburseme			o the extent that federal funds are available for
31 32	(c) AUTHORIT			tion (e) of this section, the [Department] spital-based related institution that:

1	(1) Is a distinct part of an acute or chronic hospital; and
2	(2) On and after July 1, 1980, is licensed as a related institution.
5 6	(d) (1) The Health Services Cost Review Commission shall determine rates for fiscal years 1986, 1987, 1988, and 1989 for purposes of the reimbursement formula established under subsection (e) of this section and shall inform the [Department] AUTHORITY of the reimbursement rates prior to the beginning of the respective fiscal year.
10 11	(2) The rates determined by the Health Services Cost Review Commission under this section shall be the rates that would have been in effect during the respective fiscal year if the hospital-based related institution had remained under the full rate jurisdiction of the Health Services Cost Review Commission.
13 14	(e) The reimbursement required by this section shall be in accordance with the following formula:
15 16	(1) For the period from July 1, 1985 through June 30, 1986, a per diem rate calculated as the sum of:
17 18	(i) 80% of the rate determined by the Health Services Cost Review Commission under subsection (d) of this section; and
	(ii) 20% of the per diem rate of the hospital-based related institution determined under the Program regulations applicable to skilled and intermediate care nursing facilities.
22 23	(2) For the period from July 1, 1986 through June 30, 1987, a per diem rate calculated as the sum of:
24 25	(i) 60% of the rate determined by the Health Services Cost Review Commission under subsection (d) of this section; and
	(ii) 40% of the per diem rate of the hospital-based related institution determined under the Program regulations applicable to skilled and intermediate care nursing facilities.
29 30	(3) For the period from July 1, 1987 through June 30, 1988, a per diem rate calculated as the sum of:
31 32	(i) 40% of the rate determined by the Health Services Cost Review Commission under subsection (d) of this section; and
	(ii) 60% of the per diem rate of the hospital-based related institution determined under the Program regulations applicable to skilled and intermediate care nursing facilities.

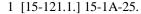
- 1 (4) For the period from July 1, 1988 through June 30, 1989, a per diem 2 rate calculated as the sum of:
- 3 (i) 20% of the rate determined by the Health Services Cost Review
- 4 Commission under subsection (d) of this section; and
- 5 (ii) 80% of the per diem rate of the hospital-based related
- 6 institution determined under the Program regulations applicable to skilled and
- 7 intermediate care nursing facilities.
- 8 (5) [Beginning July 1, 1989, the Department] THE AUTHORITY shall
- 9 reimburse at rates determined under the Program regulations applicable to skilled
- 10 and intermediate care nursing facilities.
- 11 [15-114.1.] 15-1A-18.
- 12 (a) In this section, "emergency service transporter" means a public entity or
- 13 volunteer fire, rescue, or emergency medical service that provides emergency medical
- 14 services.
- 15 (b) If an emergency service transporter charges for its services and requests
- 16 reimbursement from the Program, the [Department] AUTHORITY shall reimburse
- 17 the emergency service transporter, in an amount not to exceed \$100 per transport, for
- 18 the cost of:
- 19 (1) Transportation the emergency service transporter provides to a
- 20 Program recipient to a facility in response to a 911 call; and
- 21 (2) Medical services the emergency service transporter provides to the
- 22 Program recipient while transporting the Program recipient to a facility in response
- 23 to a 911 call.
- 24 (c) The [Department] AUTHORITY shall adopt any regulations necessary to
- 25 carry out this section.
- 26 [15-115.] 15-1A-19.
- 27 (a) The [Department] AUTHORITY may not place a Program recipient in a
- 28 skilled or intermediate nursing facility if, because of the condition of the Program
- 29 recipient, the placement would cause undue risk to the Program recipient.
- 30 (b) To provide a basis for evaluating the placement of Program recipients who
- 31 need skilled or intermediate nursing care in skilled or intermediate nursing facilities,
- 32 a Program recipient may be placed only in a nursing facility that has a transfer
- 33 agreement with a general hospital.
- 34 [15-116.] 15-1A-20.
- 35 The [Department] AUTHORITY shall reimburse skilled nursing facilities for
- 36 services provided to indigent or medically indigent patients under the age of 21 years.

1	[15-117.] 15	-1A-21.	
2	(a)	In this s	ection, "leave of absence" includes:
3		(1)	A visit with friends or relatives; and
4 5	rehabilitative	(2) e program	A leave to participate in a State approved therapeutic or n.
8		r nursing	To ensure that a bed is reserved for a Program recipient who is om a nursing facility, the Program shall include the following facilities that have made a provider agreement with the DRITY.
12	that the Prog	gram reci	If the Program recipient is absent from a nursing facility due to acute condition, the facility shall receive payment for each day pient is hospitalized and a bed is reserved and made available Program recipient.
			If a Program recipient is on leave of absence from a nursing facility, ive payment for each day that the Program recipient is absent and made available for the return of that Program recipient.
17 18	· /	(1) 5 days fo	Payments under subsection (b)(2) of this section may not be made for rany single hospital stay.
19 20	made for me	(2) ore than 1	(i) Payments under subsection (b)(3) of this section may not be 8 days in any calendar year.
23		that the	(ii) Notwithstanding any rule or regulation, a leave of absence is uirement that it may not exceed a particular number of days a leave of absence may not exceed a total of 18 days during any
25 26	(d) per diem pa	(1) yment pro	Payments required under this section shall be made according to the ocedures that the [Department] AUTHORITY sets.
27 28	nursing serv	(2) vices.	Payments required under this section may not include payment for
	(-)		ng facility may not make additional charges against a Program Program recipient is absent temporarily from the nursing
32	[15-118.] 15	5-1A-22.	
			Unless the prescriber directs otherwise on the form or on an attached f need, the generic form of the drug authorized under § 12-504 of ns Article shall be used to fill the prescription.



	negotiating a settlement.						
	(2) The attorney shall notify the [Department] AUTHORITY in advance of the resolution of a cause of action and shall allow the [Department] AUTHORITY 3 business days from the receipt of the notice to establish its subrogated interest.						
6 7	notifying or	(3) failing to		section may not be construed to create a cause of action for e [Department] AUTHORITY.			
10 11 12 13	judgment or subrogation that money,	award in claim sh for the b	ogram rec a cause of all, after re enefit of t	gram recipient or attorney, guardian, or personal cipient who receives money in settlement of or under a of action in which the [Department] AUTHORITY has a receiving written notice of the subrogation claim, hold the [Department] AUTHORITY, to the extent required rededucting applicable attorney fees and litigation			
17 18	the [Departi	ment] AU , because	aragraph, THORIT	n who, after written notice of a subrogation claim and possible disposes of the money, without the written approval of Y, is liable to the [Department] AUTHORITY for any sposition, is not recoverable by the [Department]			
				partment] AUTHORITY may compromise or settle and f, in its judgment, collection of the claim will cause			
23			(i)	To the Program recipient; or			
24 25	deceased Pr	ogram re	(ii) cipient.	In a wrongful death action, to the surviving dependents of a			
				The [Department] AUTHORITY is not liable for payment of or es or litigation costs of any Program recipient or representative of any Program recipient.			
				The deduction of applicable attorney fees and litigation costs osection may not be considered as payment for or osts by the [Department] AUTHORITY.			
34		dition to t] AUTH	any right,	tht under this section is not exclusive and is independent remedy, or cause of action available to the State, the any other State agency, or a Program recipient or any			
36 37	(e) indicated.	(1)	(i)	In this subsection, the following words have the meanings			
38			(ii)	"Cigarette" means any roll of tobacco wrapped in:			

1			1.	Paper;
2			2.	A substance not containing tobacco; or
				A substance containing tobacco which because of its the filler, or its packaging and labeling, is dinary paper-wrapped cigarettes.
		(iii) of a tob	1. acco prod	"Manufacturer of a tobacco product" means a designer, duct engaged in the marketing or promotion of
				"Manufacturer of a tobacco product" includes an entity not product that imports a tobacco product or turer of a tobacco product.
12			3.	"Manufacturer of a tobacco product" does not include:
13 14	tobacco; or		A.	A grower, buyer, dealer, distributor, or wholesaler of leaf
15			B.	A retailer, distributor, or wholesaler of a tobacco product.
16 17		(iv) leaf toba		less tobacco" means a product that consists of cut, is intended to be placed in the oral cavity.
18		(v)	"Tobacc	o product" means cigarettes or smokeless tobacco.
21 22 23	remedy, or cause of ac product, the causation attributable to the use	and the of a tobathout pro	ought by to amount of acco processor of the	der this section or pursuant to any other right, he State against a manufacturer of a tobacco of medical assistance expenditures duct may be proved or disproved by evidence of a causation or the amount of expenditures for other individual.
27	limits the right of any	party to	introduc	d in paragraph (2) of this subsection prohibits or e any other evidence, otherwise admissible, statistical analysis described in paragraph (2)
29	[15-121.] 15-1A-24.			
32	including those under AUTHORITY may m	Title XI ake clai	X of the m against	able federal law and rules and regulations, Social Security Act, the [Department] the estate of a deceased Program recipient for ayments under this title.
		nt of the		by the [Department] AUTHORITY if, in its ll cause substantial hardship to the surviving



- 2 (a) If a Program recipient has a claim for any medical, hospital or disability
- 3 benefits under §§ 19-505 and 19-506 of the Insurance Article, the [Department]
- 4 AUTHORITY shall be subrogated to that claim to the extent of any payments made by
- 5 the [Department] AUTHORITY on behalf of the Program recipient that results from
- 6 the occurrence that gave rise to the claim less:
- 7 (1) Applicable attorney's fees; and
- 8 (2) Any rights for loss of income.
- 9 (b) (1) An attorney representing a Program recipient under this subtitle on 10 a claim to which the [Department] AUTHORITY has a right of subrogation shall notify
- 11 the [Department] AUTHORITY prior to filing the claim.
- 12 (2) This subsection may not be construed to create a cause of action for 13 notifying or failing to notify the [Department] AUTHORITY.
- 14 (c) (1) Any Program recipient or attorney, guardian, or personal
- 15 representative of a Program recipient who receives money for a claim to which the
- 16 [Department] AUTHORITY has a subrogation claim shall, after receiving written
- 17 notice of the subrogation claim, hold that money, for the benefit of the [Department]
- 18 AUTHORITY, to the extent required for the subrogation claim, after deducting
- 19 applicable attorney's fees.
- 20 (2) A person who, after written notice of a subrogation claim from the
- 21 [Department] AUTHORITY and possible liability under this paragraph, disposes of
- 22 the money, without the written approval of the [Department] AUTHORITY, is liable to
- 23 the [Department] AUTHORITY for any amount that, because of the disposition, is not
- 24 recoverable by the [Department] AUTHORITY.
- 25 (3) The [Department] AUTHORITY may compromise or settle and
- 26 release its subrogation claim if, in its judgment, collection of the claim will cause
- 27 substantial hardship to the Program recipient or in a wrongful death action, the
- 28 surviving dependent of a deceased Program recipient.
- 29 [15-121.2.] 15-1A-26.
- 30 (a) If a Program recipient has a claim for any medical, hospital, or disability
- 31 benefits under §§ 19-509 and 19-510 of the Insurance Article, the [Department]
- 32 AUTHORITY shall be subrogated to that claim to the extent of any payments made by
- 33 the [Department] AUTHORITY on behalf of the Program recipient that results from
- 34 the occurrence that gave rise to the claim, less applicable attorney's fees.
- 35 (b) (1) An attorney representing a Program recipient under this subtitle on
- 36 a claim to which the [Department] AUTHORITY has a right of subrogation shall notify
- 37 the [Department] AUTHORITY prior to filing the claim.

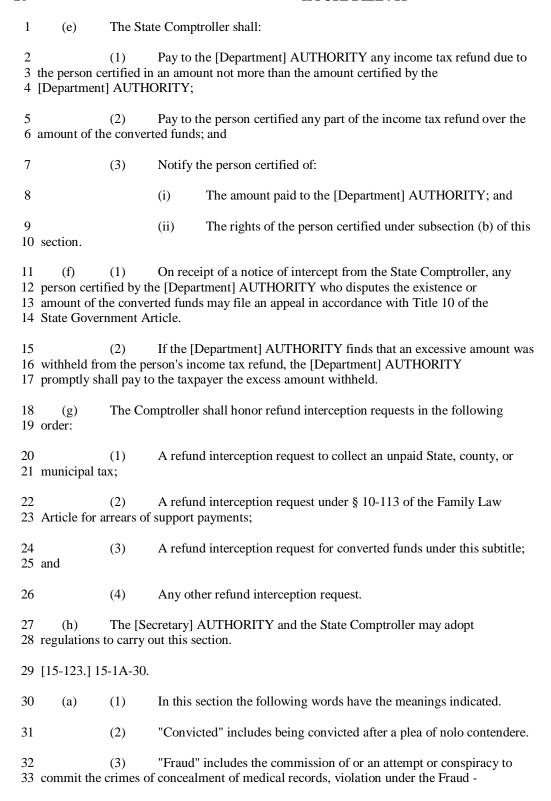
1 2	(2) This subsection may not be construed to create a cause of action for notifying or failing to notify the [Department] AUTHORITY.
5 6 7	(c) (1) Any Program recipient, attorney, guardian, or personal representative of a Program recipient who receives money for a claim to which the [Department] AUTHORITY has a subrogation claim shall, after receiving written notice of the subrogation claim, hold that money, for the benefit of the [Department] AUTHORITY, to the extent required for the subrogation claim, after deducting applicable attorney's fees.
11 12	(2) A person who, after written notice of a subrogation claim from the [Department] AUTHORITY and possible liability under this paragraph, disposes of the money, without the written approval of the [Department] AUTHORITY, is liable to the [Department] AUTHORITY for any amount that, because of the disposition, is not recoverable by the [Department] AUTHORITY.
16	(3) The [Department] AUTHORITY may compromise or settle and release its subrogation claim if, in its judgment, collection of the claim will cause substantial hardship to the Program recipient or in a wrongful death action, the surviving dependent of a deceased Program recipient.
18	[15-122.] 15-1A-27.
21	(a) (1) The spouse of a Program recipient is responsible for payments for the health care needs of the Program recipient to the extent that the spouse is able to pay any of the cost of care. Except as provided in paragraph (2) of this subsection, the total liability shall be limited to the amount spent for the care under the Program.
23 24	(2) In any case in which eligibility was based on the spouse's refusal to pay for the Program recipient's care, the liability of the spouse may include:
25	(i) The amount spent for care by the Program;
26 27	(ii) Administrative and enforcement costs incurred by the Program related to pursuing reimbursement from the spouse; and
	(iii) Any penalties established by the [Secretary] AUTHORITY by regulation for a violation of this section not to exceed \$50 per day for each day a violation exists.
33 34	(b) (1) The [Secretary] AUTHORITY shall adopt rules and regulations that set standards for payment by the spouse based on the ability of the spouse to pay all or part of the cost of care. To determine reasonably the ability to pay, the [Secretary] AUTHORITY shall evaluate available income, ordinary living expenses, special expenses, and assets, other than the homestead of the spouse and its appurtenances.
	(2) Notwithstanding the standards established under paragraph (1) of this subsection, the spouse may also be liable for costs and penalties under subsection (a)(2) of this section.

34

(3)

1 (c) (1) The [Secretary] AUTHORITY may collect the money owed. 2 (2) The central collection unit in the Department of Budget and 3 Management shall collect delinquent accounts and debts. 4 [15-122.1.] 15-1A-28. 5 In this section, "participating provider" means any facility that (a) 6 participates in the Program and is: 7 (1) A skilled nursing facility; 8 (2) A comprehensive care facility; or 9 (3) An intermediate care facility. 10 (b) A participating provider shall not be required to repay the State for any 11 depreciation for which the provider has been reimbursed as an allowable expense and 12 which could otherwise be recaptured by the State upon a sale, scrapping, trade-in, 13 donation, exchange, demolition, or abandonment of a facility, or involuntary 14 conversion of a facility such as condemnation, fire, theft, or other casualty. 15 This section has no effect if its operation would cause this State to lose any (c) 16 federal funds. 17 [15-122.2.] 15-1A-29. 18 In this section, "converted funds" means the amount received in payment 19 by a person from an insurer for the cost of health services provided to a child which 20 was not used to reimburse the [Department] AUTHORITY for Medicaid costs 21 incurred. 22 Each year the [Department] AUTHORITY may refer to the Central 23 Collection Unit of the Department of Budget and Management for certification to the 24 State Comptroller the name of any person who has received converted funds for the 25 interception of any State tax refund. The [Department] AUTHORITY shall notify the person certified under 26 27 subsection (b) of this section that a certification has been made by the [Department] 28 AUTHORITY. 29 The certification by the Central Collection Unit shall include, if known: (d) The full name of the person certified and any other names known to 30 31 be used by that person; 32 The address and the Social Security number of the person certified; (2) 33 and

The amount of the converted funds.



	State Health Plans subheading of Article 27 of the Code, false representations relating to Medicaid health plans, misappropriation by a fiduciary, and theft.			
	(b) A health care provider who is convicted of fraud in connection with the Program or a similar federal or State program is ineligible for further payment under the Program.			
6	[15-124.] 15-1A-3	1.		
7 8	(a) (1) Pharmacy Assistan			t] AUTHORITY shall maintain a Maryland income individuals whose:
	resources according Program; and	(i) ng to the ass		are not more than 1.5 times the amount of accountable ale of the Maryland Medical Assistance
12		(ii)	Gross a	nnual income does not exceed:
13 14	unit; and		1.	\$4,600 plus \$500 for each individual over 1 in a family
15 16	2. An annual increase set by the [Secretary] AUTHORITY under paragraph (2)(ii)4 of this subsection.			
17 18	(2) indicated.	(i)	1.	In this paragraph the following words have the meanings
	2. "Income disregard" means the exclusion of up to \$1,000 of annual income earned by an individual as a client of a sheltered workshop if the individual's sole other income is derived from a Social Security payment.			
22 23	Developmental Di	sabilities A	3. dministra	"Sheltered workshop" means a workshop licensed by the ation under Title 7, Subtitle 9 of this article.
24 25	[Secretary] AUTH	(ii) IORITY sha		purpose of paragraph (1) of this subsection, the
				In order to determine eligibility for the Maryland any income disregards from the countable lisabled individual;
29			2.	Define excluded assets;
30			3.	Establish a family unit structure; and
33		in which an	individu	Beginning July 1, 1985, increase annually at the time rounded to the next highest even \$50 level, the al is eligible for benefits under the Maryland arger of:

3	Social Security Act (4 to cost-of-living chan pursuant to 42 U.S.C.	ges as tha	401-433) at percenta	ige is reported i	y the federa n the Federa	al governme		ie
5 6	schedules are increase	ed by the		The dollar amo	unt by whic	th the medic	cal assistance i	ncome
9	(b) (1) Program shall be limi in regulations to be is Pharmacists Associat	sued by t	intenance		ectives, and	AZT as spe	ecified	
13 14	the Program shall rei reimburse for the dru in his or her own han "medically necessary	ıg's gener ıdwriting,	roviders in ic equivalon, on the fac	ent, unless the i	t more than ndividual's	it would physician s	tates,	list,
	the [Department] AU sub-subparagraph 1 c		Y may wa					ble,
21	(2) items or services und Program and shall be item or service.	ler the ph	armacy pr		aryland Me	dical Assis	tance	
25 26	(c) (1) Except as provided under paragraph (4) of this subsection and unless the change is made by an emergency regulation, the Maryland Pharmacy Assistance Program shall notify all pharmacies under contract with the Program in writing of changes in the Pharmaceutical Benefit Program rules or requirements at least 30 days before the change is effective.							
28 29	(2) paragraph (1) of this			ire 30 days' adv	ance writte	n notice un	der	
30 31	contract;	(i)	Exclusion	n of coverage fo	or classes of	drugs as sp	pecified by	
32		(ii)	Changes	in prior or prea	uthorization	procedure	s; and	
33		(iii)	Selection	of new prescri	ption claim	s processors	s.	
36	14 (3) If the Maryland Pharmacy Assistance Program fails to provide 55 advance notice as required under paragraph (1) of this subsection, it shall honor and 56 pay in full any claim under the Program rules or requirements that existed before the 76 change for 30 days after the postmarked date of the notice.							

1 (4) Notwithstanding any other provision of law, the notice requirements 2 of this subsection do not apply to the addition of new generic drugs authorized under § 12-504 of the Health Occupations Article. 4 (d) The [Secretary] AUTHORITY shall adopt rules and regulations that 5 authorize the denial, restriction, or termination of eligibility for recipients who have 6 abused benefits under the Maryland Pharmacy Assistance Program. 7 As a condition of participation, the [Department] AUTHORITY may 8 require Maryland Pharmacy Assistance Program participants to apply for eligibility 9 in the Maryland Medical Assistance Program within 60 days of notification to do so by 10 the [Department] AUTHORITY. 11 (3)The rules and regulations shall require that the recipient be given 12 notice and an opportunity for a hearing before eligibility may be denied, restricted, or 13 terminated under this subsection. 14 The [Secretary] AUTHORITY shall develop a program, in consultation with (e) 15 appropriate agencies, that will provide information to ineligible Maryland Pharmacy 16 Assistance Program applicants regarding other programs that they may be eligible 17 for including free programs offered by drug manufacturers. 18 [15-124.2.] 15-1A-32. 19 (a) (1) In this section the following words have the meanings indicated. 20 (2)"Foundation" means the Maryland Health Care Foundation 21 established under § 20-502 of this article. 22 (3) "Program" means the Maryland Medbank Program established under 23 this section. 24 (b) There is a Maryland Medbank Program. 25 The purpose of the Program is to improve the health status of individuals 26 throughout the State who lack prescription drug coverage by providing access to medically necessary prescription drugs through patient assistance programs sponsored by pharmaceutical drug manufacturers. 29 Subject to paragraph (2) of this subsection, the Program shall be (1) 30 administered by the Foundation. 31 The Foundation shall contract with one or more government or

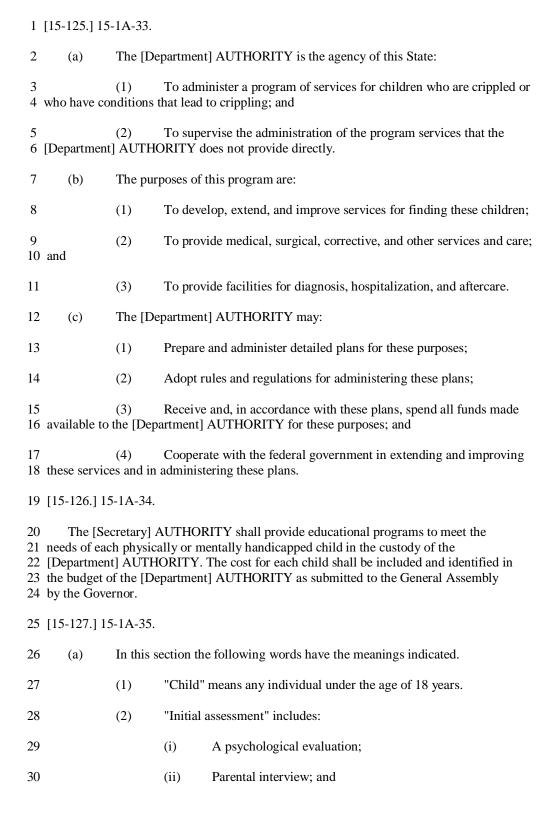
The administration and operation of the Program shall be funded

32 nonprofit entities to operate the Program.

34 through a grant provided by the [Department] AUTHORITY.

33

	(2) Program funds may be used in part to purchase interim supplies of prescription drugs for enrollees who have applied to participate in a manufacturer's patient assistance program but have not yet received the approved prescription drug.			
4 5	(f) (1) The Foundation shall ensure that the Program is available to residents in each of the following geographic regions of the State:			
6		(i)	Western Maryland;	
7		(ii)	The Eastern Shore;	
8		(iii)	The Baltimore metropolitan area;	
9 10	area; and	(iv)	The Maryland counties in the Washington, D.C. metropolitan	
11		(v)	Southern Maryland, including Anne Arundel County.	
	(2) The Foundation shall use Medbank of Maryland, Inc. and the Western Maryland Prescription Program as the regional offices for the Baltimore metropolitan area and Western Maryland, respectively.			
15 16	(g) Eligibility for the Program shall be limited only by the criteria established by pharmaceutical manufacturers for their patient assistance programs.			
17 18	(h) (1) quarterly from the		andation shall require detailed financial reports at least toperate the Program.	
	(2) The Foundation shall release funds to the entities that operate the Program as needed and justified by the quarterly reports filed in accordance with paragraph (1) of this subsection.			
24	(i) On or before December 1, 2001, and annually thereafter, the Foundation shall report to the Governor and, in accordance with § 2-1246 of the State Government Article, to the General Assembly, on the status of the Maryland Medbank Program established under this section, including:			
26 27	(1) The number and demographic characteristics of the State residents served by the Program;			
28 29	(2) Program;	The type	es and retail value of prescription drugs accessed through the	
30 31	(3) residents of the as		ure and extent of outreach performed to inform State ilable through the Program; and	
32 33	(4) manufacturer, acc		al volume and retail value of each brand name drug, by the Program.	



1		(iii)	Medical evaluation.		
4 5	(3) (i) For purposes of this section, "sexual abuse" means any act that involves sexual molestation or exploitation of a child whether or not the sexual molestation or exploitation of the child is by a parent or other person who has permanent or temporary care or custody or responsibility for supervision of a child, or by any household or family member.				
7		(ii)	"Sexual abuse" includes:		
8			1. Incest, rape, or sexual offense in any degree;		
9			2. Sodomy; and		
10			3. Unnatural or perverted sexual practices.		
13 14	1 (b) If a physician or a hospital provides any of the services described in 2 subsection (c) of this section to a victim of an alleged rape or sexual offense or a victim 3 of alleged child sexual abuse, the services shall be provided without charge to the 4 individual and the physician or hospital is entitled to be paid by the [Department] 5 AUTHORITY for the costs of providing the services.				
16	The services to which this section applies are:				
17 18	(1) alleged crime;	A physic	cal examination to gather information and evidence as to the		
	to 90 days after the in and		ncy hospital treatment and follow-up medical testing for up sical examination in paragraph (1) of this subsection;		
	2 (3) For up to 5 hours of professional time to gather information and 3 evidence as to the alleged sexual abuse, an initial assessment of a victim of alleged 4 child sexual abuse by:				
25		(i)	A physician;		
26		(ii)	Qualified hospital health care personnel;		
27		(iii)	A mental health professional; or		
28		(iv)	An interdisciplinary team expert in the field of child abuse.		
31	(d) (1) A physician who examines a victim of alleged child sexual abuse under the provisions of this section is immune from any civil liability that may result from the failure of the physician to obtain consent from the child's parent, guardian, or custodian for the examination or treatment of the child.				
33	(2)	The imn	nunity extends to:		

1 (i) Any hospital with which the physician is affiliated or to which 2 the child is brought; and 3 (ii) Any individual working under the control or supervision of the 4 hospital. 5 [15-128.] 15-1A-36. The [Department] AUTHORITY may provide reimbursement, under the 6 7 Maryland Medical Assistance Program, for services provided by a hospice care 8 program, as defined in § 19-901 of this article. 9 [15-129.] 15-1A-37. 10 In this section "durable medical equipment" means durable medical 11 equipment listed in the medical assistance provider fee manual, as provided in regulations adopted by the [Department] AUTHORITY. 13 To determine whether the prices charged for durable medical equipment (b) 14 provided to Program recipients are reasonable, the [Department] AUTHORITY shall 15 establish regulations and procedures for reviewing the prices of durable medical equipment every 3 years. 17 The [Department] AUTHORITY, to the extent feasible and appropriate, 18 shall recover all durable medical equipment from Program recipients that: 19 (1) Was purchased by the [Department] AUTHORITY; and 20 (2) Is no longer required by the recipient. 21 Except as provided in subsection (e) of this section and to the extent 22 feasible and appropriate, the [Department] AUTHORITY shall reuse the durable 23 medical equipment recovered under subsection (c) of this section to meet the needs of 24 other Program recipients for the same durable medical equipment. 25 If the durable medical equipment recovered under subsection (c) of this 26 section is not in a condition that would enable another Program recipient to use it, the 27 [Department] AUTHORITY may give the equipment to any organization that will: 28 Repair or attempt to repair the equipment; and (1) 29 Provide the equipment at no charge to other persons who require the (2) 30 same equipment. 31 [15-130.] 15-1A-38. 32 In this section, "seriously emotionally disturbed" means a condition that is: (a) Manifest in an individual younger than 18 years or, if the individual 33 34 is in a residential treatment center, younger than 21 years;

1 Diagnosed according to the current diagnostic classification system (2)2 that is recognized by the [Secretary] AUTHORITY; and 3 Characterized by a functional impairment that substantially 4 interferes with or limits the child's role or functioning in the family, school, or 5 community activities. 6 The [Department] AUTHORITY shall apply to the [Health Care (b) (1) 7 Financing Administration] CENTERS FOR MEDICARE AND MEDICAID SERVICES of the 8 federal Department of Health and Human Services for a home- and 9 community-based services waiver under § 1915(c) of the federal Social Security Act in 10 order to receive federal matching funds for services to seriously emotionally disturbed 11 individuals who would otherwise require institutionalization in a residential 12 treatment center. 13 (2) The [Department] AUTHORITY shall apply to the [Health Care 14 Financing Administration] CENTERS FOR MEDICARE AND MEDICAID SERVICES of the 15 federal Department of Health and Human Services for a home- and 16 community-based services waiver under § 1915(c) of the federal Social Security Act in 17 order to receive federal matching funds for services to autistic children aged 1 18 through 21 years who would otherwise require institutionalization in an institution 19 for the developmentally disabled. 20 In accordance with subsection (b)(1) and (2) of this section, the services to 21 be provided for seriously emotionally disturbed individuals or autistic children may include, but are not limited to: 23 (1) Respite services; 24 (2) Family training and education; 25 (3) Day treatment services; Therapeutic integration services; 26 (4) 27 Intensive individual support services; (5) 28 (6) Therapeutic living services; 29 (7) Intensive in-home intervention services; and 30 (8)Specialized case management services. 31 The State matching funds required to cover the Medicaid costs under the waiver for autistic children shall be certified or otherwise provided by the Maryland State Department of Education, local school systems, and local lead agencies. 34 (e) The State matching funds required to cover the Medicaid costs under the 35 waiver for seriously emotionally disturbed individuals shall be certified or otherwise

- 1 provided by the Maryland State Department of Education, local school systems, local 2 lead agencies, and the Mental Hygiene Administration.
- 3 (f) Subject to § 2-1246 of the State Government Article, the [Department]
- 4 AUTHORITY shall report to the General Assembly every 6 months concerning the
- 5 status of the [Department's] AUTHORITY'S applications under subsection (b) of this
- 6 section.
- 7 [15-131.] 15-1A-39.
- 8 (a) The [Department] AUTHORITY shall investigate development of
- 9 integrated care systems and the feasibility and desirability of applying for a home-
- 10 and community-based services waiver in order to maximize federal matching funds
- 11 for the provision of services to adults who:
- 12 (1) Have functional disabilities, including Alzheimer's disease and
- 13 related disorders;
- 14 (2) Have family income not greater than 200% of the federal poverty
- 15 level; and
- 16 Would otherwise require nursing home institutionalization.
- 17 (b) The services covered under the waiver under this section may include:
- 18 (1) Routine and emergency respite care;
- 19 (2) Adult day care;
- 20 (3) Personal care;
- 21 (4) Case management; and
- 22 (5) Homemaker services.
- 23 (c) The [Department] AUTHORITY may place a reasonable limit on the
- 24 number of individuals or on the geographic area of the State included in the waiver
- 25 under this section.
- 26 [15-132.] 15-1A-40.
- 27 (a) (1) In this section the following terms have the meanings indicated.
- 28 (2) "Assisted living program" has the meaning stated in § 19-1801 of this
- 29 article.
- 30 (3) "Assisted living services" means services provided by an assisted
- 31 living program as defined in regulations adopted by the [Department] AUTHORITY.

	eligible individuals in gaining access to needed waiver services and other needed medical, social, housing, and other supportive services.				
6 7 8	(5) "Environmental modifications" has the meaning stated in regulations adopted by the [Department] AUTHORITY and includes those physical adaptations to the home or residence which are necessary to ensure the health, welfare, and safety of the individual or which enable the individual to function with greater independence and without which, the individual would require admission to or continued stay in a nursing facility.				
10 11	(6) this subsection, inclu	"Health related care and services", for purposes of paragraph (8) of des:			
12 13	provider;	(i)	24-hour supervision and observation by a licensed care		
14		(ii)	Medication administration;		
15		(iii)	Inhalation therapy;		
16		(iv)	Bladder and catheter management;		
17		(v)	Assistance with suctioning; and		
18		(vi)	Assistance with treatment of skin disorders and dressings.		
19 20	(7) of this article and in 4		nealth care services" means those services defined in § 19-401 440.70.		
23	(8) "Intermediate level of care", for purposes of paragraph (10)(ii) of this subsection, includes health related care and services provided to individuals who do not require hospital or a skilled level of nursing facility care but whose mental, physical, functional, or cognitive condition requires health services that:				
25		(i)	Are above the level of room and board;		
26		(ii)	Are provided on a regular basis; and		
27 28	facilities.	(iii)	Can be made available to the individuals through institutional		
31	(9) "Medically and functionally impaired" means an individual who is assessed by the [Department] AUTHORITY to require services provided by a nursing facility as defined in this section, and who, but for the receipt of these services, would require admission to a nursing facility within 30 days.				
35		om and bo	"Nursing facility" means a facility that provides skilled nursing bilitation services, and health related care and services pard needed on a regular basis in accordance with § 1919 Act.		

1 2	individuals co	ertified as	(ii) s requirin	"Nursing facility" includes a facility that provides services to g an intermediate level of care.		
	accordance w AUTHORIT			al care services" means those services as defined in .167 and in regulations adopted by the [Department]		
8	unable to care	e for then	AUTHOR nselves fu	care services" has the meaning stated in regulations adopted ITY and includes those services provided to individuals arnished on a short-term basis because of the absence ons normally providing the care.		
12 13	<b>AUTHORIT</b>	Y to the	al Social [Health C	" means a home and community based services waiver under Security Act, submitted by the [Department] Care Financing Administration] CENTERS FOR D SERVICES, as required by subsections (b) and (c) of this		
15 16	waiver that:	(14)	"Waiver	services" means the services covered under an approved		
17 18	alternative to	o admissi		Are needed and chosen by an eligible waiver participant as an continued stay in a nursing facility;		
19			(ii)	Are part of a plan of care approved by the program;		
20 21	community;	and	(iii)	Assure the waiver participant's health and safety in the		
22 23	than in a nur	sing facil		Cost no more per capita to receive services in the community		
26 27 28 29	(b) On or before August 1, 1999, the [Department] AUTHORITY shall apply to the [Health Care Financing Administration] CENTERS FOR MEDICARE AND MEDICAID SERVICES of the United States Department of Health and Human Services for an amendment to the existing home and community based services waiver (Control Number 0265.90) under § 1915(c) of the federal Social Security Act to receive federal matching funds for waiver services received by eligible medically and functionally impaired individuals participating in the waiver.					
31 32	(c) following:	The [De	partment'	s] AUTHORITY'S waiver application shall include the		
33		(1)	An initia	l cap on waiver participation at 7,500 individuals;		
34 35	support as pr	(2) covided in		on annual waiver participation based on State General Fund get bill;		

		(3) Elimination of the current requirements that waiver applicants be at ast 62 years old and be eligible for or already receive a subsidy for the senior sisted housing program;				
4	(4)	Financia	al eligibility criteria which include:			
7		cial Secu	The current federal and State medical assistance long-term ovided by a nursing facility, per §§ 1902, 1919, and urity Act, and applicable regulations adopted by the			
11			Medically needy individuals using services provided by a ent federal and State medical assistance eligibility as adopted by the Department and § 1919 of the federal			
13 14	applicable payment r	(iii) ate for su	Categorically needy individuals with income up to 300% of the pplemental security income; and			
15	(5)	Waiver	services that include at least the following:			
16		(i)	Assisted living services;			
17		(ii)	Case management services;			
18		(iii)	Personal care services and homemaker services;			
19		(iv)	Home health care services;			
20		(v)	Respite care services;			
21		(vi)	Assistive technology;			
22		(vii)	Environmental modifications;			
23 24	physician and not oth	(viii) erwise co	Medically necessary over-the-counter supplies ordered by a overed by the program;			
25		(ix)	Environmental assessments;			
26		(x)	Family/consumer training;			
27		(xi)	Personal emergency response systems;			
28		(xii)	Home delivered meals and dietitian/nutrition services; and			
31		providers	Ambulance or other transportation services for individuals ses or home health care services for being transported to and facilities for medical diagnosis or medically			

- 1 (d) The [Department] AUTHORITY shall work with the [Maryland Health
- 2 Resource Planning Commission] MARYLAND HEALTH CARE COMMISSION to try to
- 3 assure that 20% of assisted living program waiver beds are nursing facility beds that
- 4 have been converted to assisted living beds.
- 5 (e) This section may not be construed to affect, interfere with, or interrupt any
- 6 services reimbursed through the Maryland Medical Assistance State Program under
- 7 this title.
- 8 (f) If a person determined to be eligible to receive waiver services under this
- 9 section desires to receive waiver services and an appropriate placement is available,
- 10 the [Department] AUTHORITY shall authorize the placement.
- 11 (g) Waiver services shall be jointly administered by the [Departments]
- 12 DEPARTMENT of Aging, THE DEPARTMENT OF Human Resources, and [Health and
- 13 Mental Hygiene] THE AUTHORITY.
- 14 (h) The [Department] AUTHORITY, in consultation with representatives of
- 15 the affected industry and advocates for waiver candidates, and with the approval of
- 16 the Department of Aging and the Department of Human Resources, shall adopt
- 17 regulations to implement this section within 180 days of receipt of approval of the
- 18 amended waiver application from the [Health Care Financing Administration]
- 19 CENTERS FOR MEDICARE AND MEDICAID SERVICES of the United States Department
- 20 of Health and Human Services.
- 21 (i) Subject to § 2-1246 of the State Government Article, the [Department]
- 22 AUTHORITY shall report to the General Assembly every 6 months concerning the
- 23 status of the [Department's] AUTHORITY'S application under subsections (b) and (c)
- 24 of this section.
- 25 [15-133.] 15-1A-41.
- 26 (a) The State shall apply to the [Health Care Financing Administration]
- 27 CENTERS FOR MEDICARE AND MEDICAID SERVICES of the United States Department
- 28 of Health and Human Services for grants to assist states in improving home and
- 29 community-based service systems, including:
- 30 (1) Real choice system change grants;
- 31 (2) Nursing facility transition grants and "access housing" grants; and
- 32 (3) Community-based attendant services with consumer control grants.
- 33 (b) The [Department] AUTHORITY shall seek input from eligible individuals,
- 34 the individuals' representatives, and service providers in developing and
- 35 implementing the Program.
- 36 (c) On or before July 1, 2001, the [Department] AUTHORITY shall notify the
- 37 [Health Care Financing Administration] CENTERS FOR MEDICARE AND MEDICAID
- 38 SERVICES of the United States Department of Health and Human Services of

- 40 **HOUSE BILL 911** 1 Maryland's intent to expand the current Medicaid home- and community-based 2 waiver for adults with physical disabilities, under § 1915(c) of the federal Social 3 Security Act to redirect funds to develop appropriate funding for this act. 4 Subject to § 2-1246 of the State Government Article, the [Department] 5 AUTHORITY shall report to the General Assembly every 3 months concerning the 6 status of the [Department's] AUTHORITY'S applications under subsections (a) and (c) of this section, including the number of individuals budgeted for the Medicaid home-8 and community-services based waiver for adults with physical disabilities. 9 15-201. 10 (a) In this subtitle the following words have the meanings indicated. 11 (b) "Applicant" means an individual who applies for assistance from the 12 Program. 13 (c) (1) Except as provided in paragraph (2) of this subsection, "family" 14 means: 15 (i) The applicant or recipient; 16 The applicant's or recipient's spouse if the spouse lives with the (ii) applicant or recipient; and 17 18 (iii) The applicant's or recipient's children under the age of 18 years 19 if the children live with the applicant or recipient. If the applicant is a child under the age of 18 years, "family" means: 20 (2) 21 (i) The minor applicant's or recipient's parents; and 22 At the option of the minor applicant's or recipient's parents, the (ii) 23 minor applicant's or recipient's siblings. 24 (d) "Program" means the Maryland AIDS Insurance Assistance Program. 25 (e) "Recipient" means an individual receiving assistance from the Program. 26 15-202. 27 The [Department of Health and Mental Hygiene] AUTHORITY shall (a)
- 30 (b) There shall be no more than 450 recipients enrolled in the Program at any

28 administer a Maryland AIDS Insurance Assistance Program for HIV positive

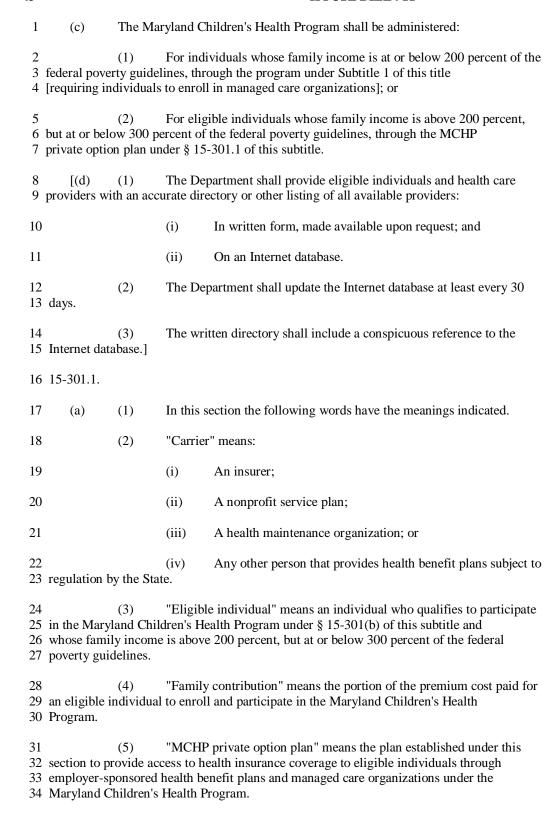
31 one time.

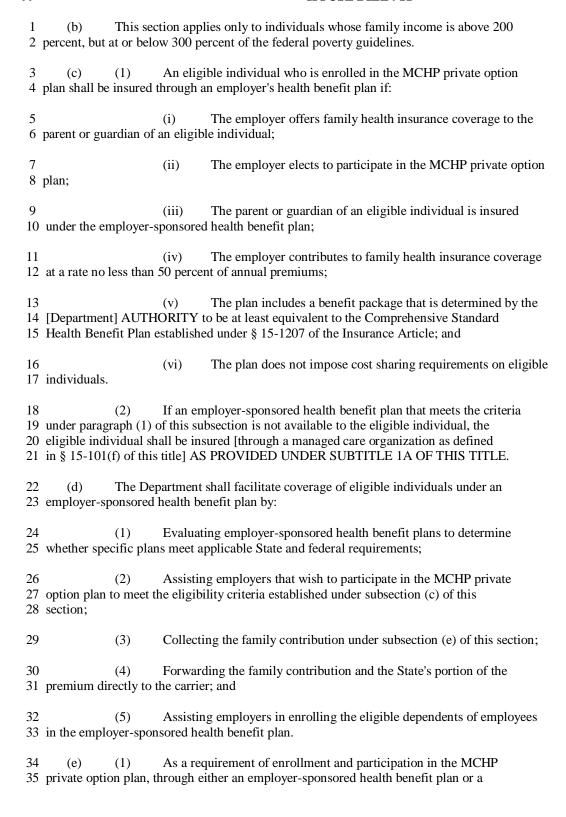
29 individuals.

32 Except as provided in subsection (d) of this section, an individual is eligible (c) 33 for the Program if:

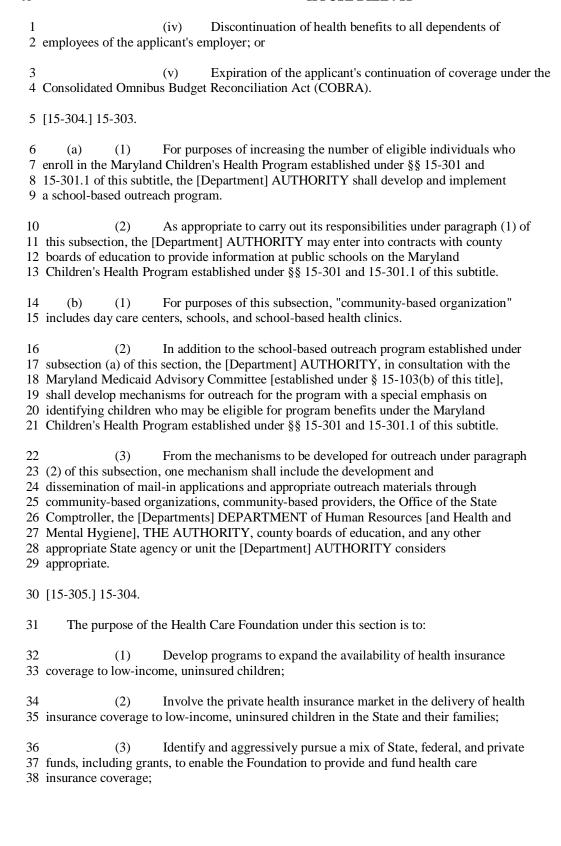
1 2	(1) Cash assets owned by the individual's family, including savings accounts, checking accounts, and stocks and bonds, do not exceed \$10,000;
3	(2) The individual's family income, earned and unearned, does not exceed 300 percent of the federal poverty level;
5 6	(3) (i) The individual is eligible for and has applied for continuation of benefits under one of the following authorities:
7 8	1. The Consolidated Omnibus Budget Reconciliation Act of 1985, P.L. 99-272, and any subsequent modifications to that Act;
9 10	2. The Federal Employees Health Benefits Amendment Act of 1988, P.L. 100-654, and any subsequent modifications to that Act; or
11	3. The Insurance Article; or
12	(ii) The individual is receiving health benefits:
13 14	1. Under a policy issued by an authorized insurer or nonprofit health service plan;
15 16	2. As an enrollee of an authorized health maintenance organization; or
	3. From an employer under a health benefits plan that meets the conditions of the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq., and any subsequent modifications to that Act;
20 21	(4) The individual is not eligible for health insurance through another family member;
22	(5) A physician certifies that the individual is:
23	(i) HIV positive; and
	(ii) Due to this illness, the individual is either too ill to continue working in the individual's current position, or there is a substantial likelihood that within 3 months the individual will be unable to work;
27	(6) The individual is a resident of the State; and
28 29	(7) The [Department] AUTHORITY determines that it is cost effective to enroll the individual in the Program.
30 31	(d) Notwithstanding the provisions of subsection (c)(1) and (2) of this section, an individual is eligible for the Program if:
32 33	(1) Cash assets owned by the individual's family, including savings accounts, checking accounts, stocks, and bonds, that exceed \$10,000 are paid to the

- 1 [Department] AUTHORITY to be used for the payment of health insurance on behalf 2 of the individual;
- 3 (2) The individual's family income, earned and unearned, that exceeds
- 4 300 percent of the federal poverty level is paid to the [Department] AUTHORITY to be
- 5 used for the payment of health insurance on behalf of the individual; and
- 6 (3) The individual meets the eligibility requirements of subsection (c)(3), 7 (4), (5), (6), and (7) of this section.
- 8 15-203.
- 9 (a) The [Department] AUTHORITY shall adopt regulations for the payment of 10 health insurance premiums to insurance carriers or employers under the Program.
- 11 (b) The Program shall comply with the applicable provisions of all federal and 12 State laws that relate to the continuation of health benefits.
- 13 (c) If a recipient is a Medicare beneficiary, the Program may pay premiums
- 14 only for supplemental Medicare coverage unless the [Department] AUTHORITY finds
- 15 that it is more cost-effective for the Program to pay premiums for other health
- 16 insurance coverage available to the recipient.
- 17 15-204.
- 18 The [Department] AUTHORITY shall adopt regulations that authorize the
- 19 denial, restriction, or termination of benefits for recipients who commit acts of abuse
- 20 or fraud against the Program.
- 21 15-205.
- 22 (a) The [Department] AUTHORITY shall, subject to § 2-1246 of the State
- 23 Government Article, provide the Governor and the General Assembly with an annual
- 24 report summarizing the Program expenditures, numbers of recipients, Program
- 25 effectiveness, the estimated savings to the Medical Assistance Program, additional
- 26 costs incurred by private insurance companies, and the loss of federal funding.
- 27 (b) The [Department] AUTHORITY may periodically survey recipients to 28 gather information for the annual report.
- 29 15-301.
- 30 (a) There is a Maryland Children's Health Program ADMINISTERED BY THE 31 AUTHORITY.
- 32 (b) The Maryland Children's Health Program shall provide, subject to the
- 33 limitations of the State budget and any other requirements imposed by the State and
- 34 as permitted by federal law or waiver, comprehensive medical care and other health
- 35 care services to an individual who has a family income at or below 300 percent of the
- 36 federal poverty guidelines and who is under the age of 19 years.





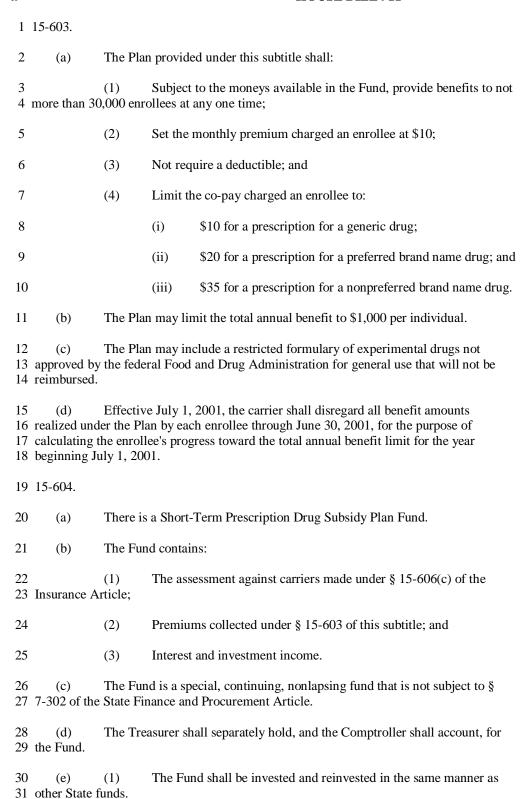
	managed care organization, the parent or guardian of an eligible individual shall agree to pay the following annual family contribution:					
5	percent, but at or below	v 250 per ne annual	For an eligible individual whose family income is above 200 recent of the federal poverty guidelines, an amount lincome of a family of two at 200 percent of the federal			
9	percent, but at or below	v 300 per	For an eligible individual whose family income is above 250 recent of the federal poverty guidelines, an amount lincome of a family of two at 250 percent of the federal			
	this subsection apply of	on a per	ily contribution amounts required under paragraph (1) of family basis regardless of the number of eligible rolled in the MCHP private option plan.			
14 15	(f) The [Dep implement this section		AUTHORITY shall adopt regulations necessary to			
16	15-302.					
19 20	(a) (1) The [Department] AUTHORITY shall monitor applications to determine whether employers and employees have voluntarily terminated coverage under an employer sponsored health benefit plan that included dependent coverage in order to participate in the Maryland Children's Health Program established under §§ 15-301 and 15-301.1 of this subtitle.					
	applications of individ	luals who	partment] AUTHORITY, in particular, shall review o qualified for Program benefits under the Maryland ablished under §§ 15-301 and 15-301.1 of this subtitle.			
27 28	(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 within 6 months preceding the date of the application.					
	(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:					
33 34	termination;	(i)	Loss of employment due to factors other than voluntary			
35 36	dependent coverage;	(ii)	Change to a new employer that does not provide an option for			
37 38	plan is available;	(iii)	Change of address so that no employer sponsored health benefit			



1 (4) Develop methods to minimize the effect of employers or employees 2 terminating employer sponsored health insurance or privately purchased health care 3 insurance; and 4 (5) Coordinate its activities with the other necessary entities in order to 5 address the health care needs of the low-income, uninsured children of the State and 6 their families. 7 15-501. An individual who is eligible for medical assistance at the time of 8 application for admission to a licensed nursing home or would become eligible within 10 6 months following admission shall be provided a comprehensive face-to-face evaluation prior to admission, at no charge to the individual. The [Department] 12 AUTHORITY, under the Maryland Medical Assistance Program, shall pay for the 13 evaluation. The evaluation shall include an assessment of an individual's health, 14 social and functional status and recommendations for available services which could 15 appropriately substitute for nursing home care. The evaluation is advisory only and 16 may not serve as the basis for any action, including denial or commencement of 17 benefits, that restricts the freedom of any individual to select from among any of the 18 available services, including nursing home care, for which the individual is found to 19 be medically eligible. Prior to beginning the evaluation process and annually 20 thereafter, the [Department] AUTHORITY shall prepare and publish an inventory of 21 available services for use in the evaluation and shall provide this information for 22 assistance to the individual upon completion of the evaluation. 23 The [Department] AUTHORITY shall adopt rules and regulations to carry 24 out the provisions of this section. 25 (c) This section may not be construed to require a hospital or physician to 26 detain a patient for an evaluation beyond the appropriate date of discharge. 27 15-601. 28 In this subtitle the following words have the meanings indicated. (a) "Carrier" means: 29 (b) An authorized insurer; 30 (1) 31 (2) A nonprofit health service plan; or 32 (3)A health maintenance organization. 33 (c) "Eligible individual" means an individual who: Is a resident of Maryland; 34 (1) Is a Medicare beneficiary; 35 (2)

1 (3)Is not enrolled in a Medicare Plus Choice managed care program or 2 other insurance program that provides prescription drug benefits at the time that the 3 individual applies for enrollment in the Plan; 4 Has an annual household income at or below 300 percent of the 5 federal poverty guidelines; and (5) Pays the premium and copayments for the Plan. 6 7 (d) "Enrollee" means an individual enrolled in the Plan. 8 "Fund" means the Short-Term Prescription Drug Subsidy Plan Fund (e) created under § 15-604 of this subtitle. 10 (f) "Plan" means the Short-Term Prescription Drug Subsidy Plan established 11 under this subtitle. 12 15-602. 13 A carrier that is required to provide the Short-Term Prescription Drug (a) 14 Subsidy Plan under § 15-606(c) of the Insurance Article shall: Sign a contract with the Secretary agreeing to provide prescription 15 (1) 16 drug benefits to eligible individuals for a period of at least 2 years; 17 Except as otherwise required under State or federal law, agree not to 18 alter the level or types of benefits provided under the Plan throughout the 2-year period of the contract; 20 (3) Agree to hold enrollee premiums at the same level throughout the 21 2-year contract period; and 22 Submit a detailed quarterly financial accounting of the Plan, 23 including the identification of all revenue and cost items, to the [Secretary] AUTHORITY and the Maryland Insurance Administration. The carrier is not required, in providing the Plan, to offer any other benefit 25 (b) 26 otherwise required under Title 19, Subtitle 7 of this article or Title 15, Subtitle 8 of the Insurance Article. The carrier shall develop and implement a marketing plan targeted 28 (c) 29 at eligible individuals throughout the State. The carrier's marketing plan shall be filed with and approved by the 30 (2) 31 Insurance Commissioner. The carrier shall coordinate the marketing plan with the outreach

33 program of the [Department] AUTHORITY under § 15-606 of this subtitle.

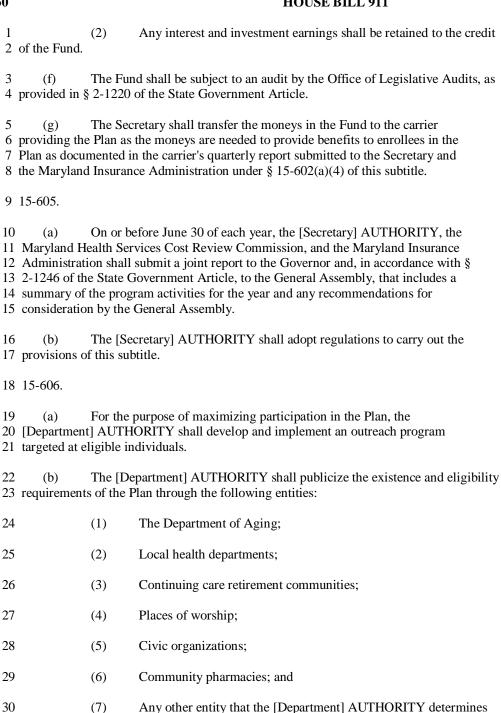


31 appropriate.

(c)

32

33 shall:



The Department of Aging, through its senior health insurance program,

1 (1) Assist eligible individuals in applying for coverage under the Plan; 2 and 3 Provide notice of the Plan and its eligibility requirements to 4 potentially eligible individuals who seek health insurance counseling services 5 through the Department of Aging. 6 The [Department] AUTHORITY shall ensure that the entities used to (d) publicize the existence of the Plan under subsection (b) of this section have sufficient 8 Plan applications and enrollment materials for distribution. 9 As part of its outreach program, the [Department] AUTHORITY shall (e) 10 develop a mail-in application. 11 (f) The outreach program for the Plan shall be funded through the Fund. 12 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland 13 read as follows: 14 Article - Health - General 15 15-1A-05. AS PERMITTED BY FEDERAL LAW OR WAIVER, THE AUTHORITY SHALL 16 17 ADMINISTER THE MARYLAND PHARMACY DISCOUNT PROGRAM, ESTABLISHED 18 UNDER § 15-1A-31.1 OF THIS SUBTITLE, AS PART OF THE MARYLAND MEDICAL 19 ASSISTANCE PROGRAM. 20 SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland 21 read as follows: 22 Article - Health - General 23 15-1A-05. (C) AS PERMITTED BY FEDERAL LAW, THE AUTHORITY SHALL ADMINISTER 24 25 THE MARYLAND PHARMACY DISCOUNT PROGRAM, ESTABLISHED UNDER § 15-1A-31.1 26 OF THIS SUBTITLE, AS PART OF THE MARYLAND MEDICAL ASSISTANCE PROGRAM. SECTION 5. AND BE IT FURTHER ENACTED, That Section(s) 15-124.1 of 27 28 Article - Health - General of the Annotated Code of Maryland (as enacted by 29 Chapters 134 and 135 of the Acts of the General Assembly of 2001) be renumbered to 30 be Section(s) 15-1A-31.1. 31 SECTION 6. AND BE IT FURTHER ENACTED, That: 32 On or before October 1, 2002, the Department of Health and Mental 33 Hygiene shall submit to the federal Centers for Medicare and Medicaid Services an

34 application for a waiver to transfer oversight of the medical assistance programs

- 1 under Section 2 of this Act from the Department of Health and Mental Hygiene to the 2 Maryland Medical Assistance Authority.
- 3 (b) The Department shall include in its application under subsection (a) of this
- 4 Section provisions for the establishment of the Maryland Medical Assistance Program
- 5 to be administered by the Maryland Medical Assistance Authority, that, at a
- 6 minimum:
- 7 (1) ensure continuity of coverage for program recipients upon transition 8 of oversight of the Maryland Medical Assistance Program;
- 9 (2) ensure a maintenance of benefits for children that are enrolled in the 10 Medical Assistance Program or the Children's Health Program; and
- 11 (3) provide for the provision of benefits under the Medical Assistance
- 12 Program and the Children's Health Program on a fee-for-service basis.
- 13 (c) The Secretary of Health and Mental Hygiene shall monitor the status of
- 14 the waiver application and shall promptly notify the Department of Legislative
- 15 Services when the waiver application has been approved or denied.
- SECTION 7. AND BE IT FURTHER ENACTED, That all the functions, powers,
- 17 duties, equipment, assets, liabilities, and employees of the medical assistance
- 18 programs of the Department of Health and Mental Hygiene shall be transferred to the
- 19 Maryland Medical Assistance Authority.
- 20 SECTION 8. AND BE IT FURTHER ENACTED, That the Maryland Medical
- 21 Assistance Authority shall report to the Senate Finance Committee and the House
- 22 Environmental Matters Committee on the Authority's effectiveness in providing
- 23 comprehensive health care to those citizens eligible to receive medical assistance. The
- 24 Authority shall submit the report to the committees no later than 1 year after this Act
- 25 takes effect. The report shall include information about the effect of the transfer of
- 26 authority over medical assistance programs from the Department of Health and
- 27 Mental Hygiene to the Maryland Medical Assistance Authority on the continuity of
- 28 care for recipients of medical assistance, a comprehensive financial assessment of the
- 29 Authority, the efforts of the Authority in seeking options for employer buy-ins into the
- 30 Program, and the availability and effectiveness of the Authority in establishing
- 31 preventative programs.
- 32 SECTION 9. AND BE IT FURTHER ENACTED, That the publisher of the
- 33 Annotated Code of Maryland, in consultation with and subject to the approval of the
- 34 Department of Legislative Services, shall correct, with no further action required by
- 35 the General Assembly, cross-references and terminology rendered incorrect by this
- 36 Act or by any other Act of the General Assembly of 2002 that affects provisions
- 37 enacted by this Act. The publisher shall adequately describe any such correction in an
- 38 editor's note following the section affected.
- 39 SECTION 10. AND BE IT FURTHER ENACTED, That the terms of the initial
- 40 members of the Maryland Medical Assistance Authority shall expire as follows:

- 1 (1) three members in 2004;
- 2 (2) two members in 2005; and
- 3 (3) two members in 2006.
- 4 SECTION 11. AND BE IT FURTHER ENACTED, That Section 3 of this Act
- 5 shall take effect on the taking effect of Section 13 of Chapters 134 and 135 of the Acts
- 6 of the General Assembly of 2001 and, if Section 3 of this Act takes effect, Section 4 of
- 7 this Act shall be null and void without the necessity of further action by the General
- 8 Assembly.
- 9 SECTION 12. AND BE IT FURTHER ENACTED, That Section 4 of this Act
- 10 shall take effect on the taking effect of Section 14 of Chapters 134 and 135 of the Acts
- 11 of the General Assembly of 2001 and, if Section 4 of this Act takes effect, Section 3 of
- 12 this Act shall be null and void without the necessity of further action by the General
- 13 Assembly.
- 14 SECTION 13. AND BE IT FURTHER ENACTED, That Section 6 of this Act
- 15 shall take effect July 1, 2002.
- 16 SECTION 14. AND BE IT FURTHER ENACTED, That, subject to the
- 17 provisions of Sections 11, 12, and 13 of this Act, this Act shall take effect on the date
- 18 that the federal Centers for Medicare and Medicaid Services approves a waiver
- 19 applied for in accordance with Section 6 of this Act. If the waiver is denied, this Act
- 20 shall be null and void without the necessity of further action by the General Assembly.