

SENATE BILL 71

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SB 743/01 - FIN

2002 Regular Session
2lr0493

(PRE-FILED)

By: **Senators Van Hollen, Dorman, Frosh, Hollinger, Middleton, and Teitelbaum**

Requested: September 18, 2001

Introduced and read first time: January 9, 2002

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance Expansion Initiative of 2002**

3 FOR the purpose of expanding eligibility under the Maryland Medical Assistance
4 Program to certain low-income working parents under certain conditions;
5 requiring the Secretary of Health and Mental Hygiene to create a Low-Income
6 Employee Private Insurance Assistance Program for certain employees;
7 requiring an employer under the Low-Income Employee Private Insurance
8 Assistance Program to make a certain contribution to the premiums or costs of
9 employer-based insurance coverage; requiring the Secretary to adopt certain
10 regulations; requiring the Maryland Health Care Commission to conduct a
11 certain periodic study; requiring the Commission to periodically compile an
12 inventory of certain programs and initiatives; requiring the Commission to
13 periodically examine certain costs and benefits associated with certain
14 initiatives; requiring the Commission in collaboration with certain entities to
15 submit a certain report; requiring the Department of Health and Mental
16 Hygiene to seek certain federal approvals to provide for maximum federal
17 funding of the provisions of this Act; and generally relating to expanding health
18 insurance coverage to the uninsured.

19 BY repealing and reenacting, with amendments,
20 Article - Health - General
21 Section 15-103(a) and 19-115
22 Annotated Code of Maryland
23 (2000 Replacement Volume and 2001 Supplement)

24 BY adding to
25 Article - Health - General
26 Section 15-134
27 Annotated Code of Maryland
28 (2000 Replacement Volume and 2001 Supplement)

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

3 **Article - Health - General**

4 15-103.

5 (a) (1) The Secretary shall administer the Maryland Medical Assistance
6 Program.

7 (2) The Program:

8 (i) Subject to the limitations of the State budget, shall provide
9 comprehensive medical and other health care services for indigent individuals or
10 medically indigent individuals or both;

11 (ii) Shall provide, subject to the limitations of the State budget,
12 comprehensive medical and other health care services for all eligible pregnant women
13 whose family income is at or below 250 percent of the poverty level, as permitted by
14 the federal law;

15 (iii) Shall provide, subject to the limitations of the State budget,
16 comprehensive medical and other health care services for all eligible children
17 currently under the age of 1 whose family income falls below 185 percent of the
18 poverty level, as permitted by federal law;

19 (iv) Shall provide, subject to the limitations of the State budget,
20 family planning services to women currently eligible for comprehensive medical care
21 and other health care under item (ii) of this paragraph for 5 years after the second
22 month following the month in which the woman delivers her child;

23 (v) Shall provide, subject to the limitations of the State budget,
24 comprehensive medical and other health care services for all children from the age of
25 1 year up through and including the age of 5 years whose family income falls below
26 133 percent of the poverty level, as permitted by the federal law;

27 (vi) Shall provide, subject to the limitations of the State budget,
28 comprehensive medical care and other health care services for all children born after
29 September 30, 1983 who are at least 6 years of age but are under 19 years of age
30 whose family income falls below 100 percent of the poverty level, as permitted by
31 federal law;

32 (vii) Shall provide, subject to the limitations of the State budget,
33 comprehensive medical care and other health care services for all legal immigrants
34 who meet Program eligibility standards and who arrived in the United States before
35 August 22, 1996, the effective date of the federal Personal Responsibility and Work
36 Opportunity Reconciliation Act, as permitted by federal law;

37 (viii) Shall provide, subject to the limitations of the State budget
38 and any other requirements imposed by the State, comprehensive medical care and

1 other health care services for all legal immigrant children under the age of 18 years
2 and pregnant women who meet Program eligibility standards and who arrived in the
3 United States on or after August 22, 1996, the effective date of the federal Personal
4 Responsibility and Work Opportunity Reconciliation Act;

5 (ix) SHALL PROVIDE, SUBJECT TO THE LIMITATIONS OF THE STATE
6 BUDGET AND AS PERMITTED BY FEDERAL LAW OR WAIVER, COMPREHENSIVE
7 MEDICAL CARE AND OTHER HEALTH CARE SERVICES FOR LOW-INCOME PARENTS:

8 1. WHO HAVE A DEPENDENT CHILD LIVING WITH THEM;

9 2. WHO DO NOT HAVE HEALTH INSURANCE COVERAGE; AND

10 3. A. BEGINNING JANUARY 1, 2004, WHOSE ANNUAL
11 FAMILY INCOME IS AT OR BELOW 100 PERCENT OF THE FEDERAL POVERTY LEVEL;

12 B. BEGINNING JULY 1, 2004, WHOSE ANNUAL FAMILY
13 INCOME IS AT OR BELOW 125 PERCENT OF THE FEDERAL POVERTY LEVEL; AND

14 C. BEGINNING JULY 1, 2005, WHOSE ANNUAL FAMILY
15 INCOME LEVEL IS AT OR BELOW 150 PERCENT OF THE FEDERAL POVERTY LEVEL;

16 (X) May include bedside nursing care for eligible Program
17 recipients; and

18 [(x)] (XI) Shall provide services in accordance with funding
19 restrictions included in the annual State budget bill.

20 (3) Subject to restrictions in federal law or waivers, the Department may
21 impose cost-sharing on Program recipients.

22 15-134.

23 (A) IN THIS SECTION, "PROGRAM" MEANS THE LOW-INCOME EMPLOYEE
24 PRIVATE INSURANCE ASSISTANCE PROGRAM.

25 (B) (1) THERE IS A LOW-INCOME EMPLOYEE PRIVATE INSURANCE
26 ASSISTANCE PROGRAM.

27 (2) THE SECRETARY SHALL ADMINISTER THE PROGRAM AS ALLOWED BY
28 FEDERAL LAW OR WAIVER.

29 (C) BEGINNING JULY 1, 2005, AND SUBJECT TO THE LIMITATIONS OF THE
30 STATE BUDGET AND FEDERAL LAW OR WAIVER, THE PROGRAM SHALL:

31 (1) ASSIST EMPLOYEES WHOSE ANNUAL FAMILY INCOME IS ABOVE 150
32 PERCENT OF THE FEDERAL POVERTY LEVEL AND AT OR BELOW 200 PERCENT OF THE
33 FEDERAL POVERTY LEVEL WITH REDUCING OR ELIMINATING THE EMPLOYEE'S
34 REQUIRED CONTRIBUTION TO THEIR EMPLOYER-BASED HEALTH INSURANCE
35 COVERAGE;

1 (2) ASSIST EMPLOYERS IN PROVIDING OR MAINTAINING
2 EMPLOYER-BASED HEALTH INSURANCE COVERAGE FOR THE EMPLOYER'S
3 EMPLOYEES WHOSE ANNUAL HOUSEHOLD INCOME IS ABOVE 150 PERCENT OF THE
4 FEDERAL POVERTY LEVEL AND AT OR BELOW 200 PERCENT OF THE FEDERAL
5 POVERTY LEVEL; AND

6 (3) REQUIRE THAT PARTICIPATING EMPLOYERS PAY AT LEAST 50
7 PERCENT OF THE PREMIUM OR COST OF THE EMPLOYER-BASED HEALTH
8 INSURANCE COVERAGE.

9 (D) THE SECRETARY SHALL ADOPT REGULATIONS TO IMPLEMENT THE
10 PROGRAM, INCLUDING REGULATIONS THAT ESTABLISH:

11 (1) THE LEVEL OF ASSISTANCE PROVIDED UNDER THE PROGRAM FOR
12 EMPLOYEES AND EMPLOYERS; AND

13 (2) A METHODOLOGY TO CONDITION THE AMOUNT OF ASSISTANCE
14 PROVIDED TO EMPLOYERS UNDER SUBSECTION (C)(2) OF THIS SECTION ON THE
15 AMOUNT OF ASSISTANCE PROVIDED BY THE EMPLOYER TO THE EMPLOYER'S
16 EMPLOYEES UNDER SUBSECTION (C)(1) OF THIS SECTION.

17 19-115.

18 (a) In addition to the duties set forth elsewhere in this subtitle, in this Part II
19 of this subtitle, the Commission shall:

20 (1) Act as the State agency to represent the State under Title VI of the
21 federal Public Health Service Act; [and]

22 (2) Periodically participate in or perform analyses and studies that
23 relate to:

24 (i) Adequacy of services and financial resources to meet the needs
25 of the population;

26 (ii) Distribution of health care resources;

27 (iii) Allocation of health care resources;

28 (iv) Costs of health care in relationship to available financial
29 resources; or

30 (v) Any other appropriate matter;

31 (3) CONDUCT A STUDY, EVERY 2 YEARS, OF THE CHARACTERISTICS AND
32 DEMOGRAPHICS OF THE POPULATION OF UNINSURED INDIVIDUALS IN THE STATE;

33 (4) COMPILE AN INVENTORY, EVERY 2 YEARS, OF THE PUBLIC AND
34 PRIVATE PROGRAMS AND INITIATIVES DESIGNED TO ENHANCE ACCESS FOR THE
35 STATE'S UNINSURED POPULATION TO:

1 (I) MEDICALLY NECESSARY HEALTH CARE SERVICES; OR

2 (II) HEALTH INSURANCE COVERAGE;

3 (5) EXAMINE, EVERY 2 YEARS, THE ADMINISTRATIVE COSTS AND
4 BENEFITS ASSOCIATED WITH THE PUBLIC AND PRIVATE INITIATIVES IDENTIFIED IN
5 THE INVENTORY COMPILED UNDER ITEM (4) OF THIS SUBSECTION; AND

6 (6) REPORT THE INFORMATION REQUIRED UNDER THIS SUBSECTION TO
7 THE GENERAL ASSEMBLY, BEGINNING ON OR BEFORE OCTOBER 1, 2002 AND EVERY 2
8 YEARS THEREAFTER, SUBJECT TO THE PROVISIONS OF § 2-1246 OF THE STATE
9 GOVERNMENT ARTICLE.

10 (b) In addition to the duties set forth elsewhere in this Part II of this subtitle,
11 the Governor shall direct, as necessary, a State officer or agency to cooperate in
12 carrying out the functions of the Commission.

13 (c) This State recognizes the federal act and any amendment to the federal act
14 that does not require State legislation to be effective. However, if the federal act is
15 repealed or expires, this Part II of this subtitle remains in effect.

16 SECTION 2. AND BE IT FURTHER ENACTED, That in conducting the studies
17 required under § 19-115(a)(3) through (6) of the Health - General Article, the
18 Maryland Health Care Commission shall collaborate with other appropriate State
19 agencies and the Maryland Health Care Foundation.

20 SECTION 3. AND BE IT FURTHER ENACTED, That, by no later than October
21 1, 2002, the Department of Health and Mental Hygiene shall seek approval from the
22 federal Centers for Medicare and Medicaid Services of a waiver under § 1115 of the
23 Social Security Act to allow the State to use Title XXI (S-CHIP) funds to implement
24 the changes made to the provisions of § 15-103(a) of the Health - General Article and
25 the creation of the Low-Income Employee Private Insurance Assistance Program
26 established under § 15-134 of the Health - General Article by this Act.

27 SECTION 4. AND BE IT FURTHER ENACTED, That if the Department of
28 Health and Mental Hygiene is not granted approval under Section 3 of this Act, the
29 Department shall seek any other federal approval necessary to assure the maximum
30 federal financial participation, including funding for a demonstration proposal, to
31 implement the changes made to the provisions of § 15-103(a) of the Health - General
32 Article and the creation of the Low-Income Employee Private Insurance Assistance
33 Program under § 15-134 of the Health - General Article by this Act.

34 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
35 June 1, 2002.