BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 326

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike line 2 in its entirety and substitute "<u>Study of Health Care Cost Reductions</u> for <u>State and County Inmate Populations</u>"; and strike lines 3 through 13 in their entirety and substitute:

"FOR the purpose of requiring the Department of Health and Mental Hygiene and the Department of Public Safety and Correctional Services to study whether savings can be achieved from health care cost reductions for State and county inmate populations; requiring the departments to study how the federal government reimburses health care providers for certain health care costs provided to federal inmate populations; requiring the departments to study certain health care cost reduction options for State and county inmate populations; requiring the departments to make recommendations regarding options to lower the costs of health care for State and county inmate populations; requiring the departments to study the impact certain recommendations will have on providers who offer certain health care services to State and county inmate populations; requiring a report by a certain date; providing for the termination of this Act; and generally relating to a study of health care cost reductions for State and county inmate populations."

On pages 1 and 2, strike in their entirety the lines beginning with line 14 on page 1 through line 4 on page 2, inclusive.

On page 2, in line 6, strike "the Laws of Maryland read as follows".

On pages 2 through 7, strike in their entirety the lines beginning with line 7 on page 2 through line 29 on page 7, inclusive and substitute:

"(a) The Department of Health and Mental Hygiene and the Department of Public

Safety and Correctional Services shall study whether savings can be achieved from health care reductions for State and county inmate populations.

(b) The departments shall:

- (1) review the federal law that impacts how the federal government reimburses health care providers for out of facility health care services provided to federal inmate populations;
- (2) study options for reducing health care costs of State and county inmate populations that include:
- (i) mandating a fee schedule for payment of health care services by the State and county governments consistent with the State Medicaid fee schedule or the federal Medicare fee schedule;
- (ii) creating a network of health care providers in the State to serve as a preferred provider network and lower health care costs;
 - (iii) enhancing the utilization review process for health care services;
 - (iv) improving screening of long-term inmates;
- (v) creating a quasi-public managed care organization to provide health care services for the inmate population; and
- (vi) using an information management system to capture health care service information and to accurately identify trends regarding the treatment of inmates;
- (3) make recommendations regarding options to lower the costs of health care for State and county inmate populations; and
- (4) study how the recommendations made in item (3) of this subsection will impact providers who offer out of facility health care services to State and county inmate populations.

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(c) The departments shall report the findings and recommendations to the Governor, and, subject to § 2-1246 of the State Government Article, the General Assembly, on or before December 1, 2003.".

FIN

On page 7, in line 31, strike "July 1, 2003" and substitute "June 1, 2003. It shall remain effective for a period of 7 months and, at the end of December 31, 2003, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect".