
By: **Delegate Donoghue**
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Assigned to: Health and Government Operations

Committee Report: Favorable
House action: Adopted
Read second time: February 19, 2003

CHAPTER _____

1 AN ACT concerning

2 **Community Access Program Grants - Coordination of Health Care Provider**
3 **Reimbursements - Pilot Programs**

4 FOR the purpose of authorizing recipients of federal Community Access Program
5 grants to establish a certain pilot program to coordinate health care provider
6 reimbursements; providing for the enrollment requirements of the pilot
7 program; authorizing the pilot program to coordinate certain payments and
8 enter into certain agreements; providing for certain notice requirements;
9 providing that participation in a pilot program is limited to certain employers;
10 providing that certain employers will be permanently dropped from the pilot
11 program under certain circumstances; providing that a pilot program is not
12 subject to certain regulation by the Maryland Insurance Commissioner;
13 requiring a pilot program to make a certain annual report to certain committees
14 of the General Assembly; providing for the termination of this Act; and generally
15 relating to a pilot program for Community Access Program Grant recipients.

16 BY adding to
17 Article - Insurance
18 Section 15-1601 to be under the new subtitle "Subtitle 16. Coordination of
19 Health Care Provider Reimbursements"
20 Annotated Code of Maryland
21 (2002 Replacement Volume and 2002 Supplement)

22 Preamble

23 WHEREAS, The United State Department of Health and Human Services has
24 established a federal grant program to encourage innovative integrated health care

1 delivery systems to serve uninsured and underinsured persons with greater efficiency
2 and improved quality of care and to further maximize reimbursements to health care
3 providers that provide these services; and

4 WHEREAS, The Community Access Program grants, as authorized in the
5 Federal Register, allow for the establishment of local programs to reorganize and
6 reintegrate local health care delivery systems; now, therefore,

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

9 **Article - Insurance**

10 SUBTITLE 16. COORDINATION OF HEALTH CARE PROVIDER REIMBURSEMENTS.

11 15-1601.

12 (A) (1) A PROGRAM OPERATING IN THIS STATE INITIATED UNDER A
13 COMMUNITY ACCESS PROGRAM GRANT FROM THE UNITED STATES DEPARTMENT OF
14 HEALTH AND HUMAN SERVICES MAY ESTABLISH A PILOT PROGRAM TO COORDINATE
15 HEALTH CARE PROVIDER REIMBURSEMENTS IN ORDER TO TEST INNOVATIONS IN
16 PAYMENT FOR HEALTH CARE SERVICES TO BE PERMANENTLY IMPLEMENTED IF
17 SUCCESSFUL.

18 (2) THE PILOT PROGRAM ESTABLISHED UNDER PARAGRAPH (1) OF THIS
19 SUBSECTION SHALL MEET THE FEDERAL GRANT REQUIREMENTS AND THE
20 REQUIREMENTS OF THIS SECTION.

21 (B) (1) A PILOT PROGRAM CREATED UNDER THIS SECTION MAY:

22 (I) ENROLL PARTICIPANTS WHO DO NOT HAVE INSURANCE AND
23 WHOSE INCOME IS AT OR BELOW 300% OF THE FEDERAL POVERTY LEVEL;

24 (II) COORDINATE PAYMENTS FROM ENROLLEES AND EMPLOYERS
25 OF ENROLLEES TO BE USED TO OBTAIN AVAILABLE FUNDING TO ASSIST IN
26 PROVIDING REIMBURSEMENTS TO HEALTH CARE PROVIDERS OF ENROLLEES; AND

27 (III) ENTER INTO AGREEMENTS WITH HEALTH CARE PROVIDERS TO
28 COORDINATE AND OTHERWISE PROVIDE SERVICES TO ENROLLEES.

29 (2) AGREEMENTS THAT ARE ENTERED INTO UNDER PARAGRAPH (1)(III)
30 OF THIS SUBSECTION ARE CONTINGENT ON THE HEALTH CARE PROVIDER AGREEING
31 TO THE PROVISION OF PAYMENT BY THE PILOT PROGRAM BASED ON AVAILABLE
32 FUNDING TO THE PILOT PROGRAM FOR THE HEALTH CARE SERVICES BEING
33 PROVIDED.

34 (C) (1) IF A HEALTH CARE PROVIDER PARTICIPATING IN THE PILOT
35 PROGRAM NO LONGER ACCEPTS THE REIMBURSEMENT FROM AN ENROLLEE OF THE
36 PILOT PROGRAM, THE HEALTH CARE PROVIDER SHALL GIVE A MINIMUM OF 30 DAYS'

1 NOTICE OF DISCONTINUANCE OF PROVIDING SERVICES AND FURTHER ACCEPTANCE
2 OF PAYMENTS.

3 (2) A PILOT PROGRAM SHALL GIVE ENROLLEES AND EMPLOYERS OF
4 ENROLLEES A MINIMUM OF 30 DAYS' NOTICE OF DISCONTINUANCE OR REDUCTION
5 OF ENROLLEE BENEFITS.

6 (D) (1) ENROLLMENT IN A PILOT PROGRAM SHALL BE LIMITED TO
7 INDIVIDUALS NOT COVERED BY OTHER REIMBURSEMENT PROGRAMS SUCH AS THE
8 MARYLAND CHILDREN'S HEALTH PROGRAM OR THE FEDERAL MEDICAID PROGRAM.

9 (2) (I) PARTICIPATION IN A PILOT PROGRAM IS LIMITED TO
10 EMPLOYERS WHO HAVE NOT OFFERED COMMERCIAL HEALTH INSURANCE FOR THE
11 PREVIOUS 12 MONTHS.

12 (II) ANY EMPLOYER FOUND FALSIFYING INFORMATION AND
13 DUMPING EXISTING HEALTH INSURANCE COVERAGE WILL BE DROPPED FROM THE
14 PILOT PROGRAM PERMANENTLY.

15 (E) A PILOT PROGRAM CREATED UNDER THIS SECTION:

16 (1) IS NOT PROVIDING INSURANCE AS DEFINED IN § 1-101 OF THE
17 INSURANCE ARTICLE OF THE ANNOTATED CODE OF MARYLAND;

18 (2) IS NOT SUBJECT TO REGULATION BY THE MARYLAND INSURANCE
19 COMMISSIONER; AND

20 (3) SHALL NOT BE CONSIDERED AN UNAUTHORIZED INSURER AS
21 DEFINED IN § 1-101 OF THE INSURANCE ARTICLE OF THE ANNOTATED CODE OF
22 MARYLAND.

23 (F) (1) A PILOT PROGRAM CREATED UNDER THIS SECTION SHALL REPORT
24 TO THE SENATE FINANCE COMMITTEE AND HOUSE HEALTH AND GOVERNMENT
25 OPERATIONS COMMITTEE, IN ACCORDANCE WITH § 2-1246 OF THE STATE
26 GOVERNMENT ARTICLE, ON OR BEFORE JUNE 1 OF EACH YEAR.

27 (2) THE REPORT SHALL INCLUDE:

28 (I) AN ANALYSIS OF THE FINANCIAL STATUS OF THE PILOT
29 PROGRAM;

30 (II) DATA ON THE NUMBERS OF HEALTH CARE PROVIDER
31 REIMBURSEMENTS;

32 (III) A DESCRIPTION OF ENROLLEE SERVICES UTILIZED; AND

33 (IV) OTHER INFORMATION AS REQUESTED BY THE COMMITTEES.

34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
35 July 1, 2003. It shall remain effective for a period of 2 years and, at the end of June

1 30, 2005, with no further action required by the General Assembly, this Act shall be
2 abrogated and of no further force and effect.