

BY: Health and Government Operations Committee

AMENDMENTS TO HOUSE BILL NO. 1271

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and V. Turner” and substitute “V. Turner, and Mandel”; and strike line 2 in its entirety and substitute:

“Community Health Care Access and Safety Net Act of 2004”.

On page 1, strike beginning with “requiring” in line 16 down through “resources;” in line 21 and substitute “requiring the Commission to coordinate with certain groups to provide certain outreach to certain individuals;”; and in line 24, strike beginning with “the” in line 24 down through “Administration;” in line 25 and substitute “certain groups;”.

On page 2, in line 30, after “regulations;” insert “requiring the Governor to include a certain amount in the capital budget for the Federally Qualified Health Centers Grant Program;”; strike beginning with “prohibiting” in line 30 down through “providers;” in line 31; in line 31, strike “pay” and substitute “reimburse”; in the same line, after “providers” insert “for certain services to the extent required under federal law;”; in line 32, strike “at a certain rate;”; strike beginning with “requiring” in line 36 down through “Fund;” in line 45 and substitute “providing that certain revenues from the Cigarette Restitution Fund shall be used to fund the Community Health Resources Fund;”; and in line 46, after “liability;” insert “providing for the termination of a certain provision of this Act;”.

On pages 2 and 3, strike beginning with “requiring” in line 46 on page 2 down through “Program;” in line 8 on page 3.

On page 3, in line 8, after “certain” insert “studies and”; and in line 9, after “dates;” insert “requiring the Department of Health and Mental Hygiene to provide health care services in a certain manner and to apply for a waiver from the Centers for Medicare and Medicaid services contingent”.

(Over)

upon the receipt of a certain waiver; establishing a Joint Legislative Task Force on Universal Access to Quality and Affordable Health Care; providing for the membership and staffing of the Task Force; requiring the Task Force to conduct a certain study, make certain recommendations, conduct certain public hearings, and make a certain report to the General Assembly on or before a certain date;"; in line 24, strike "19-2115" and substitute "19-2114"; and in line 33, strike "15-103(a), 19-303," and substitute "19-303".

On page 4, strike in their entirety lines 10 through 14, inclusive, and substitute:

"BY repealing and reenacting, with amendments,

Article - State Finance and Procurement

Section 7-317

Annotated Code of Maryland

(2001 Replacement Volume and 2003 Supplement)".

On page 7, in line 14, strike "SECTION" and substitute "SUBTITLE"; in line 20, strike "§ 19-2102(C)(2)" and substitute "§ 19-2109(A)(2)"; and in line 33, strike "AND" and substitute:

"(X) A WELLMOBILE; AND".

On page 8, in line 1, strike "(X)" and substitute "(XI)".

AMENDMENT NO. 2

On page 11, in line 17, after "(2)" insert "(I)"; after line 21, insert "AND

(II) REQUIRE COMMUNITY HEALTH RESOURCES TO SUBMIT A PLAN TO THE COMMISSION ON HOW THE COMMUNITY HEALTH RESOURCE WILL PROVIDE OR ARRANGE TO PROVIDE MENTAL HEALTH SERVICES;";

and in line 29, after "(6)" insert "TAKING INTO CONSIDERATION REGIONAL DISPARITIES IN INCOME AND THE COST OF MEDICAL SERVICES,".

AMENDMENT NO. 3

On page 12, in line 14, strike "DEVELOP" and substitute "EXPAND"; in line 18, strike

“AND”; and in line 29, after “VOLUNTEERISM” insert “; AND

(13) WORK IN COOPERATION WITH THE GRADUATE MEDICAL AND NURSING EDUCATION PROGRAMS IN THE STATE TO ESTABLISH SPECIALTY CARE PROGRAMS, STAFFED PRIMARILY BY MEDICAL RESIDENTS AND FELLOWS AND NURSE PRACTITIONER GRADUATE STUDENTS, FOR INDIVIDUALS REFERRED FROM COMMUNITY HEALTH RESOURCES, PARTICULARLY IN RURAL AREAS”.

AMENDMENT NO. 4

On page 13, strike in their entirety lines 7 through 13, inclusive, and substitute:

“(D) THE COMMISSION SHALL COORDINATE WITH THE MOTOR VEHICLE ADMINISTRATION, WORKFORCE INVESTMENT BOARDS, LOCAL DEPARTMENTS OF SOCIAL SERVICES, LOCAL HEALTH DEPARTMENTS, MEDBANK INC., THE COMPTROLLER, THE MARYLAND HEALTH CARE COMMISSION, AND HOSPITALS TO PROVIDE OUTREACH AND CONSUMER INFORMATION, INCLUDING THE NUMBER FOR THE TOLL-FREE HOTLINE ESTABLISHED UNDER SUBSECTION (G) OF THIS SECTION, TO INDIVIDUALS REGARDING THE HEALTH CARE SERVICES PROVIDED THROUGH COMMUNITY HEALTH RESOURCES.”;

strike in their entirety lines 15 and 16, inclusive; and in line 30, after “CALLER’S” insert “POTENTIAL”.

AMENDMENT NO. 5

On page 14, in line 1, strike “ASSIGN” and substitute “REFER”; in the same line, strike “THE” and substitute “A”; in line 2, strike “THE CLOSEST DISTANCE” and substitute “CLOSE”; in line 3, strike “AUTO-ASSIGN” and substitute “REFER”; in line 9, after “SHALL” insert “;”

(1)”;

and in line 10, after “RESOURCES” insert “; AND

(2) ESTABLISH A PROCESS TO ASSIST INDIVIDUALS WHO HAVE BEEN RECEIVING HEALTH CARE SERVICES FROM A HEALTH CARE PROVIDER TO

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CONTINUE TO RECEIVE SERVICES FROM THAT PROVIDER”;

strike beginning with the second “THE” in line 11 down through “ADMINISTRATION” in line 12 and substitute “LOCAL HEALTH DEPARTMENTS”; in line 12, strike the comma; in line 36, strike “AND”; and after line 36, insert:

“(5) DEVELOP A PROGRAM FOR CAPITAL BOND FINANCING OF COMMUNITY HEALTH RESOURCES THAT ARE NOT ELIGIBLE FOR THE PROGRAM AUTHORIZED UNDER TITLE 24, SUBTITLE 11 OF THIS ARTICLE; AND”.

On page 15, in line 1, strike “(5)” and substitute “(6)”; in line 9, strike “13” and substitute “16”; in line 10, strike “12” and substitute “13”; in line 15, strike “AND”; after line 16, insert:

“(V) ONE REPRESENTATIVE OF A WELLMOBILE; AND”;

in line 17, after “(2)” insert “THE FOLLOWING 3 MEMBERS, APPOINTED BY THE SECRETARY”:

(I);

and in lines 18 and 19, strike “, APPOINTED BY THE SECRETARY” and substitute “; AND”

(II) TWO LOCAL HEALTH OFFICERS”.

AMENDMENT NO. 6

On page 16, in line 3, after “INCLUDING” insert “, WITHIN THE PARAMETERS OF FEDERAL LAW.”; in line 25, strike “AND”; after line 25, insert:

“(6) ONE REPRESENTATIVE OF THE MARYLAND ASSEMBLY ON SCHOOL-BASED HEALTH CARE;

(7) ONE REPRESENTATIVE WITH EXPERIENCE OR EXPERTISE IN ADMINISTERING A SCHOOL-BASED HEALTH CENTER; AND”;

and in line 26, strike “(6)” and substitute “(8)”.

AMENDMENT NO. 7

On page 17, after line 16, insert:

“(III) INSURANCE PAYMENTS OWED TO SCHOOL-BASED COMMUNITY HEALTH CENTERS AND HOW MUCH OF THE PAYMENTS SHOULD BE COLLECTED TO OFFSET ANY STATE SUBSIDY;”;

in lines 17, 20, and 23, strike “(III)”, “(IV)”, and “(V)”, respectively, and substitute “(IV)”, “(V)”, and “(VI)”, respectively.

AMENDMENT NO. 8

On page 18, in line 5, after “(D)” insert “(1)”; strike in their entirety lines 9 through 21, inclusive, and substitute:

“(II) FUNDS FROM THE CIGARETTE RESTITUTION FUND ESTABLISHED UNDER § 7-317 OF THE STATE FINANCE AND PROCUREMENT ARTICLE; AND”;

in line 22, strike “(V)” and substitute “(III)”; in line 29, after “GRANTS” insert “TOTALING \$10,000,000 BEGINNING IN FISCAL YEAR 2006, WITH INFLATIONARY ADJUSTMENTS IN SUBSEQUENT YEARS,”; in line 33, strike “100” and substitute “200”; in line 34, strike “AND”; and in line 37, after “RESOURCE” insert “; AND”

“(VI) MAKE TRANSFERS TO THE DEPARTMENT TO BE USED TO INCREASE RATES TO HEALTH CARE PROVIDERS WITHIN THE MEDICAL ASSISTANCE PROGRAM”.

AMENDMENT NO. 9

On page 21, in line 35, strike “THE LESSER OF \$500,000 OR”.

On page 22, in line 6, strike “THE LESSER OF \$500,000 OR”; and after line 27, insert:

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“(G) BEGINNING IN FISCAL YEAR 2006 AND CONTINUING EVERY YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE AT LEAST \$5,000,000 IN THE STATE CAPITAL BUDGET TO BE DISTRIBUTED AND MANAGED IN ACCORDANCE WITH THIS SUBTITLE.”.

AMENDMENT NO. 10

On page 27, in line 22, after the semicolon insert:

“(2) 1% FOR:

(I) SUBSCRIPTION CHARGES OR OTHER AMOUNTS PAID TO A HEALTH MAINTENANCE ORGANIZATION; AND

(II) GROSS RECEIPTS RECEIVED AS A RESULT OF CAPITATION PAYMENTS, INCLUDING SUPPLEMENTAL OR BONUS PAYMENTS, MADE TO A MANAGED CARE ORGANIZATION;”;

in line 23, strike “(2)” and substitute “(3)”; strike beginning with the comma in line 23 down through “ORGANIZATION” in line 28; and in line 33, strike “§ 19-2113” and substitute “§ 19-2114”.

On page 29, strike in their entirety lines 15 through 27, inclusive, and substitute:

“(B) TO THE EXTENT REQUIRED UNDER FEDERAL LAW, A CARRIER SHALL REIMBURSE A COMMUNITY HEALTH RESOURCE FOR COVERED SERVICES PROVIDED TO AN ENROLLEE OR SUBSCRIBER OF THE CARRIER.”.

AMENDMENT NO. 11

On pages 29 through 31, strike in their entirety the lines beginning with line 28 on page 29 through line 5 on page 31, inclusive.

AMENDMENT NO. 12

On page 31, after line 5, insert:

“Article - State Finance and Procurement

7-317.

(a) There is a Cigarette Restitution Fund.

(b) (1) The Fund is a continuing, nonlapsing fund that is not subject to § 7-302 of this subtitle.

(2) There shall be credited to the Fund all revenues consisting of funds received by the State from any source resulting, directly or indirectly, from any judgment against or settlement with tobacco product manufacturers, tobacco research associations, or any other person in the tobacco industry relating to litigation, administrative proceedings, or any other claims made or prosecuted by the State to recover damages for violations of State law.

(c) The Treasurer shall:

(1) invest and reinvest the Fund in the same manner as other State funds; and

(2) credit any investment earnings to the Fund.

(d) Expenditures from the Fund shall be made by an appropriation in the annual State budget.

(e) (1) The Fund shall be expended subject to any restrictions on its use or other limitations on its allocation that are:

(i) expressly provided by statute;

(ii) required as a condition of the acceptance of funds; or

(iii) determined to be necessary to avoid recoupment by the federal government of money paid to the Fund.

(2) Disbursements from the Fund to programs funded by the State or with federal funds administered by the State shall be used solely to supplement, and not to supplant, funds

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otherwise available for the programs under federal or State law as provided in this section.

(f) (1) The Cigarette Restitution Fund shall be used to fund:

(i) the Tobacco Use Prevention and Cessation Program established under Title 13, Subtitle 10 of the Health - General Article;

(ii) the Cancer Prevention, Education, Screening, and Treatment Program established under Title 13, Subtitle 11 of the Health - General Article;

(III) THE COMMUNITY HEALTH RESOURCES FUND ESTABLISHED UNDER TITLE 19, SUBTITLE 21 OF THE HEALTH - GENERAL ARTICLE;
and

[(iii)] (IV) other programs that serve the following purposes:

1. reduction of the use of tobacco products by minors;
2. implementation of the Southern Maryland Regional Strategy-Action Plan for Agriculture adopted by the Tri-County Council for Southern Maryland with an emphasis on alternative crop uses for agricultural land now used for growing tobacco;
3. public and school education campaigns to decrease tobacco use with initial emphasis on areas targeted by tobacco manufacturers in marketing and promoting cigarette and tobacco products;
4. smoking cessation programs;
5. enforcement of the laws regarding tobacco sales;
6. the purposes of the Maryland Health Care Foundation under Title 20, Subtitle 5 of the Health - General Article;
7. primary health care in rural areas of the State and areas targeted by tobacco manufacturers in marketing and promoting cigarette and tobacco products;

8. prevention, treatment, and research concerning cancer, heart disease, lung disease, tobacco product use, and tobacco control, including operating costs and related capital projects;

9. substance abuse treatment and prevention programs; and

10. any other public purpose.

(2) The provisions of this subsection may not be construed to affect the Governor's powers with respect to a request for an appropriation in the annual budget bill.

(g) (1) Amounts may only be expended from the Fund through appropriations in the State budget bill as provided in this subsection.

(2) The Governor shall include in the annual budget bill appropriations from the Fund equivalent to the lesser of \$100,000,000 or 90% of the funds estimated to be available to the Fund in the fiscal year for which the appropriations are made.

(3) For each fiscal year for which appropriations are made, at least 50% of the appropriations shall be made for those purposes enumerated in subsection (f)(1)(i), (ii), and [(iii)] (IV) 1 through 9 of this section subject to the requirement of subsection (e)(2) of this section.

(4) For each of fiscal years 2003 through 2006, at least 25% of the appropriations shall be made for the purposes of the Maryland Medical Assistance Program.

(5) BEGINNING IN FISCAL YEAR 2008, ANY REVENUE REALIZED BY THE FUND FROM STRATEGIC CONTRIBUTION PAYMENTS RESULTING FROM THE STATE'S LEGAL CONTRIBUTIONS TO THE MASTER SETTLEMENT AGREEMENT SHALL BE DEPOSITED INTO THE COMMUNITY HEALTH RESOURCES FUND ESTABLISHED UNDER TITLE 19, SUBTITLE 21 OF THE HEALTH - GENERAL ARTICLE TO PROVIDE SPECIALTY HEALTH CARE SERVICES AND TO INCREASE RATES TO HEALTH CARE PROVIDERS WITHIN THE MEDICAL ASSISTANCE PROGRAM.

[(5)] (6) For each fiscal year for which appropriations are made, 0.15% of the Fund shall be appropriated for the purposes of enforcement of Title 16, Subtitle 5 of the Business Regulation Article.

[(6)] (7) Any additional appropriations, not subject to paragraph (3), paragraph (4), or paragraph (6) of this subsection, may be made for any lawful purpose.

(h) For each program, project or activity receiving funds appropriated under subsection (g)(3) of this section, the Governor shall:

(1) develop appropriate statements of vision, mission, key goals, key objectives, and key performance indicators and report these statements in a discrete part of the State budget submission, which shall also provide data for key performance indicators; and

(2) report annually, subject to § 2-1246 of the State Government Article, to the General Assembly no later than October 1 on:

(i) total funds expended, by program and subdivision, in the prior fiscal year from the Fund established under this section; and

(ii) the specific outcomes or public benefits resulting from that expenditure.”.

AMENDMENT NO. 13

On page 31, before line 6, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:”.

On page 33, in line 1, after “CONTRACTS” insert “DIRECTLY”; in line 3, after “OR” insert “DIRECTLY”; and in line 5, after “SERVICES” insert “, WHEN THE HEALTH CARE PROVIDER IS PROVIDING SERVICES UNDER THE CONTRACT EITHER WITHOUT CHARGE OR AT A RATE OF REIMBURSEMENT THAT IS NO MORE THAN THE”

MEDICAID REIMBURSEMENT RATE FOR THE SERVICE RENDERED”.

AMENDMENT NO. 14

On pages 34 through 36, strike in their entirety the lines beginning with line 1 on page 34 through line 2 on page 36, inclusive, and substitute:

“SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect October 1, 2004. It shall remain effective for a period of 2 years and, at the end of September 30, 2006, with no further action required by the General Assembly, Section 2 of this Act shall be abrogated and of no further force and effect.”.

On page 36, strike in their entirety lines 3 through 41, inclusive; and in line 42, strike “9.” and substitute “4.”.

AMENDMENT NO. 15

On page 37, in line 8, strike “10.” and substitute “5.”; in line 10, strike “insurance” and substitute “care coverage”; in the same line, after “including” insert “;”

(a)”;

in line 12, strike “insurance. The health insurance made available by the entity shall provide” and substitute “care”; and strike beginning with “. The” in line 15 down through “2005” in line 18 and substitute “;”

(b) alternatives to traditional health insurance that still provide tax benefits to employers or employees for obtaining coverage; and

(c) “three-share” programs that divide costs among the employer, the employee, and the government”.

AMENDMENT NO. 16

On page 37, after line 18, insert:

“SECTION 6. AND BE IT FURTHER ENACTED, That:

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(a) The Community Health Resources Commission shall conduct a study of:

(1) the “Dirigo Health” plan enacted in Maine in 2003; and

(2) innovative health care coverage programs in other states.

(b) The Commission shall analyze the feasibility and desirability of implementing aspects of the Dirigo Health plan or other innovative state health care coverage programs in Maryland.

(c) The Commission shall report the findings and recommendations of its study to the Governor, and in accordance with § 2-1246 of the State Government Article, to the General Assembly on or before October 1, 2005.

SECTION 7. AND BE IT FURTHER ENACTED, That:

(a) Notwithstanding any other provision of law, and except as otherwise provided in this section, the premium tax imposed under § 6-102 of the Insurance Article, as enacted by Section 1 of this Act, is applicable to:

(1) capitation payments, including supplemental or bonus payments, made to managed care organizations on or after January 1, 2005; and

(2) premiums written for all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after January 1, 2005.

(b) The premium tax imposed under § 6-102 of the Insurance Article, as enacted by Section 1 of this Act, does not apply to:

(1) capitation payments, supplemental payments, or bonus payments, made to managed care organizations before January 1, 2005; and

(2) premiums written for all policies, contracts, and health benefit plans issued, delivered, or renewed in the State before January 1, 2005.

(c) Any health benefit plan in effect before January 1, 2005, shall comply with the provisions of Title 6 of the Insurance Article no later than January 1, 2006.

SECTION 8. AND BE IT FURTHER ENACTED, That, for taxable years beginning after December 31, 2004, the exemption under § 10-104 of the Tax - General Article is applicable to health maintenance organizations and managed care organizations that are subject to the insurance premium tax under Title 6 of the Insurance Article.

SECTION 9. AND BE IT FURTHER ENACTED, That, if the Department of Health and Mental Hygiene receives the waiver from the Centers for Medicare and Medicaid Services applied for under Chapter 448 of the Acts of 2003:

(a) health care services shall be provided to individuals up to 116% of the Federal Poverty Guidelines and to families of two or more up to 100% of the Federal Poverty Guidelines at a capitated rate;

(b) the Department shall apply for an amendment to the Department's Section 1115 waiver to allow managed care organizations to sub-capitate with community health resources for primary care;

(c) (1) the Department shall apply for a waiver from the Centers for Medicare and Medicaid Services to include uninsured parents of children enrolled in Medicaid and in the Maryland Children's Health Program in the health care program developed under the waiver applied for in accordance with Chapter 448 of the Acts of 2003, in the following manner:

(i) up to 150% of the Federal Poverty Guidelines in fiscal year 2006;

(ii) up to 175% of the Federal Poverty Guidelines in fiscal year 2007; and

(iii) up to 200% of the Federal Poverty Guidelines in fiscal year 2008; and

(2) the waiver applied for under subsection (c)(1) shall seek to include

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office-based specialty care for individuals in the waiver applied for in accordance with Chapter 448 of the Acts of 2003 and for parents of children enrolled in Medicaid and in the Maryland Children's Health Program up to 200% of the Federal Poverty Guidelines; and

(d) the Department shall limit total expenditures for the waiver for which the Department is required to apply under subsection (c) of this section to \$100 million.

SECTION 10. AND BE IT FURTHER ENACTED, That:

(a) There is a Joint Legislative Task Force on Universal Access to Quality and Affordable Health Care.

(b) The Task Force is comprised of 8 members of the General Assembly, including:

(1) 4 members of the Senate of Maryland, appointed by the President of the Senate; and

(2) 4 members of the House of Delegates, appointed by the Speaker of the House.

(c) The following individuals shall serve as ex officio members of the Task Force:

(1) the Secretary of Health and Mental Hygiene, or the Secretary's designee; and

(2) the Executive Director of the Maryland Health Care Commission, or the Executive Director's designee.

(d) (1) Of the 4 members of the Maryland Senate, the President of the Senate shall appoint 1 to serve as cochairman; and

(2) of the 4 members of the House of Delegates, the Speaker of the House shall appoint 1 to serve as cochairman.

(e) The Department of Legislative Services shall provide staffing for the Task Force.

(f) The Task Force shall study and make recommendations on how to make quality, affordable health care, including primary care, specialty care, hospitalization, and prescription drug coverage, accessible to all citizens of the State.

(g) The Task Force shall seek input into the study from consumer advocates, health care providers, insurance carriers that write policies in the State, the business community, hospitals, and community clinics.

(h) The Task Force shall conduct a minimum of 4 public hearings in different geographic regions throughout the State to receive citizen input.

(i) The Task Force shall report its findings and recommendations to the Governor and, subject to § 2-1246 of the State Government Article, to the General Assembly on or before December 31, 2004.”;

in line 20, strike “Sections 5 and 7” and substitute “Section 3”; and in the same line, strike “October” and substitute “July”.