
By: **Chairman, Health and Government Operations Committee (By Request
- Departmental - Health and Mental Hygiene)**

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Assigned to: Health and Government Operations

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2004

Committee Report: Favorable with amendments

House action: Adopted

Read second time: April 6, 2004

CHAPTER _____

1 AN ACT concerning

2 **Maryland Medical Assistance Program - Maryland Children's Health**
3 **Program**

4 FOR the purpose of requiring the Department of Health and Mental Hygiene to
5 provide guaranteed eligibility for enrollees in managed care organizations in the
6 Medicaid program and in the Maryland Children's Health Program for a certain
7 time period under certain circumstances; altering the requirements for the
8 Maryland Children's Health Program to be administered for certain individuals
9 at certain incomes through the Maryland Medical Assistance Program and
10 under certain requirements; altering the requirements for certain individuals to
11 pay a certain family contribution as a requirement of enrollment and
12 participation in a certain health care plan; authorizing the Department of
13 Health and Mental Hygiene to implement a certain premium structure;
14 requiring the Department of Health and Mental Hygiene to allow certain
15 individuals whose family income is at certain levels to reenroll in managed care
16 organizations under the Maryland Children's Health Program under certain
17 circumstances; requiring the Department to notify enrollees of certain
18 reenrollment provisions; providing for the termination of certain provisions of
19 this Act; providing for the effective dates of this Act; making certain provisions
20 of this Act contingent on the taking effect of another Act; and generally relating
21 to the Maryland Children's Health Program.

22 BY repealing and reenacting, with amendments,

23 Article - Health - General

24 Section ~~15-301 and 15-301.1~~ 15-103(b)(3), 15-301, 15-301.1, and 15-303(a)

1 Annotated Code of Maryland
2 (2000 Replacement Volume and 2003 Supplement)

3 BY repealing and reenacting, with amendments,
4 Article - Health - General
5 Section 15-301 and 15-301.1
6 Annotated Code of Maryland
7 (2000 Replacement Volume and 2003 Supplement)
8 (As enacted by Section 2 of this Act)

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

11 **Article - Health - General**

12 15-103.

13 (b) (3) Subject to the limitations of the State budget and as permitted by
14 federal law or waiver, the program developed under paragraph (1) of this subsection
15 and the program developed under § 15-301 of this title [may] SHALL provide
16 guaranteed eligibility for each enrollee for up to 6 months, unless an enrollee obtains
17 health insurance through another source.

18 15-303.

19 (a) (1) The Department shall:

20 (I) [be] BE responsible for enrolling program recipients in
21 managed care organizations under the Maryland Children's Health Program
22 established under §§ 15-301 and 15-301.1 of this subtitle; AND

23 (II) ALLOW AN ELIGIBLE INDIVIDUAL WHOSE FAMILY INCOME IS
24 ABOVE 200 PERCENT BUT AT OR BELOW 300 PERCENT OF THE FEDERAL POVERTY
25 GUIDELINES WHO HAS BEEN ENROLLED IN THE MCHP PREMIUM PLAN, TO
26 REENROLL IN THE MCHP PREMIUM PLAN;

27 1. ON PAYMENT IN FULL OF ANY MONTHLY PREMIUMS
28 OWED FOR PRIOR PERIODS OF COVERAGE UNDER THE PLAN; OR

29 2. AFTER A 3-MONTH WAITING PERIOD WITHOUT ANY
30 REQUIREMENT TO PAY IN FULL ANY MONTHLY PREMIUMS OWED FOR PRIOR
31 PERIODS OF COVERAGE UNDER THE PLAN.

32 (2) THE DEPARTMENT SHALL NOTIFY ENROLLEES OF THE
33 REENROLLMENT PROVISIONS DESCRIBED IN PARAGRAPH (1)(II) OF THIS
34 SUBSECTION.

35 [(2)] (3) The Department may contract with an entity to perform any
36 part or all of its enrollment responsibilities under paragraph (1) of this subsection.

1 [3] (4) The Department or its enrollment contractor, to the extent
 2 feasible in its marketing, outreach, and enrollment programs, shall hire individuals
 3 receiving assistance under the Family Investment Program established under Article
 4 88A of the Code.

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

7 **Article - Health - General**

8 15-301.

- 9 (a) There is a Maryland Children's Health Program.

- 10 (b) The Maryland Children's Health Program shall provide, subject to the
 11 limitations of the State budget and any other requirements imposed by the State and
 12 as permitted by federal law or waiver, comprehensive medical care and other health
 13 care services to an individual who has a family income at or below 300 percent of the
 14 federal poverty guidelines and who is under the age of 19 years.

- 15 (c) The Maryland Children's Health Program shall be administered:
 - 16 (1) ~~Except as provided in item (3) of this subsection, for~~ FOR individuals
 17 whose family income is at or below [200] 185 percent of the federal poverty
 18 guidelines, through the program under Subtitle 1 of this title requiring individuals to
 19 enroll in managed care organizations; AND

 - 20 (2) For eligible individuals whose family income is above [200] 185
 21 percent, but at or below 300 percent of the federal poverty guidelines, through the
 22 MCHP premium plan under § 15-301.1 of this subtitle[; or].

 - 23 [3] In fiscal year 2004 only, for eligible individuals whose family income
 24 is above 185 percent, but at or below 300 percent of the federal poverty guidelines,
 25 through the MCHP premium plan under § 15-301.1 of this subtitle.]

- 26 (d) (1) The Department shall provide eligible individuals and health care
 27 providers with an accurate directory or other listing of all available providers:
 - 28 (i) In written form, made available upon request; and
 - 29 (ii) On an Internet database.

 - 30 (2) The Department shall update the Internet database at least every 30
 31 days.

 - 32 (3) The written directory shall include a conspicuous reference to the
 33 Internet database.

1 15-301.1.

2 (a) (1) In this section the following words have the meanings indicated.

3 (2) "Eligible individual" means an individual who qualifies to participate
4 in the Maryland Children's Health Program under § 15-301(b) of this subtitle.

5 (3) "Family contribution" means the portion of the premium cost paid for
6 an eligible individual to enroll and participate in the Maryland Children's Health
7 Program.

8 (4) "MCHP premium plan" means the plan established under this
9 section to provide access to health insurance coverage to eligible individuals through
10 managed care organizations under the Maryland Children's Health Program.

11 (b) [Except as provided in subsection (c) of this section, this] THIS section
12 applies only to individuals whose family income is above [200] 185 percent, but at or
13 below 300 percent of the federal poverty guidelines.

14 (c) [(1)] As a requirement of enrollment and participation in the MCHP
15 premium plan, the parent or guardian of an eligible individual shall [agree to] pay
16 [the following] AN annual family contribution THAT DOES NOT EXCEED 2 PERCENT
17 OF THE ANNUAL FAMILY INCOME[:].

18 (D) THE DEPARTMENT SHALL HAVE THE AUTHORITY TO IMPLEMENT A
19 TIERED PREMIUM STRUCTURE BASED ON FAMILY INCOME AND FAMILY SIZE.

20 (E) UNTIL THE DEPARTMENT ESTABLISHES A TIERED PREMIUM STRUCTURE
21 BY REGULATION, THE PARENT OR GUARDIAN OF AN ELIGIBLE INDIVIDUAL SHALL
22 PAY THE FOLLOWING ANNUAL FAMILY CONTRIBUTION:

23 [(i)] (1) [In fiscal year 2004 only, for] FOR an eligible individual
24 whose family income is above 185 percent, but at or below 200 percent of the federal
25 poverty guidelines, an amount equal to 2 percent of the annual income of a family of
26 two at 185 percent of the federal poverty guidelines;

27 [(ii)] (2) For an eligible individual whose family income is above
28 200 percent, but at or below 250 percent of the federal poverty guidelines, an amount
29 equal to 2 percent of the annual income of a family of two at 200 percent of the federal
30 poverty guidelines; and

31 [(iii)] (3) For an eligible individual whose family income is above
32 250 percent, but at or below 300 percent of the federal poverty guidelines, an amount
33 equal to 2 percent of the annual income of a family of two at 250 percent of the federal
34 poverty guidelines.

35 [(2)] The family contribution amounts required under paragraph (1) of
36 this subsection apply on a per family basis regardless of the number of eligible
37 individuals each family has enrolled in the MCHP premium plan.]

1 [(d)] (F) The Department shall adopt regulations necessary to implement this
2 section.

3 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
4 read as follows:

5 Article - Health - General

6 15-301.

7 (a) There is a Maryland Children's Health Program.

8 (b) The Maryland Children's Health Program shall provide, subject to the
9 limitations of the State budget and any other requirements imposed by the State and
10 as permitted by federal law or waiver, comprehensive medical care and other health
11 care services to an individual who has a family income at or below 300 percent of the
12 federal poverty guidelines and who is under the age of 19 years.

13 (c) The Maryland Children's Health Program shall be administered:

14 (1) For individuals whose family income is at or below [185] 200 percent
15 of the federal poverty guidelines, through the program under Subtitle 1 of this title
16 requiring individuals to enroll in managed care organizations; and

17 (2) For eligible individuals whose family income is above [185] 200
18 percent, but at or below 300 percent of the federal poverty guidelines, through the
19 MCHP premium plan under § 15-301.1 of this subtitle.

20 (d) (1) The Department shall provide eligible individuals and health care
21 providers with an accurate directory or other listing of all available providers:

22 (i) In written form, made available upon request; and

23 (ii) On an Internet database.

24 (2) The Department shall update the Internet database at least every 30
25 days.

26 (3) The written directory shall include a conspicuous reference to the
27 Internet database.

28 15-301.1.

29 (a) (1) In this section the following words have the meanings indicated.

30 (2) "Eligible individual" means an individual who qualifies to participate
31 in the Maryland Children's Health Program under § 15-301(b) of this subtitle.

32 (3) "Family contribution" means the portion of the premium cost paid for
33 an eligible individual to enroll and participate in the Maryland Children's Health
34 Program.

1 (4) "MCHP premium plan" means the plan established under this
2 section to provide access to health insurance coverage to eligible individuals through
3 managed care organizations under the Maryland Children's Health Program.

4 (b) This section applies only to individuals whose family income is above
5 [185] 200 percent, but at or below 300 percent of the federal poverty guidelines.

6 (c) As a requirement of enrollment and participation in the MCHP premium
7 plan, the parent or guardian of an eligible individual shall pay an annual family
8 contribution that does not exceed 2 percent of the annual family income.

9 (d) The Department shall have the authority to implement a tiered premium
10 structure based on family income and family size.

11 (e) Until the Department establishes a tiered premium structure by
12 regulation, the parent or guardian of an eligible individual shall pay the following
13 annual family contribution:

14 (1) For an eligible individual whose family income is above 185 percent,
15 but at or below 200 percent of the federal poverty guidelines, an amount equal to 2
16 percent of the annual income of a family of two at 185 percent of the federal poverty
17 guidelines;]

18 (2) (1) For an eligible individual whose family income is above 200
19 percent, but at or below 250 percent of the federal poverty guidelines, an amount
20 equal to 2 percent of the annual income of a family of two at 200 percent of the federal
21 poverty guidelines; and

22 (3) (2) For an eligible individual whose family income is above 250
23 percent, but at or below 300 percent of the federal poverty guidelines, an amount
24 equal to 2 percent of the annual income of a family of two at 250 percent of the federal
25 poverty guidelines.

26 (f) The Department shall adopt regulations necessary to implement this
27 section.

28 SECTION 4. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall
29 take effect July 1, 2005, contingent on the taking effect of Chapter _____ (H.B. 1271)
30 of the Acts of the General Assembly of 2004, and if Chapter _____ does not become
31 effective, Section 1 of this Act shall be null and void without the necessity of further
32 action by the General Assembly.

33 SECTION 5. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall
34 take effect July 1, 2005.

35 SECTION ~~2-6.~~ AND BE IT FURTHER ENACTED, That, except as provided
36 in Sections 4 and 5 of this Act, this Act shall take effect July 1, 2004.

