

SENATE BILL 131

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2004 Regular Session
(4lr0635)

ENROLLED BILL

-- Finance/Health and Government Operations --

Introduced by **Senators Teitelbaum, Astle, Della, Exum, Garagiola, Hafer, Hooper, Kelley, Klausmeier, and Middleton**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **~~Task Force to Compare the Maryland Health Insurance Market to Adjacent~~**
3 **~~States~~**
4 **Maryland Health Care Commission and Maryland Insurance Administration**
5 **- Affordability of Health Insurance in Maryland - Study and**
6 **Recommendations**

7 ~~FOR the purpose of establishing a Task Force to compare the Maryland Health~~
8 ~~Insurance Market to adjacent states; establishing the membership of the Task~~
9 ~~Force; providing for staffing of the Task Force; providing that a member of the~~
10 ~~Task Force is entitled to reimbursement for expenses; establishing the duties of~~
11 ~~the Task Force; requiring the Task Force to report its findings and~~
12 ~~recommendations to the Governor and the General Assembly on or before a~~
13 ~~certain date; providing for the termination of this Act; and generally relating to~~
14 ~~the Task Force to compare the Maryland Health Insurance Market to adjacent~~
15 ~~states.~~

1 FOR the purpose of requiring the Maryland Health Care Commission and the
 2 Maryland Insurance Administration to conduct ~~a certain study~~ certain studies;
 3 requiring the Commission and the Administration to develop recommendations
 4 on ways to make private health insurance more affordable for Maryland
 5 residents; requiring the Commission and the Administration to submit certain
 6 reports to the General Assembly on or before certain dates; providing for the
 7 termination of this Act; and generally relating to ~~a study~~ studies and
 8 recommendations about the affordability of health insurance in Maryland.

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 10 MARYLAND, That:

11 (a) ~~There is a Task Force to compare the Maryland Health Insurance Market~~
 12 ~~to adjacent states.~~

13 (b) ~~The Task Force shall consist of the following members:~~

14 (1) ~~two members of the Senate of Maryland, appointed by the President~~
 15 ~~of the Senate;~~

16 (2) ~~two members of the House of Delegates, appointed by the Speaker of~~
 17 ~~the House;~~

18 (3) ~~a representative of a health insurance carrier providing health~~
 19 ~~insurance coverage in the State, appointed by the Governor;~~

20 (4) ~~two insurance producers who are licensed in the State, appointed by~~
 21 ~~the Governor;~~

22 (5) ~~three consumers, appointed by the Governor.~~

23 (c) ~~The executive director of the Maryland Health Care Commission shall~~
 24 ~~chair the Task Force.~~

25 (d) ~~The Maryland Health Care Commission shall provide staff for the Task~~
 26 ~~Force within existing budgeted resources.~~

27 (e) ~~A member of the Task Force:~~

28 (1) ~~may not receive compensation; but~~

29 (2) ~~is entitled to reimbursement for expenses under the Standard State~~
 30 ~~Travel Regulations, as provided in the State budget.~~

31 (f) ~~The Task Force shall study:~~

32 (1) ~~ways to improve access to affordable private health insurance for~~
 33 ~~residents of the State;~~

34 (2) ~~the types and cost of health insurance policies offered in Delaware,~~
 35 ~~the District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia;~~

1 (3) the number of health insurance carriers operating in Delaware, the
2 District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia;

3 (4) laws and state policies that allow health insurance carriers in
4 Delaware, the District of Columbia, Maryland, Pennsylvania, Virginia, and West
5 Virginia to offer more than one health insurance benefit package or product in the
6 small group health insurance market and the individual health insurance market;

7 (5) the number of mandated benefits required by state law in Delaware,
8 the District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia;

9 (6) the average health insurance premiums and cost sharing for policies
10 subject to state regulation offered in Delaware, the District of Columbia, Maryland,
11 Pennsylvania, Virginia, and West Virginia;

12 (7) the types of pre-existing condition limitations required by state law
13 for health insurance carriers offering health insurance policies offered in Delaware,
14 the District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia; and

15 (8) any other issues the Task Force deems appropriate to encourage
16 companies not currently doing business in the State to consider providing private
17 health insurance in the State.

18 (g) The Task Force shall report its findings and recommendations to the
19 Governor and, subject to § 2-1246 of the State Government Article, the General
20 Assembly on or before December 1, 2004.

21 (a) The Maryland Health Care Commission and the Maryland Insurance
22 Administration shall conduct a study of the affordability of private health insurance
23 in Maryland.

24 (b) The Maryland Insurance Administration, in consultation with the
25 Maryland Health Care Commission, shall study:

26 (1) the number of, and the regulatory requirements, including rating of
27 health status, relating to, health insurance carriers in Delaware, the District of
28 Columbia, Pennsylvania, Virginia, and West Virginia; and

29 (2) the role of tax-deferred health savings accounts and other models of
30 offering health insurance coverage designed to increase consumer awareness of the cost
31 of health care services.

32 (c) The Maryland Health Care Commission shall study:

33 ~~(2)~~ (1) the factors that contribute to increases in health care costs in
34 Maryland, including utilization of health care services;

35 ~~(3)~~ the role of tax-deferred health savings accounts and other models of
36 offering health insurance coverage designed to increase consumer awareness of the
37 cost of health care services;

1 ~~(4)~~ (2) ways to educate consumers about health care issues and
 2 promote personal accountability in health care;

3 ~~(5)~~ (3) ways in which disease management programs can promote the
 4 appropriate management of chronic diseases;

5 ~~(6)~~ (4) ways to encourage strategies to purchase health care that focus
 6 on quality and patient safety, patient safety, and wellness;

7 ~~(7)~~ (5) ways to facilitate a more effective and efficient health care
 8 delivery system, including improved information technology and evidence-based
 9 medicine; and

10 ~~(8)~~ (6) innovative programs in other states designed to encourage the
 11 appropriate use of health care services; and

12 (7) ways to make health insurance more understandable to both
 13 employers and consumers.

14 ~~(b)~~ (d) Based on the study studies conducted under subsection (a)
 15 subsections (a) through (c) of this section, the Commission Maryland Health Care
 16 Commission and the Maryland Insurance Administration shall develop
 17 recommendations on ways to make private health insurance more affordable for
 18 Maryland residents.

19 ~~(e)~~ The Commission (e) The Maryland Health Care Commission and the
 20 Maryland Insurance Administration, in accordance with § 2-1246 of the State
 21 Government Article, shall submit to the General Assembly the following reports on its
 22 findings and recommendations:

23 (1) an interim report on or before January 1, 2005; and

24 (2) a final report on or before January 1, 2006.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 26 July 1, 2004. It shall remain effective for a period of ~~6 months~~ 1 years and 7 months
 27 and, at the end of ~~December 31, 2004~~ January 31, 2006, with no further action
 28 required by the General Assembly, this Act shall be abrogated and of no further force
 29 and effect.