Unofficial Copy C3 2004 Regular Session 4lr2826 CF 4lr2218

By: Senator Middleton

Introduced and read first time: February 6, 2004

Assigned to: Finance

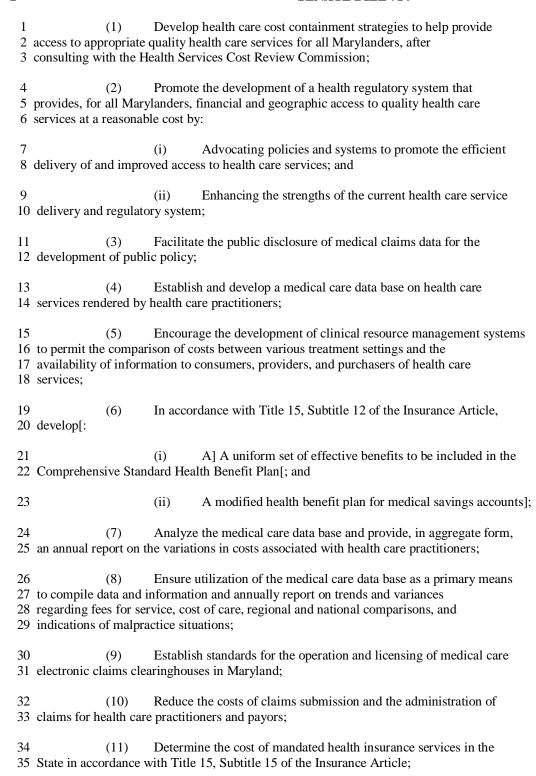
### A BILL ENTITLED

### 1 AN ACT concerning

## 2 Health Insurance - Small Group Market - Modifications and Clarifications

- 3 FOR the purpose of repealing a requirement that the Maryland Health Care
- 4 Commission develop a modified health benefit plan for medical savings
- 5 accounts; repealing a requirement that the Commission adopt certain
- 6 regulations that specify a modified health benefit plan for medical savings
- 7 accounts that meet certain federal qualifications; providing that the rate cap on
- 8 the Comprehensive Standard Health Benefit Plan in the small group market
- 9 does not apply for a certain period of time; providing for the termination of
- 10 certain provisions of this Act; and generally relating to medical savings accounts
- and the rate cap in the small group health insurance market.
- 12 BY repealing and reenacting, with amendments,
- 13 Article Health General
- 14 Section 19-103(c)
- 15 Annotated Code of Maryland
- 16 (2000 Replacement Volume and 2003 Supplement)
- 17 BY repealing and reenacting, with amendments,
- 18 Article Insurance
- 19 Section 15-1207(a) and (c)
- 20 Annotated Code of Maryland
- 21 (2002 Replacement Volume and 2003 Supplement)
- 22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
- 23 MARYLAND, That the Laws of Maryland read as follows:
- 24 Article Health General
- 25 19-103.
- 26 (c) The purpose of the Commission is to:

#### **SENATE BILL 714**



# SENATE BILL 714

1 2	(12) Promote the availability of information to consumers on charges by practitioners and reimbursements from payors; and
3	(13) Oversee and administer the Maryland Trauma Physician Services Fund in conjunction with the Health Services Cost Review Commission.
5	Article - Insurance
6	15-1207.
7 8	(a) In accordance with Title 19, Subtitle 1 of the Health - General Article, the Commission shall adopt regulations that specify[:
9 10	(1)] the Comprehensive Standard Health Benefit Plan to apply under this subtitle[; and
	(2) a modified health benefit plan for medical savings accounts that qualify under the federal Health Insurance Portability and Accountability Act of 1996, including:
14	(i) a waiver of deductibles as permitted under federal law;
15	(ii) minimum funding standards for medical savings accounts; and
	(iii) authorization for offering the modified plan only by those persons who offer the Comprehensive Standard Health Benefit Plan adopted in accordance with item (1) of this subsection].
19 20	SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:
21	Article - Insurance
22	15-1207.
25	(c) (1) Subject to [paragraph (2)]PARAGRAPHS (2) AND (3) of this subsection, the Commission shall exclude or limit benefits or adjust cost-sharing arrangements in the Standard Plan if the average rate for the Standard Plan exceeds 10% of the average annual wage in the State.
	(2) The Commission annually shall determine the average rate for the Standard Plan by using the average rate submitted by each carrier that offers the Standard Plan.
	(3) THE REQUIREMENTS OF PARAGRAPH (1) OF THIS SUBSECTION ARE NOT APPLICABLE TO THE STANDARD PLAN THAT IS EFFECTIVE FOR THE PERIOD FROM JULY 1, 2004 THROUGH JUNE 30, 2006.
33 34	SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2004. Section 2 of this Act shall remain effective for a period of 2 years and, at

- 1 the end of June 30, 2006, with no further action required by the General Assembly,2 Section 2 of this Act shall be abrogated and of no further force and effect.