Unofficial Copy **2005 Regular Session**
SB0716/447479/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 716
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike "Senator Middleton" and substitute "Senators Middleton, Hollinger, Astle, Della, Exum, Gladden, Kelley, Klausmeier, and Teitelbaum"; in line 3, after "of" insert "altering the eligibility requirements of the Maryland Pharmacy Discount Program to cover individuals who are not Medicare beneficiaries, who lack other public or private prescription drug coverage, who have a certain annual household income, and to exclude Medicare beneficiaries; altering the price at which an enrollee in the Program may purchase certain prescription drugs; requiring hospitals to develop financial assistance policies to provide free and reduced-cost care to certain patients; requiring hospitals to post a certain notice; requiring the Health Services Cost Review Commission to develop a uniform financial assistance application and require each hospital to use the application for a certain purpose; requiring a hospital to provide the uniform financial assistance application to certain patients; requiring hospitals to submit to the Health Services Cost Review Commission certain debt collection policies; requiring the Health Services Cost Review Commission to report to certain committees of the General Assembly on or before a certain date on the details of certain hospital policies; requiring nonprofit hospitals to include certain information in their community benefit reports to the Health Services Cost Review Commission;"; in line 4, after "Commission" insert "as an independent commission that functions"; in the same line, after the semicolon, insert "establishing the powers and duties of the Maryland Community Health Resources Commission; requiring the Maryland Community Health Resources Commission to adopt certain regulations on or before a certain date;"; in line 5, after the first comma, insert "duties, powers,"; in the same line, strike "appointment of members,"; in line 6, strike "reimbursement for certain expenses of members" and substitute "meetings, compensation, composition"; in lines 7, 11, 13, 14, 16, 17, 18, 20, and 21, in each instance, before "Commission" insert "Maryland Community Health Resources"; strike beginning with "establishing" in line 7 down through the semicolon in line 10 and substitute "requiring the Maryland Community Health Resources Commission to submit a certain annual report to the Governor, the Secretary of Health and Mental Hygiene, and the General Assembly;"; in line 10, strike "a"; in the same line, strike "power" and substitute "powers"; in line 11, strike "does" and substitute "do"; in the same line, after the semicolon insert "requiring the

(Over)

Maryland Community Health Resources Commission to develop a certain toll-free hotline;"; strike beginning with "providing" in line 23 down through the first "Fund" in line 25 and substitute "establishing the sources and uses of funds in the Community Health Resources Commission Fund; specifying the use of grants to community health resources; requiring the Treasurer to invest the money in the Fund in a certain manner; providing that any investment earnings of the Fund shall be retained to the credit of the Fund"; in line 26, strike "shall be" and substitute "is"; in the same line, after "audit" insert "by the Office of Legislative Audits"; strike beginning with "federally" in line 30 down through "facilities" in line 31 and substitute "Federally Qualified Health Centers"; in lines 32, 32 and 33, 33 and 34, 34 and 35, in each instance, strike "federally qualified health centers" and substitute "Federally Qualified Health Centers"; in line 35, after "Department" insert "of Health and Mental Hygiene"; and in the same line, after "recommendations" insert "and adopt certain regulations".

On page 2, in line 1, strike "the grant" and substitute "an"; in line 3, strike "allocation" and substitute "allocations"; in line 5, strike "a certain amount of"; strike beginning with the comma in line 10 down through "lien" in line 11 and substitute "and liens"; in line 11, strike the comma and substitute "and"; strike beginning with the first comma in line 12 down through "funds" in line 13 and substitute "and the lien"; strike beginning with "authorizing" in line 13 down through the first semicolon in line 14 and substitute "providing that certain provisions of law do not apply to certain nonprofit health service plans; requiring certain nonprofit health service plans to subsidize grants to community health resources, subsidize the Maryland Pharmacy Discount Program, provide funding for a unified data information system, and transfer certain funds beginning in a certain fiscal year for certain purposes; requiring certain insurance carriers to reimburse certain providers for certain services to the extent required under federal law; establishing a Joint Legislative Task Force on Universal Access to Quality and Affordable Health Care; providing for membership, staffing, and duties of the Task Force; requiring the Task Force to report its findings on or before a certain date; requiring the Maryland Health Care Commission and the Health Services Cost Review Commission to jointly assess certain aspects of uncompensated and undercompensated care and certain reimbursement, make recommendations on alternative methods of distributing certain costs of uncompensated and undercompensated care, and submit certain assessments and recommendations to certain committees of the General Assembly on or before a certain date; requiring the Department of Health and Mental Hygiene to submit to the Centers for Medicare and Medicaid Services an application for an amendment to a certain waivers; requiring the Department to apply for certain federal matching funds; providing that certain enrollees in the Maryland Pharmacy Discount Program

remain enrolled in the Program through a certain date if the application for a certain amendment to a certain demonstration waiver is approved; requiring the Secretary of Health and Mental Hygiene to provide certain notice to the Department of Legislative Services; making certain provisions of this Act subject to a certain contingency;"; after line 16, insert:

"BY repealing and reenacting, with amendments,
Article - Health - General
Section 15-124.1 and 19-303(c)
Annotated Code of Maryland
(2000 Replacement Volume and 2004 Supplement)";

in line 19, after "Section" insert "19-214.1;"; in the same line, strike "19-2109" and substitute "19-2110"; and after line 26, insert:

"BY repealing and reenacting, with amendments,
Article - Insurance
Section 14-102(h) and 14-106(d)
Annotated Code of Maryland
(2002 Replacement Volume and 2004 Supplement)

BY adding to
Article - Insurance
Section 14-106.1 and 15-131
Annotated Code of Maryland
(2002 Replacement Volume and 2004 Supplement)".

AMENDMENT NO. 2
On page 2, after line 29, insert:

"15-124.1.

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

(2) "Enrollee" means an individual who is enrolled in the Maryland Pharmacy Discount Program.

(3) "Program" means the Maryland Pharmacy Discount Program established under this section.

(b) There is a Maryland Pharmacy Discount Program within the Maryland Medical Assistance Program.

(c) The purpose of the Program is to improve the health status of [Medicare beneficiaries] LOWER-INCOME INDIVIDUALS WHO ARE NOT MEDICARE BENEFICIARIES AND who lack prescription drug coverage by providing access to lower cost, medically necessary, prescription drugs.

(d) The Program shall be administered and operated by the Department as permitted by federal law or waiver.

(e) (1) The Program shall be open to [Medicare beneficiaries] INDIVIDUALS WHO ARE NOT MEDICARE BENEFICIARIES, who lack other public or private prescription drug coverage, AND WHO HAVE AN ANNUAL HOUSEHOLD INCOME BELOW 200% OF THE FEDERAL POVERTY LEVEL GUIDELINES.

(2) Notwithstanding paragraph (1) of this subsection, enrollment in the Maryland Medbank Program established under § 15-124.2 of this subtitle or the Maryland Pharmacy Assistance Program established under § 15-124 of this subtitle does not disqualify an individual from being eligible for the Program.

(f) [(1)] Subject to subsection (g) of this section, an enrollee may purchase medically necessary prescription drugs that are covered under the Maryland Medical Assistance Program from any pharmacy that participates in the Maryland Medical Assistance Program at a price that is based on the price paid by the Maryland Medical Assistance Program, minus the aggregate value of any federally mandated manufacturers' rebates AND ANY STATE CONTRIBUTION AMOUNT.

[(2) Subject to subsection (g) of this section, and to the extent authorized under federal waiver, an enrollee whose annual household income is at or below 175 percent of the federal

poverty guidelines may receive a discount subsidized by the Department that is equal to 35 percent of the price paid by the Maryland Medical Assistance Program for each medically necessary prescription drug purchased under the Program.]

(g) The Department may establish mechanisms to:

(1) Recover the administrative costs of the Program;

(2) Reimburse participating pharmacies in an amount equal to the Maryland Medical Assistance price, minus the copayment paid by the enrollee for each prescription filled under the Program; and

(3) Allow participating pharmacies to collect a $1 processing fee, in addition to any authorized dispensing fee, for each prescription filled for an enrollee under the Program.

(h) The Secretary shall adopt regulations to implement the Program.

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

Article - Health - General

19-214.1.

(A) EACH HOSPITAL IN THE STATE SHALL DEVELOP A FINANCIAL ASSISTANCE POLICY FOR PROVIDING FREE AND REDUCED-COST CARE TO LOW-INCOME PATIENTS WHO LACK HEALTH CARE COVERAGE.

(B) A HOSPITAL SHALL POST A NOTICE IN CONSPICUOUS PLACES THROUGHOUT THE HOSPITAL DESCRIBING THE FINANCIAL ASSISTANCE POLICY AND HOW TO APPLY FOR FREE AND REDUCED-COST CARE.

(C) THE COMMISSION SHALL:

(1) DEVELOP A UNIFORM FINANCIAL ASSISTANCE APPLICATION; AND

(2) REQUIRE EACH HOSPITAL TO USE THE UNIFORM FINANCIAL ASSISTANCE APPLICATION TO DETERMINE ELIGIBILITY FOR FREE AND REDUCED-COST CARE UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY.

(D) THE UNIFORM FINANCIAL ASSISTANCE APPLICATION:

(1) SHALL BE WRITTEN IN SIMPLIFIED LANGUAGE; AND

(2) MAY NOT REQUIRE DOCUMENTATION THAT PRESENTS AN UNDUE BARRIER TO A PATIENT'S RECEIPT OF FINANCIAL ASSISTANCE.

(E) EACH HOSPITAL SHALL ESTABLISH A MECHANISM TO PROVIDE THE UNIFORM FINANCIAL ASSISTANCE APPLICATION TO PATIENTS WHO DO NOT INDICATE PUBLIC OR PRIVATE HEALTH CARE COVERAGE.

(F) (1) EACH HOSPITAL SHALL SUBMIT TO THE COMMISSION THE HOSPITAL'S POLICY ON THE COLLECTION OF DEBTS OWED BY PATIENTS WHO QUALIFY FOR REDUCED-COST CARE UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY.

(2) ON OR BEFORE JULY 1, 2006, THE COMMISSION SHALL REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE AND THE SENATE FINANCE COMMITTEE ON THE DETAILS OF THE POLICIES SUBMITTED TO THE COMMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION.

19-303.

(c) (1) Each nonprofit hospital shall submit an annual community benefit report to the Health Services Cost Review Commission detailing the community benefits provided by the hospital during the preceding year.

(2) The community benefit report shall include:

(i) The mission statement of the hospital;

(ii) A list of the initiatives that were undertaken by the hospital;

(iii) The cost to the hospital of each community benefit initiative;

(iv) The objectives of each community benefit initiative; [and]

(v) A description of efforts taken to evaluate the effectiveness of each community benefit initiative; AND

(VI) A DESCRIPTION OF GAPS IN THE AVAILABILITY OF SPECIALIST PROVIDERS TO SERVE THE UNINSURED IN THE HOSPITAL.".

AMENDMENT NO. 3

On page 2, in line 36, after "NONPROFIT" insert "OR FOR PROFIT".

On page 3, in line 10, strike "CLINIC" and substitute "HEALTH CENTER"; in line 15, strike "AND"; after line 15, insert:

"(XII) A HISTORIC MARYLAND PRIMARY CARE PROVIDER;

(XIII) AN OUTPATIENT MENTAL HEALTH CLINIC; AND";

in line 16, strike "(XII)" and substitute "(XIV)"; in line 20, strike "IN THE DEPARTMENT"; after line 20, insert:

"(B) THE COMMISSION IS AN INDEPENDENT COMMISSION THAT FUNCTIONS WITHIN THE DEPARTMENT.";

in line 21, strike "(B)" and substitute "(C)"; in line 24, strike "SEVEN" and substitute "NINE"; in

line 25, after "GOVERNOR" insert "WITH THE ADVICE AND CONSENT OF THE SENATE"; in line 26, strike "SEVEN" and substitute "NINE"; and strike beginning with the comma in line 26 down through "RESOURCE" in line 28 and substitute ":

(I) ONE SHALL BE A REPRESENTATIVE OF A NONPROFIT HEALTH MAINTENANCE ORGANIZATION;

(II) ONE SHALL BE A REPRESENTATIVE OF A NONPROFIT HEALTH SERVICE PLAN;

(III) FOUR SHALL BE INDIVIDUALS WHO:

1. DO NOT HAVE ANY CONNECTION WITH THE MANAGEMENT OR POLICY OF ANY COMMUNITY HEALTH RESOURCE, NONPROFIT HEALTH SERVICE PLAN, OR NONPROFIT HEALTH MAINTENANCE ORGANIZATION; AND

2. HAVE A BACKGROUND OR EXPERIENCE IN HEALTH CARE; AND

(IV) THREE SHALL BE INDIVIDUALS WHO HAVE A BACKGROUND OR EXPERIENCE WITH A COMMUNITY HEALTH RESOURCE WITHIN THE PAST 5 YEARS.

(3) AT LEAST TWO OF THE NINE MEMBERS SHALL BE HEALTH CARE PROFESSIONALS LICENSED IN THE STATE".

On page 4, strike line 1 in its entirety.

AMENDMENT NO. 4

On page 4, in line 7, after "(A)" insert "(1)"; after line 8, insert:

"(2) THE COMMISSION MAY NOT ACT ON ANY MATTER UNLESS AT LEAST FIVE MEMBERS IN ATTENDANCE CONCUR.

(B) THE COMMISSION SHALL MEET AT LEAST SIX TIMES A YEAR, AT THE TIMES AND PLACES THAT IT DETERMINES.";

strike in their entirety lines 9 through 12, inclusive, and substitute:

"(C) EACH MEMBER OF THE COMMISSION IS ENTITLED TO:

(1) COMPENSATION IN ACCORDANCE WITH THE STATE BUDGET; AND

(2) REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.";

and in line 13, strike "(C)" and substitute "(D)".

AMENDMENT NO. 5

On page 5, after line 9, insert:

"(A) THE POWER OF THE SECRETARY OVER PLANS, PROPOSALS, AND PROJECTS OF UNITS IN THE DEPARTMENT DOES NOT INCLUDE THE POWER TO DISAPPROVE OR MODIFY ANY DECISION OR DETERMINATION THAT THE COMMISSION MAKES UNDER AUTHORITY SPECIFICALLY DELEGATED BY LAW TO THE COMMISSION.";

in line 10, strike "(A)" and substitute "(B) (1)"; in line 13, strike "(B)" and substitute "(2)"; in the same line, strike "SUBSECTION (A) OF THIS SECTION" and substitute "PARAGRAPH (1) OF THIS SUBSECTION"; in line 15, after the second "THE" insert "PURPOSES AND REQUIREMENTS OF THE"; in line 31, after "FOR" insert "CAPITAL AND"; in line 32, after the second "FOR" insert "CAPITAL AND"; and in line 33, after "ADMINISTER" insert "CAPITAL AND".

On page 6, in line 29, strike "CLINIC" and substitute "HEALTH CENTER"; in line 30, strike "BUT NOT LIMITED TO" and substitute ":

(I)";

after line 32, insert:

"(II) METHODS TO EXPAND SCHOOL-BASED HEALTH CENTERS TO PROVIDE PRIMARY CARE SERVICES;";

in line 34, after "SERVICES" insert "; AND

(17) EVALUATE THE FEASIBILITY OF EXTENDING LIABILITY PROTECTION UNDER THE MARYLAND TORT CLAIMS ACT TO HEALTH CARE PRACTITIONERS WHO CONTRACT DIRECTLY WITH A COMMUNITY HEALTH RESOURCE";

and strike in their entirety lines 35 through 38, inclusive.

AMENDMENT NO. 6

On page 7, in lines 1, 5, 12, and 18, strike "(C)", "(D)", "(E)", and "(F)", respectively, and substitute "(B)", "(C)", "(D)", and "(E)", respectively; in line 2, in each instance, strike "A" and substitute "ONE"; in line 12, strike "CLINIC" and substitute "HEALTH CENTER"; in line 13, after "SHALL" insert ":

(1)";

in line 17, strike the period and substitute "; AND"; and after line 17, insert:

"(2) IDENTIFY THE FOLLOWING:

(I) A SCHEDULE FOR PREMIUM PAYMENTS TO BE PAID BY INDIVIDUALS ACCESSING A SCHOOL-BASED COMMUNITY HEALTH CENTER;

(II) A SCHEDULE FOR THE REIMBURSEMENT TO BE PAID BY MANAGED CARE ORGANIZATIONS AND PRIVATE INSURERS TO THE SCHOOL-BASED

COMMUNITY HEALTH CENTER;

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

(IV) BARRIERS TO THE REIMBURSEMENT OF LICENSED HEALTH CARE PROVIDERS WHO PROVIDE SERVICES AT SCHOOL-BASED HEALTH CENTERS, INCLUDING NURSE PRACTITIONERS AND PHYSICIAN ASSISTANTS;

(V) A SYSTEM OF REGISTERING INDIVIDUALS WHO RECEIVE HEALTH CARE SERVICES FROM A SCHOOL-BASED COMMUNITY HEALTH CENTER THAT REQUIRES AN INDIVIDUAL TO PAY PREMIUMS AND SLIDING SCALE FEES; AND

(VI) SECURITY MEASURES TO BE USED BY SCHOOL-BASED COMMUNITY HEALTH CENTERS.".

AMENDMENT NO. 7

On page 7, after line 23, insert:

"(A) THE COMMISSION SHALL DEVELOP A TOLL-FREE HOTLINE TO:

(1) DETERMINE A CALLER'S POTENTIAL ELIGIBILITY FOR HEALTH CARE SERVICES;

(2) ASSIST CALLERS IN COMPLETING APPLICATION FORMS FOR HEALTH CARE SERVICES;

(3) REFER CALLERS TO COMMUNITY HEALTH RESOURCES THAT ARE CLOSE TO THE CALLER'S RESIDENCE OR WORKPLACE; AND

(4) PROVIDE OUTREACH SERVICES TO EDUCATE AND INFORM INDIVIDUALS OF THE AVAILABILITY OF COMMUNITY HEALTH RESOURCES AND THE

ELIGIBILITY CRITERIA OF COMMUNITY HEALTH RESOURCES.

(B) IN DEVELOPING A TOLL-FREE HOTLINE, THE COMMISSION SHALL COORDINATE TO THE EXTENT PRACTICABLE WITH ANY EXISTING TOLL-FREE HOTLINE.

19-2110.";

and in line 36, strike "2." and substitute "3.".

AMENDMENT NO. 8

On page 8, in line 12, strike "MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND; AND" and substitute "MONEY COLLECTED FROM A NONPROFIT HEALTH SERVICE PLAN IN ACCORDANCE WITH § 14-106.1 OF THE INSURANCE ARTICLE;

(2) INTEREST EARNED ON INVESTMENTS;

(3) MONEY DONATED TO THE FUND;

(4) MONEY AWARDED TO THE FUND THROUGH GRANTS; AND";

in line 13, strike "(2)" and substitute "(5)"; in line 15, after "(E)" insert "(1)"; in lines 16, 18, and 22, strike "(1)", "(2)", and "(3)", respectively, and substitute "(I)", "(II)", and "(III)", respectively; in line 21, strike "AND"; strike beginning with "TOTALING" in line 22 down through "2006" in line 23 and substitute ", LESS THE COSTS INCURRED BY THE COMMISSION UNDER PARAGRAPHS (1) AND (2) OF THIS SUBSECTION;"; in line 23, after "RESOURCES" insert "; AND

(IV) PROVIDE FUNDING FOR THE DEVELOPMENT, SUPPORT, AND MONITORING OF A UNIFIED DATA INFORMATION SYSTEM AMONG PRIMARY AND SPECIALTY CARE PROVIDERS, HOSPITALS, AND OTHER PROVIDERS OF SERVICES TO COMMUNITY HEALTH RESOURCE MEMBERS.

(2) THE FUNDING FOR A UNIFIED DATA INFORMATION SYSTEM

UNDER PARAGRAPH (1)(IV) OF THIS SUBSECTION SHALL BE LIMITED TO:

(I) $1,000,000 IN FISCAL YEAR 2006; AND

(II) $1,400,000 IN FISCAL YEAR 2007 AND ANNUALLY THEREAFTER.

(F) THE COMMISSION SHALL ADOPT REGULATIONS THAT:

(1) ESTABLISH THE CRITERIA FOR A COMMUNITY HEALTH RESOURCE TO QUALIFY FOR A GRANT;

(2) ESTABLISH THE PROCEDURES FOR DISBURSING GRANTS TO QUALIFYING COMMUNITY HEALTH RESOURCES; AND

(3) DEVELOP A FORMULA FOR DISBURSING GRANTS TO QUALIFYING COMMUNITY HEALTH RESOURCES.

(G) IN DEVELOPING REGULATIONS UNDER SUBSECTION (F)(1) OF THIS SECTION, THE COMMISSION SHALL:

(1) CONSIDER GEOGRAPHIC BALANCE; AND

(2) GIVE PRIORITY TO COMMUNITY HEALTH RESOURCES THAT:

(I) IN ADDITION TO NORMAL BUSINESS HOURS, HAVE EVENING AND WEEKEND HOURS OF OPERATION;

(II) HAVE PARTNERED WITH A HOSPITAL TO ESTABLISH A REVERSE REFERRAL PROGRAM AT THE HOSPITAL;

(III) REDUCE THE USE OF THE HOSPITAL EMERGENCY DEPARTMENT FOR NONEMERGENCY SERVICES;

(IV) ASSIST PATIENTS IN ESTABLISHING A MEDICAL HOME WITH A COMMUNITY HEALTH RESOURCE;

(V) COORDINATE AND INTEGRATE THE DELIVERY OF PRIMARY AND SPECIALTY CARE SERVICES;

(VI) PROMOTE THE INTEGRATION OF MENTAL AND SOMATIC HEALTH WITH FEDERALLY QUALIFIED HEALTH CENTERS OR OTHER SOMATIC CARE PROVIDERS;

(VII) FUND MEDICATION MANAGEMENT OR THERAPY SERVICES FOR UNINSURED INDIVIDUALS UP TO 200% OF THE FEDERAL POVERTY LEVEL WHO MEET MEDICAL NECESSITY CRITERIA BUT WHO ARE INELIGIBLE FOR THE PUBLIC MENTAL HEALTH SYSTEM;

(VIII) PROVIDE A CLINICAL HOME FOR INDIVIDUALS WHO ACCESS HOSPITAL EMERGENCY DEPARTMENTS FOR MENTAL HEALTH SERVICES; AND

(IX) SUPPORT THE IMPLEMENTATION OF EVIDENCE-BASED CLINICAL PRACTICES.

(H) GRANTS AWARDED TO A COMMUNITY HEALTH RESOURCE UNDER THIS SECTION MAY BE USED:

(1) TO PROVIDE OPERATIONAL ASSISTANCE TO A COMMUNITY HEALTH RESOURCE; AND

(2) FOR ANY OTHER PURPOSE THE COMMISSION DETERMINES IS APPROPRIATE TO ASSIST A COMMUNITY HEALTH RESOURCE";

in line 24, strike "(F)" and substitute "(I)"; in the same line, strike "STATE"; strike in their entirety lines 28 and 29; in line 30, strike "(H)" and substitute "(J)"; after line 32, insert:

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

Article - Health - General".

AMENDMENT NO. 9

On page 12, in line 2, strike "AT LEAST $5,000,000" and substitute "AN APPROPRIATION".

AMENDMENT NO. 10

On page 15, after line 21, insert:

"Article - Insurance

14-102.

(h) The provisions of subsections (d) and (e) of this section and §§ 14-106, 14-106.1, 14-115(d), (e), (f), and (g), and 14-139(d) and (e) of this subtitle do not apply to a nonprofit health service plan that insures between 1 and 10,000 covered lives in Maryland or issues contracts for only one of the following services:

(1) podiatric;

(2) chiropractic;

(3) pharmaceutical;

(4) dental;

(5) psychological; or

(6) optometric.

14-106.

(d) (1) Notwithstanding subsection (c) of this section, a nonprofit health service plan that is subject to this section and issues comprehensive health care benefits in the State shall:

[(1)] (I) offer health care products in the individual market;

[(2)] (II) offer health care products in the small employer group market in accordance with Title 15, Subtitle 12 of this article; [and]

[(3)] (III) administer and subsidize the Senior Prescription Drug ASSISTANCE Program established under Title 14, Subtitle 5, Part II of this title;

[(4)] (IV) SUBSIDIZE GRANTS TO COMMUNITY HEALTH RESOURCES, AS PROVIDED UNDER § 14-106.1 OF THIS SUBTITLE;

[(5)] (V) SUBSIDIZE THE MARYLAND PHARMACY DISCOUNT PROGRAM UNDER § 15-124 OF THE HEALTH - GENERAL ARTICLE; AND

(VI) PROVIDE FUNDING FOR A UNIFIED DATA INFORMATION SYSTEM UNDER § 19-2201(D)(5)(IV) OF THE HEALTH - GENERAL ARTICLE.

(2) (I) THE SUBSIDY PROVIDED UNDER PARAGRAPH (1)(IV) OF THIS SECTION FOR GRANTS TO COMMUNITY HEALTH RESOURCES SHALL BE LIMITED TO:

1. $6,000,000 IN FISCAL YEAR 2006; AND

2. IN FISCAL YEAR 2007 AND ANNUALLY THEREAFTER, THE VALUE OF THE PREMIUM TAX EXEMPTION LESS:

A. THE SUBSIDY REQUIRED UNDER THIS SECTION FOR THE SENIOR PRESCRIPTION DRUG ASSISTANCE PROGRAM; AND

B. THE SUBSIDY REQUIRED UNDER THIS SECTION FOR THE MARYLAND PHARMACY DISCOUNT PROGRAM.

(II) THE SUBSIDY PROVIDED UNDER PARAGRAPH (1)(V) OF THIS SECTION FOR THE MARYLAND PHARMACY DISCOUNT PROGRAM SHALL BE LIMITED TO:

1. $1,000,000 IN FISCAL YEAR 2006; AND
2. $600,000 IN FISCAL YEAR 2007 AND ANNUALLY THEREAFTER;

(III) THE SUBSIDY PROVIDED UNDER PARAGRAPH (1)(VI) OF THIS SECTION TO FUND A UNIFIED DATA INFORMATION SYSTEM LIMITED TO:

1. $1,000,000 IN FISCAL YEAR 2006; AND

2. $1,400,000 IN FISCAL YEAR 2007 AND ANNUALLY THEREAFTER.

(3) FOR ANY YEAR, THE SUBSIDY AND FUNDING REQUIRED UNDER THIS SUBSECTION BY A NONPROFIT HEALTH SERVICE PLAN SUBJECT TO THIS SECTION MAY NOT EXCEED THE VALUE OF THE NONPROFIT HEALTH SERVICE PLAN'S PREMIUM TAX EXEMPTION UNDER § 6-101(B) OF THIS ARTICLE.

14-106.1.

BEGINNING IN FISCAL YEAR 2006, A NONPROFIT HEALTH SERVICE PLAN SHALL TRANSFER FUNDS IN THE AMOUNTS PROVIDED UNDER § 14-106 (D)(2) OF THIS SUBTITLE TO:

(1) THE COMMUNITY HEALTH RESOURCES COMMISSION FUND ESTABLISHED UNDER § 19-2201 OF THE HEALTH - GENERAL ARTICLE TO:

(I) PROVIDE ANNUAL OPERATING GRANTS TO COMMUNITY HEALTH RESOURCES; AND

(II) PROVIDE FUNDING FOR A UNIFIED DATA INFORMATION SYSTEM; AND

(2) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE TO SUBSIDIZE THE MARYLAND PHARMACY DISCOUNT PROGRAM UNDER § 15-124 OF THE HEALTH - GENERAL ARTICLE.

15-131.

(A) (1) IN THIS SECTION, "CARRIER" MEANS:

(I) AN INSURER;

(II) A NONPROFIT HEALTH SERVICE PLAN;

(III) A HEALTH MAINTENANCE ORGANIZATION;

(IV) A DENTAL PLAN ORGANIZATION; OR

(V) ANY OTHER PERSON THAT PROVIDES HEALTH BENEFIT PLANS SUBJECT TO REGULATION BY THE STATE.

(2) "CARRIER" INCLUDES AN ENTITY THAT ARRANGES A PROVIDER PANEL FOR THE CARRIER.

(B) TO THE EXTENT REQUIRED UNDER FEDERAL LAW, A CARRIER SHALL REIMBURSE A COMMUNITY HEALTH RESOURCE, AS DEFINED IN § 19-2101 OF THE HEALTH - GENERAL ARTICLE, FOR COVERED SERVICES PROVIDED TO AN ENROLLEE OR SUBSCRIBER OF THE CARRIER.

SECTION 5. 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 eight voting members of the General Assembly, including:

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

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

(c) The following individuals shall serve as nonvoting 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 four members of the Senate, the President of the Senate shall appoint one member to serve as a cochair; and

(2) of the four members of the House of Delegates, the Speaker of the House shall appoint one member to serve as a cochair.

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

(f) The Task Force shall:

(1) 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; and

(2) analyze the feasibility and desirability of implementing aspects of the "Dirigo Health" plan, the California employer mandate, or other innovative state health care coverage programs in Maryland.

(g) The Task Force, in conducting the study required under subsection (f)(1) of this section, shall seek input 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 four public hearings in different geographic regions of the State to receive citizen input.

(i) The Task Force shall report its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, to the General Assembly on or before December 31, 2005.

SECTION 6. AND BE IT FURTHER ENACTED, That:

(a) On or before September 1, 2005, the Department of Health and Mental Hygiene shall submit to the Centers for Medicare and Medicaid Services an application for an amendment to the State's existing § 1115 demonstration waiver necessary to implement the alterations to the eligibility requirements of the Maryland Pharmacy Discount Program as provided under Section 1 of this Act.

(b) The Department shall apply for federal matching funds subject to budget neutrality requirements under § 1115 of the Social Security Act and the availability of State funds.

(c) If the application for the amendment to the State's § 1115 demonstration waiver under this section is approved, all individuals enrolled in the Maryland Pharmacy Discount Program on or before the date of approval of the waiver amendment may remain enrolled in the Program through December 31, 2005; and

(d) The Department of Health and Mental Hygiene, within 5 days after receiving notice of the approval or denial of the waiver amendment application, shall forward a copy of the notice to the

Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401.

SECTION 7. AND BE IT FURTHER ENACTED, That, if the Centers for Medicare and Medicaid Services approves the primary care waiver applied for under Chapter 448 of the Acts of 2003, the Department of Health and Mental Hygiene shall submit an amendment to the waiver to include office-based and outpatient specialty medical care and inpatient medical care for individuals with family income below 116% of the federal poverty guidelines who meet the eligibility requirements for the Maryland Primary Care Program.

SECTION 8. AND BE IT FURTHER ENACTED, That:

(a) The Maryland Health Care Commission and the Health Services Cost Review Commission jointly shall assess:

(1) the level and underlying causes of uncompensated and undercompensated care provided by physicians who provide at least 25% of their services in a hospital setting, as determined by reporting on the most currently available complete year of data from the Medical Care Data Base; and

(2) the level of reimbursement provided by commercial payers in the State as a percentage of provider costs compared to reimbursement provided by Medicare as a percentage of provider costs.

(b) (1) The Commissions shall make recommendations on:

(i) alternative methods of distributing the reasonable costs of uncompensated and undercompensated care provided by physicians who provide at least 25% of their services in a hospital setting, as determined by reporting on the most currently available complete year of data from the Medical Care Data Base; and

(ii) the feasibility of establishing an uncompensated and undercompensated care fund patterned after the Maryland Trauma Physician Services Fund.

(2) To determine the percentage of services provided by a physician in a hospital setting, the Commissions shall use data from the Medical Care Data Base for the most recent calendar year for which there is a complete year of data.

(c) The assessments and recommendations required under subsections (a) and (b) of this section shall be submitted, in accordance with § 2-1246 of the State Government Article, to the House Health and Government Operations Committee and the Senate Finance Committee on or before January 1, 2006.

SECTION 9. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take effect contingent on the approval by the Centers for Medicare and Medicaid Services of a waiver amendment applied for under Section 6 of this Act. If the waiver amendment applied for under Section 6 of this Act is denied, Section 1 of this Act, without the necessity of any further action by the General Assembly, shall be null and void and of no further force and effect.";

in line 22, strike "3." and substitute "10."; in the same line, after "That" insert ", subject to Section 9 of this Act,"; in line 23, strike "Section 1" and substitute "Section 3"; in line 25, strike "1" and substitute "3"; and in the same line, after the period, insert "Section 5 of this Act shall remain effective for a period of 1 year and, at the end of June 30, 2006, with no further action required by the General Assembly, Section 5 of this Act shall be abrogated and of no further force and effect.".