
By: **Delegate Hurson**

Introduced and read first time: February 1, 2005

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Commission on Specialty Health Group Rates and Terms**

3 FOR the purpose of establishing a Maryland Commission on Specialty Health Group
4 Rates and Terms; providing for the composition of the Commission; providing for
5 the terms of the Commission members; requiring the Commission to elect a
6 Chair from among the Commission's members; prohibiting a member from
7 receiving compensation but entitling members to reimbursement of expenses
8 under a certain law; requiring the Department of Health and Mental Hygiene to
9 provide staffing for the Commission; requiring the Commission to review certain
10 proposals for certain terms and rates submitted by certain specialty health
11 groups; requiring the Commission to designate certain consultants for certain
12 terms and rates; providing that certain approval by the Commission on certain
13 terms and rates is a State action and exempts certain terms and rates from
14 certain antitrust laws; defining certain terms; and generally relating to the
15 Maryland Commission on Specialty Health Group Rates and Terms.

16 BY adding to

17 Article - Health - General

18 Section 19-2101 through 19-2110, inclusive, to be under the new subtitle

19 "Subtitle 21. Maryland Commission on Specialty Health Group Rates and
20 Terms"

21 Annotated Code of Maryland

22 (2000 Replacement Volume and 2004 Supplement)

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

24 MARYLAND, That the Laws of Maryland read as follows:

1

Article - Health - General

2

SUBTITLE 21. MARYLAND COMMISSION ON SPECIALTY HEALTH GROUP RATES AND TERMS.

3

4 19-2101.

5 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
6 INDICATED.

7 (B) "COMMISSION" MEANS THE MARYLAND COMMISSION ON SPECIALTY
8 HEALTH GROUP RATES AND TERMS.

9 (C) "FACILITY" MEANS, WHETHER OPERATED FOR A PROFIT OR NOT:

10 (1) ANY HOSPITAL; OR

11 (2) ANY RELATED INSTITUTION.

12 (D) "HEALTH CARE PRACTITIONER" MEANS AN INDIVIDUAL WHO IS LICENSED
13 OR CERTIFIED, OR OTHERWISE AUTHORIZED UNDER THE HEALTH OCCUPATIONS
14 ARTICLE TO PROVIDE HEALTH CARE SERVICES.

15 (E) "PAYOR" MEANS:

16 (1) A HEALTH INSURER OR NONPROFIT HEALTH SERVICE PLAN THAT
17 HOLDS A CERTIFICATE OF AUTHORITY AND PROVIDES HEALTH INSURANCE
18 POLICIES OR CONTRACTS IN THE STATE IN ACCORDANCE WITH THIS ARTICLE OR
19 THE INSURANCE ARTICLE; OR

20 (2) A HEALTH MAINTENANCE ORGANIZATION THAT HOLDS A
21 CERTIFICATE OF AUTHORITY IN THE STATE.

22 (F) "SPECIALTY HEALTH GROUP" MEANS A GROUP OF HEALTH CARE
23 PRACTITIONERS CERTIFIED OR TRAINED TO PRACTICE IN A SPECIFIED FIELD.

24 19-2102.

25 (A) THERE IS A MARYLAND COMMISSION ON SPECIALTY HEALTH GROUP
26 RATES AND TERMS.

27 (B) THE COMMISSION IS AN INDEPENDENT COMMISSION THAT FUNCTIONS IN
28 THE DEPARTMENT.

29 19-2103.

30 THE PURPOSE OF THE COMMISSION IS TO REVIEW RATES AND TERMS SET BY
31 SPECIALTY HEALTH GROUPS.

1 19-2104.

2 THE COMMISSION CONSISTS OF THE FOLLOWING 11 MEMBERS:

3 (1) THE SECRETARY OR THE SECRETARY'S DESIGNEE;

4 (2) ONE NONELECTED INDIVIDUAL, APPOINTED BY THE PRESIDENT OF
5 THE SENATE;

6 (3) ONE NONELECTED INDIVIDUAL, APPOINTED BY THE SPEAKER OF
7 THE HOUSE; AND

8 (4) THE FOLLOWING MEMBERS, APPOINTED BY THE GOVERNOR:

9 (I) ONE REPRESENTATIVE FROM THE MARYLAND HEALTH CARE
10 COMMISSION;

11 (II) ONE REPRESENTATIVE FROM THE HEALTH SERVICES COST
12 REVIEW COMMISSION;

13 (III) ONE PAYOR;

14 (IV) TWO INDIVIDUALS INVOLVED IN THE MANAGEMENT OR POLICY
15 OF A FACILITY; AND

16 (V) THREE INDIVIDUALS WHO DO NOT HAVE A CONNECTION WITH
17 THE MANAGEMENT OR POLICY OF A FACILITY.

18 19-2105.

19 (A) THE TERM OF A MEMBER IS 4 YEARS.

20 (B) THE TERMS OF A MEMBER ARE STAGGERED AS REQUIRED BY THE TERMS
21 PROVIDED FOR MEMBERS OF THE COMMISSION ON OCTOBER 1, 2005.

22 (C) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A
23 SUCCESSOR IS APPOINTED AND QUALIFIES.

24 (D) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES ONLY
25 FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND
26 QUALIFIES.

27 (E) A MEMBER MAY NOT SERVE MORE THAN TWO CONSECUTIVE TERMS.

28 19-2106.

29 THE MEMBERS OF THE COMMISSION SHALL ELECT A CHAIR FROM AMONG THE
30 COMMISSION'S MEMBERS.

1 19-2107.

2 A MEMBER OF THE COMMISSION:

3 (1) MAY NOT RECEIVE COMPENSATION; BUT

4 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
5 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

6 19-2108.

7 THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE SHALL PROVIDE STAFF
8 FOR THE COMMISSION.

9 19-2109.

10 THE COMMISSION SHALL ADOPT REGULATIONS TO CARRY OUT THE
11 PROVISIONS OF THIS SUBTITLE.

12 19-2110.

13 (A) THE COMMISSION SHALL REVIEW EACH PROPOSAL FOR TERMS AND
14 RATES SET BY A SPECIALTY HEALTH GROUP AND SUBMITTED TO THE COMMISSION.

15 (B) FOR EACH PROPOSAL FOR TERMS AND RATES SUBMITTED BY A SPECIALTY
16 HEALTH GROUP, THE COMMISSION SHALL DESIGNATE TWO HEALTH CARE
17 PRACTITIONERS FROM THE SPECIALTY HEALTH GROUP'S SPECIFIED FIELD AS
18 CONSULTANTS IN THE COMMISSION'S REVIEW.

19 (C) IF THE COMMISSION APPROVES A PROPOSAL FOR RATES AND TERMS
20 SUBMITTED BY A SPECIALTY HEALTH GROUP, THE APPROVAL IS A STATE ACTION AND
21 THE RATES AND TERMS SHALL BE EXEMPT FROM STATE ANTITRUST LAW.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 October 1, 2005.