
By: **Delegates Hurson, Hammen, Hubbard, Benson, Bromwell, Costa, Donoghue, Feldman, Goldwater, Kullen, Madaleno, Mandel, Morhaim, Murray, Nathan-Pulliam, Oaks, Pendergrass, Rudolph, and V. Turner V. Turner, Boutin, Elliott, Frank, Kach, McDonough, and Weldon**

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CHAPTER _____

1 AN ACT concerning

2 **Community Health Care Access and Safety Net Act of 2005**

3 FOR the purpose of requiring ~~the Health Services Cost Review Commission~~ hospitals
4 to develop ~~a financial assistance policy for hospitals~~ financial assistance policies
5 to provide free and reduced-cost care to certain patients; requiring hospitals to
6 post a certain notice; requiring the Health Services Cost Review Commission to
7 develop a uniform financial assistance application and require each hospital to
8 use the application for a certain purpose; requiring the uniform financial
9 assistance application to meet certain requirements; requiring a hospital to
10 provide the uniform financial assistance application to certain patients;
11 ~~requiring the Health Services Cost Review Commission to develop a standard~~
12 ~~policy for hospitals to collect debts owed by certain patients~~ hospitals to submit
13 to the Health Services Cost Review Commission certain debt collection policies;
14 requiring the Health Services Cost Review Commission ~~annually to obtain from~~
15 ~~hospitals the amount of money needed to support the cost of a certain specialty~~
16 ~~network; requiring the Health Services Cost Review Commission to calculate a~~
17 ~~certain percentage and determine a certain share of funding owed by each~~
18 ~~hospital; requiring the Health Services Cost Review Commission to assess the~~
19 ~~underlying causes of uncompensated hospital professional services and make~~
20 ~~certain recommendations to the General Assembly; authorizing the Health~~
21 ~~Services Cost Review Commission to adopt certain regulations~~ to report to
22 certain Committees of the General Assembly on or before a certain date on the
23 details of certain hospital policies; requiring nonprofit hospitals to include
24 certain information in their community benefit reports to the Health Services
25 Cost Review Commission; providing that a certain nonprofit health

1 maintenance organization is not subject to the insurance premium tax;
2 establishing the Maryland Community Health Resources Commission as an
3 independent commission that functions within the Department of Health and
4 Mental Hygiene; establishing the powers and duties of the Commission;
5 requiring the Commission to adopt certain regulations on or before a certain
6 date; providing for the purpose, duties, powers, membership, terms of members,
7 meetings, compensation, composition, staff, and appointment of a chair, vice
8 chair, and executive director of the Commission; requiring the Commission to
9 submit a certain annual report to the Governor, Secretary of Health and Mental
10 Hygiene, and General Assembly; providing that certain powers of the Secretary
11 of Health and Mental Hygiene do not apply to the Commission; requiring the
12 Commission to develop a certain toll-free hotline; requiring the Commission to
13 coordinate with certain persons to provide certain outreach to certain
14 individuals; requiring the Commission to refer individuals to community health
15 resources ~~according to a certain schedule and~~ in a certain manner; requiring the
16 Commission to adopt certain regulations in consultation with certain persons;
17 requiring the Commission to establish standing committees on Capital and
18 Operational Funding, Hospital and Community Health Resources Relations,
19 School-based Community Health ~~Clinic Center~~ Expansion, and Data
20 Information Systems; providing for the composition and duties of the standing
21 committees; requiring each standing committee to submit ~~a certain annual~~
22 ~~report to the Commission on or before a certain date~~ certain reports to certain
23 persons on or before certain dates; establishing the Community Health
24 Resources Commission Fund; establishing the sources and uses of funds in the
25 Community Health Resources Commission Fund; specifying the use of grants
26 awarded to a community health resource; requiring the Treasurer to invest the
27 money in the Fund in a certain manner; providing that any investment earnings
28 of the Fund shall be retained to the credit of the Fund; providing that the Fund
29 is subject to audit by the Office of Legislative Audits; requiring the Maryland
30 Community Health Resources Commission ~~and the Maryland Health Insurance~~
31 ~~Plan, in collaboration with community health resources and local health~~
32 ~~departments,~~ to develop a specialty care network for certain individuals;
33 requiring the specialty care network to meet certain requirements; requiring
34 individuals who receive care through the specialty care network to pay for
35 specialty care according to a sliding fee scale; requiring specialty care to be
36 subsidized by certain funds; requiring the Maryland Community Health
37 Resources Commission, ~~in coordination with the Maryland Health Insurance~~
38 ~~Plan, to determine the funds needed for~~ to provide to community health
39 resources subsidies for specialty care; ~~requiring the Commission to obtain funds~~
40 ~~from an assessment on hospitals under certain circumstances;~~ requiring the
41 Commission to assist individuals with certain income in accessing certain health
42 care coverage; establishing the Federally Qualified Health Centers Grant
43 Program; authorizing the Board of Public Works, on the recommendation of the
44 Secretary of Health and Mental Hygiene, to provide grants under the Program
45 to counties, municipal corporations, and nonprofit corporations for the
46 conversion of public buildings to Federally Qualified Health Centers, the
47 acquisition of existing buildings or parts of buildings for use as Federally
48 Qualified Health Centers, the renovation of Federally Qualified Health Centers,

1 the purchase of capital equipment for Federally Qualified Health Centers, and
2 the planning, design, and construction of Federally Qualified Health Centers;
3 requiring the Department of Health and Mental Hygiene to make certain
4 recommendations and adopt certain regulations; providing for an application
5 process; authorizing the Board of Public Works to adopt certain regulations;
6 providing certain terms, conditions, and limitations on the allocations, use, and
7 amount of State grants; prohibiting proceeds of a grant from being used for
8 certain religious purposes; authorizing the State, under certain circumstances,
9 to recover a certain portion of the State funds expended; providing for a certain
10 judicial proceeding and liens to enforce the State's right of recovery and the
11 priority of the proceeding and the lien; requiring the Governor to include a
12 certain amount in the capital budget for the Federally Qualified Health Centers
13 Grant Program; requiring a certain nonprofit health maintenance organization
14 to transfer certain funds to a certain Medical Assistance Program Account and
15 the Community Health Resources Commission Fund at certain times; requiring
16 a certain nonprofit health maintenance organization to file a certain report with
17 the Maryland Insurance Commissioner on or before a certain date; providing
18 that the Maryland Medical Professional Liability Insurance Rate Stabilization
19 Fund shall include certain funds paid by a certain nonprofit health maintenance
20 organization; providing that certain provisions of law do not apply to certain
21 nonprofit health service plans; requiring a nonprofit health service plan to
22 subsidize grants to community health resources and transfer certain funds to
23 the Community Health Resources Commission Fund beginning in a certain
24 fiscal year for a certain purpose; requiring certain insurance carriers to
25 reimburse certain providers for certain services to the extent required under
26 federal law; providing that the Maryland Health Insurance Plan Fund includes
27 grants from the Community Health Resources Commission; requiring the Fund
28 to be used for subsidizing the cost of specialty care provided to certain
29 individuals; requiring the Board of Directors of the Maryland Health Insurance
30 Plan to maintain a separate account within the Fund for specialty care provided
31 to certain individuals; providing that, beginning in a certain fiscal year, certain
32 revenues from the Cigarette Restitution Fund shall be used to fund the
33 Community Health Resources Commission Fund; repealing a certain obsolete
34 provision of law; providing that certain health care providers are State
35 personnel who are immune from certain liability; authorizing the Board of
36 Directors of the Maryland Health Insurance Plan to use transfer certain funds
37 for the design and development of a certain eligibility system under certain
38 circumstances; requiring the Department of Health and Mental Hygiene to
39 report to the Board of Directors of the Maryland Health Insurance Plan on a
40 plan to implement the proposed eligibility system; prohibiting the Department
41 of Health and Mental Hygiene from implementing the proposed eligibility
42 system until certain conditions are met; making certain provisions of this Act
43 subject to a certain contingency; establishing a Joint Legislative Task Force on
44 Universal Access to Quality and Affordable Health Care; providing for the
45 membership, staffing, and duties of the Task Force; requiring the Department of
46 Health and Mental Hygiene to apply for certain waivers under certain
47 circumstances; making certain provisions of this Act retroactive; requiring the
48

1 Maryland Health Care Commission and the Health Services Cost Review
2 Commission to jointly assess certain aspects of uncompensated and
3 undercompensated care and certain reimbursement, make recommendations on
4 alternative methods of distributing certain costs of uncompensated and
5 undercompensated care, and submit certain assessments and recommendations
6 to certain Committees of the General Assembly on or before a certain date;
7 providing for the termination of certain provisions of this Act; defining certain
8 terms; and generally relating to access to health care.

9 BY repealing and reenacting, without amendments,
10 Article - Courts and Judicial Proceedings
11 Section 5-522(b)
12 Annotated Code of Maryland
13 (2002 Replacement Volume and 2004 Supplement)

14 BY adding to
15 Article - Health - General
16 Section 19-214.1, ~~19-219(f); 19-230 to be under the new part "Part III.~~
17 ~~Professional Services Rate Setting";~~ 19-2101 through 19-2114, inclusive,
18 to be under the new subtitle "Subtitle 21. Maryland Community Health
19 Resources Commission"; and 24-1301 through 24-1307, inclusive, to be
20 under the new subtitle "Subtitle 13. Federally Qualified Health Centers
21 Grant Program"
22 Annotated Code of Maryland
23 (2000 Replacement Volume and 2004 Supplement)

24 BY repealing and reenacting, with amendments,
25 Article - Health - General
26 Section 19-303 and 19-727
27 Annotated Code of Maryland
28 (2000 Replacement Volume and 2004 Supplement)

29 BY repealing and reenacting, with amendments,
30 Article - Insurance
31 Section 14-102(h) and ~~14-504(b) and (e)~~ 14-106
32 Annotated Code of Maryland
33 (2002 Replacement Volume and 2004 Supplement)

34 BY repealing and reenacting, with amendments,
35 Article - Insurance
36 Section 6-101
37 Annotated Code of Maryland
38 (2003 Replacement Volume and 2004 Supplement)
39 (As enacted by Chapter 5 of the Acts of the General Assembly of the 2004 Special
40 Session)

1 BY repealing and reenacting, with amendments,
2 Article - Insurance
3 Section 19-104.1(i)
4 Annotated Code of Maryland
5 (2002 Replacement Volume and 2004 Supplement)
6 (As enacted by Chapter 5 of the Acts of the General Assembly of the 2004 Special
7 Session)

8 BY adding to
9 Article - Insurance
10 Section ~~14-106.1~~ 6-121, 14-106.1, and 15-131
11 Annotated Code of Maryland
12 (2002 Replacement Volume and 2004 Supplement)

13 ~~BY repealing and reenacting, without amendments,~~
14 ~~Article - Insurance~~
15 ~~Section 14-504(a)(1) and (7)~~
16 ~~Annotated Code of Maryland~~
17 ~~(2002 Replacement Volume and 2004 Supplement)~~

18 BY repealing and reenacting, without amendments,
19 Article - State Finance and Procurement
20 Section 7-317(a)
21 Annotated Code of Maryland
22 (2001 Replacement Volume and 2004 Supplement)

23 BY repealing and reenacting, with amendments,
24 Article - State Finance and Procurement
25 Section 7-317(f) and (g)
26 Annotated Code of Maryland
27 (2001 Replacement Volume and 2004 Supplement)

28 BY repealing and reenacting, with amendments,
29 Article - State Government
30 Section 12-101(a)(13) and (14)
31 Annotated Code of Maryland
32 (2004 Replacement Volume)

33 BY adding to
34 Article - State Government
35 Section 12-101(a)(14) and (15)
36 Annotated Code of Maryland
37 (2004 Replacement Volume)

1 BY repealing and reenacting, without amendments,
2 Article - State Government
3 Section 12-104 and 12-105
4 Annotated Code of Maryland
5 (2004 Replacement Volume)

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

8 **Article - Courts and Judicial Proceedings**

9 5-522.

10 (b) State personnel, as defined in § 12-101 of the State Government Article,
11 are immune from suit in courts of the State and from liability in tort for a tortious act
12 or omission that is within the scope of the public duties of the State personnel and is
13 made without malice or gross negligence, and for which the State or its units have
14 waived immunity under Title 12, Subtitle 1 of the State Government Article, even if
15 the damages exceed the limits of that waiver.

16 **Article - Health - General**

17 19-214.1.

18 (A) ~~THE COMMISSION EACH HOSPITAL IN THE STATE SHALL DEVELOP A~~
19 ~~FINANCIAL ASSISTANCE POLICY FOR HOSPITALS TO PROVIDE PROVIDING FREE AND~~
20 ~~REDUCED-COST CARE TO LOW-INCOME PATIENTS:~~

21 ~~(1) WITH FAMILY INCOME BELOW 200% OF THE FEDERAL POVERTY~~
22 ~~LEVEL; AND~~

23 ~~(2) WHO LACK HEALTH CARE COVERAGE.~~

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

27 (C) THE COMMISSION SHALL:

28 (1) DEVELOP A UNIFORM FINANCIAL ASSISTANCE APPLICATION; AND

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

32 (D) THE UNIFORM FINANCIAL ASSISTANCE APPLICATION:

33 (1) SHALL BE WRITTEN IN SIMPLIFIED LANGUAGE; AND

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

3 ~~(E) A HOSPITAL SHALL PROVIDE THE UNIFORM FINANCIAL ASSISTANCE
4 APPLICATION TO EACH PATIENT WHO DOES NOT INDICATE PUBLIC OR PRIVATE
5 HEALTH CARE COVERAGE, AT THE TIME THE PATIENT SUBMITS INFORMATION TO
6 THE HOSPITAL REGARDING FINANCIAL RESPONSIBILITY FOR CARE THAT IS
7 PROVIDED BY THE HOSPITAL.~~

8 ~~(F) THE COMMISSION SHALL DEVELOP A STANDARD POLICY FOR HOSPITALS
9 TO COLLECT DEBTS OWED BY PATIENTS WHO QUALIFY FOR REDUCED-COST CARE
10 UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY.~~

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

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

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

23 ~~19-219.~~

24 ~~(F) (1) THE COMMISSION ANNUALLY SHALL:~~

25 ~~(i) OBTAIN FROM THE HOSPITALS THE AMOUNT OF MONEY~~
26 ~~NEEDED TO SUPPORT THE COST OF THE SPECIALTY CARE NETWORK UNDER § 19-2113~~
27 ~~OF THIS TITLE, AS DETERMINED BY THE MARYLAND COMMUNITY HEALTH~~
28 ~~RESOURCES COMMISSION ESTABLISHED UNDER SUBTITLE 21 OF THIS TITLE, IN~~
29 ~~COLLABORATION WITH THE MARYLAND HEALTH INSURANCE PLAN;~~

30 ~~(ii) CALCULATE THE PERCENTAGE OF TOTAL HOSPITAL NET~~
31 ~~PATIENT REVENUE THAT WILL PRODUCE THE AMOUNT NEEDED TO SUPPORT THE~~
32 ~~COST OF THE SPECIALTY CARE NETWORK; AND~~

33 ~~(iii) DETERMINE THE SHARE OF FUNDING OWED BY EACH~~
34 ~~HOSPITAL FOR WHICH RATES HAVE BEEN APPROVED BY THE COMMISSION~~
35 ~~PROPORTIONATE TO THE PERCENTAGE CALCULATED IN ITEM (ii) OF THIS~~
36 ~~PARAGRAPH.~~

37 ~~(2) EACH HOSPITAL SHALL REMIT MONTHLY ONE TWELFTH OF THE~~
38 ~~AMOUNT DETERMINED IN PARAGRAPH (1)(iii) OF THIS SUBSECTION TO THE~~

~~1 COMMUNITY HEALTH RESOURCES COMMISSION FUND ESTABLISHED UNDER §
2 49-2112 OF THIS TITLE.~~

~~3 49-228.
4 RESERVED.~~

~~5 49-229.
6 RESERVED.~~

~~7 PART III. PROFESSIONAL SERVICES RATE SETTING.~~

~~8 49-230.~~

~~9 (A) IN THIS SECTION, "PROFESSIONAL SERVICES" MEANS HOSPITAL-BASED
10 SERVICES PROVIDED BY PHYSICIANS AND OTHER HEALTH CARE PRACTITIONERS
11 THAT ARE:~~

~~12 (1) BILLED SEPARATELY FROM HOSPITAL FACILITY SERVICES; AND~~

~~13 (2) NOT INCLUDED IN THE RATES ESTABLISHED BY THE COMMISSION
14 UNDER PART II OF THIS SUBTITLE.~~

~~15 (B) THE COMMISSION SHALL ASSESS THE UNDERLYING CAUSES OF
16 UNCOMPENSATED HOSPITAL PROFESSIONAL SERVICES AND MAKE
17 RECOMMENDATIONS TO THE GENERAL ASSEMBLY ON THE MOST APPROPRIATE
18 ALTERNATIVES TO:~~

~~19 (1) REDUCE UNCOMPENSATED PROFESSIONAL SERVICES; AND~~

~~20 (2) EQUITABLY DISTRIBUTE THE COST OF UNCOMPENSATED
21 PROFESSIONAL SERVICES AMONG ALL PAYERS.~~

~~22 (C) THE COMMISSION MAY ADOPT REGULATIONS ESTABLISHING
23 ALTERNATIVE METHODS FOR FINANCING THE REASONABLE COSTS OF
24 UNCOMPENSATED PROFESSIONAL SERVICES PROVIDED THAT THE ALTERNATIVE
25 METHODS:~~

~~26 (1) ARE IN THE PUBLIC INTEREST;~~

~~27 (2) WILL EQUITABLY DISTRIBUTE THE REASONABLE COSTS OF
28 UNCOMPENSATED PROFESSIONAL SERVICES;~~

~~29 (3) WILL FAIRLY DETERMINE THE COST OF REASONABLE
30 UNCOMPENSATED PROFESSIONAL SERVICES INCLUDED IN PROFESSIONAL
31 SERVICES RATES;~~

~~32 (4) WILL PROVIDE INCENTIVES FOR EFFICIENT AND EFFECTIVE
33 COLLECTION POLICIES; AND~~

1 ~~(5) WILL INCORPORATE A UNIFORM FINANCIAL ASSISTANCE POLICY~~
2 ~~FOR INDIVIDUALS WITH FAMILY INCOME BELOW 200% OF THE FEDERAL POVERTY~~
3 ~~LEVEL.~~

4 19-303.

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

6 (2) "Commission" means the Health Services Cost Review Commission.

7 (3) "Community benefit" means an activity that is intended to address
8 community needs and priorities primarily through disease prevention and
9 improvement of health status, including:

10 (i) Health services provided to vulnerable or underserved
11 populations such as Medicaid, Medicare, or Maryland Children's Health Program
12 enrollees;

13 (ii) Financial or in kind support of public health programs;

14 (iii) Donations of funds, property, or other resources that contribute
15 to a community priority;

16 (iv) Health care cost containment activities; and

17 (v) Health education, screening, and prevention services.

18 (4) "Community needs assessment" means the process by which unmet
19 community health care needs and priorities are identified.

20 (b) In identifying community health care needs, a nonprofit hospital:

21 (1) Shall consider, if available, the most recent community needs
22 assessment developed by the Department or the local health department for the
23 county in which the nonprofit hospital is located;

24 (2) May consult with community leaders and local health care providers;
25 and

26 (3) May consult with any appropriate person that can assist the hospital
27 in identifying community health needs.

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

31 (2) The community benefit report shall include:

32 (i) The mission statement of the hospital;

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

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

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

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

5 ~~(VI) A DESCRIPTION OF EFFORTS TAKEN TO ASSIST SPECIALIST~~
6 ~~PROVIDERS TO SERVE THE UNINSURED.~~

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

9 (d) (1) The Commission shall compile the reports required under subsection
10 (c) of this section and issue an annual Nonprofit Hospital Community Health Benefit
11 Report.

12 (2) In addition to the information required under paragraph (1) of this
13 subsection, the Nonprofit Hospital Community Health Benefit Report shall contain a
14 list of the unmet community health care needs identified in the most recent
15 community needs assessment prepared by the Department or local health department
16 for each county.

17 (3) The Nonprofit Hospital Community Health Benefit Report shall be
18 made available to the public free of charge.

19 (4) The Commission shall submit a copy of the annual Nonprofit
20 Hospital Community Health Benefit Report, subject to § 2-1246 of the State
21 Government Article, to the House Health and Government Operations Committee
22 and the Senate Finance Committee.

23 (e) The Commission shall adopt regulations, in consultation with
24 representatives of nonprofit hospitals, that establish:

25 (1) A standard format for reporting the information required under this
26 section;

27 (2) The date on which nonprofit hospitals must submit the annual
28 community benefit reports; and

29 (3) The period of time that the annual community benefit report must
30 cover.

31 19-727.

32 (A) [A] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A health
33 maintenance organization is not exempted from any State, county, or local taxes
34 solely because of this subtitle.

35 (B) A NONPROFIT HEALTH MAINTENANCE ORGANIZATION THAT IS EXEMPT
36 FROM TAXATION UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE IS NOT

1 SUBJECT TO THE INSURANCE PREMIUM TAX UNDER TITLE 6, SUBTITLE 1 OF THE
2 INSURANCE ARTICLE.

3 SUBTITLE 21. MARYLAND COMMUNITY HEALTH RESOURCES COMMISSION.
4 19-2101.

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

7 (B) "COMMISSION" MEANS THE MARYLAND COMMUNITY HEALTH RESOURCES
8 COMMISSION.

9 (C) (1) "COMMUNITY HEALTH RESOURCE" MEANS A NONPROFIT OR FOR
10 PROFIT HEALTH CARE CENTER OR PROGRAM THAT OFFERS THE PRIMARY HEALTH
11 CARE SERVICES REQUIRED BY THE COMMISSION UNDER § 19-2109(A)(2) OF THIS
12 SUBTITLE TO AN INDIVIDUAL ON A SLIDING SCALE FEE SCHEDULE AND WITHOUT
13 REGARD TO AN INDIVIDUAL'S ABILITY TO PAY.

14 (2) "COMMUNITY HEALTH RESOURCE" INCLUDES:

15 (I) A FEDERALLY QUALIFIED HEALTH CENTER;

16 (II) A FEDERALLY QUALIFIED HEALTH CENTER "LOOK-ALIKE";

17 (III) A COMMUNITY HEALTH CENTER;

18 (IV) A MIGRANT HEALTH CENTER;

19 (V) A HEALTH CARE PROGRAM FOR THE HOMELESS;

20 (VI) A PRIMARY CARE PROGRAM FOR A PUBLIC HOUSING PROJECT;

21 (VII) A LOCAL NONPROFIT AND COMMUNITY-OWNED HEALTH CARE
22 PROGRAM;

23 (VIII) A SCHOOL-BASED ~~CLINIC~~ HEALTH CENTER;

24 (IX) A TEACHING CLINIC;

25 (X) A HISTORIC MARYLAND PRIMARY CARE PROVIDER;

26 (XI) A WELLMOBILE; AND

27 (XII) ANY OTHER CENTER OR PROGRAM IDENTIFIED BY THE
28 COMMISSION AS A COMMUNITY HEALTH RESOURCE.

29 19-2102.

30 (A) THERE IS A MARYLAND COMMUNITY HEALTH RESOURCES COMMISSION.

1 (B) THE COMMISSION IS AN INDEPENDENT COMMISSION THAT FUNCTIONS
2 WITHIN THE DEPARTMENT.

3 (C) THE PURPOSE OF THE COMMISSION IS TO INCREASE ACCESS TO HEALTH
4 CARE THROUGH COMMUNITY HEALTH RESOURCES.

5 19-2103.

6 ~~(A) (1) THE COMMISSION CONSISTS OF SEVEN MEMBERS APPOINTED BY~~
7 ~~THE GOVERNOR.~~

8 ~~(2) OF THE SEVEN MEMBERS, FOUR SHALL BE INDIVIDUALS WHO DO~~
9 ~~NOT HAVE ANY CONNECTION WITH THE MANAGEMENT OR POLICY OF ANY~~
10 ~~COMMUNITY HEALTH RESOURCE.~~

11 (A) (1) THE COMMISSION CONSISTS OF NINE MEMBERS APPOINTED BY THE
12 GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE.

13 (2) OF THE NINE MEMBERS:

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

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

18 (III) FOUR SHALL BE INDIVIDUALS WHO:

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

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

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

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

29 (B) (1) THE TERM OF A MEMBER IS 4 YEARS.

30 (2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE
31 TERMS PROVIDED FOR MEMBERS OF THE COMMISSION ON OCTOBER 1, 2005.

32 (3) THE TERMS OF THE INITIAL MEMBERS OF THE COMMISSION END AS
33 FOLLOWS:

34 (I) TWO IN 2006;

1 (II) ~~ONE~~ TWO IN 2007;

2 (III) TWO IN 2008; AND

3 (IV) ~~TWO~~ THREE IN 2009.

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

6 (5) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES
7 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND
8 QUALIFIES.

9 (6) A MEMBER WHO SERVES TWO CONSECUTIVE 4-YEAR TERMS MAY
10 NOT BE REAPPOINTED FOR 4 YEARS AFTER COMPLETION OF THOSE TERMS.

11 (7) TO THE EXTENT PRACTICABLE, WHEN APPOINTING MEMBERS TO
12 THE COMMISSION, THE GOVERNOR SHALL ASSURE GEOGRAPHIC BALANCE AND
13 PROMOTE RACIAL AND GENDER DIVERSITY IN THE COMMISSION'S MEMBERSHIP.

14 19-2104.

15 ANNUALLY, FROM AMONG THE MEMBERS OF THE COMMISSION:

16 (1) THE GOVERNOR SHALL APPOINT A CHAIR; AND

17 (2) THE CHAIR SHALL APPOINT A VICE CHAIR.

18 19-2105.

19 (A) WITH THE APPROVAL OF THE GOVERNOR, THE COMMISSION SHALL
20 APPOINT AN EXECUTIVE DIRECTOR, WHO IS THE CHIEF ADMINISTRATIVE OFFICER
21 OF THE COMMISSION.

22 (B) THE EXECUTIVE DIRECTOR SERVES AT THE PLEASURE OF THE
23 COMMISSION.

24 (C) UNDER THE DIRECTION OF THE COMMISSION, THE EXECUTIVE DIRECTOR
25 SHALL PERFORM ANY DUTY OR FUNCTION THAT THE COMMISSION REQUIRES.

26 19-2106.

27 (A) (1) A MAJORITY OF THE FULL AUTHORIZED MEMBERSHIP OF THE
28 COMMISSION IS A QUORUM.

29 (2) THE COMMISSION MAY NOT ACT ON ANY MATTER UNLESS AT LEAST
30 FOUR MEMBERS IN ATTENDANCE CONCUR.

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

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

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

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

5 (D) (1) THE COMMISSION MAY EMPLOY A STAFF IN ACCORDANCE WITH THE
6 STATE BUDGET.

7 (2) THE COMMISSION SHALL EMPLOY AN INDIVIDUAL WHO IS
8 RESPONSIBLE FOR PREPARING GRANT APPLICATIONS.

9 (3) THE COMMISSION, IN CONSULTATION WITH THE SECRETARY, SHALL
10 DETERMINE THE APPROPRIATE JOB CLASSIFICATIONS AND GRADES FOR ALL STAFF.
11 19-2107.

12 (A) IN ADDITION TO THE POWERS SET FORTH ELSEWHERE IN THIS SUBTITLE,
13 THE COMMISSION MAY:

14 (1) ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS
15 SUBTITLE;

16 (2) CREATE COMMITTEES FROM AMONG ITS MEMBERS;

17 (3) APPOINT ADVISORY COMMITTEES, WHICH MAY INCLUDE
18 INDIVIDUALS AND REPRESENTATIVES OF INTERESTED PUBLIC OR PRIVATE
19 ORGANIZATIONS;

20 (4) APPLY FOR AND ACCEPT ANY FUNDS, PROPERTY, OR SERVICES FROM
21 ANY PERSON OR GOVERNMENT AGENCY;

22 (5) MAKE AGREEMENTS WITH A GRANTOR OR PAYOR OF FUNDS,
23 PROPERTY, OR SERVICES, INCLUDING AN AGREEMENT TO MAKE ANY STUDY, PLAN,
24 DEMONSTRATION, OR PROJECT;

25 (6) PUBLISH AND GIVE OUT ANY INFORMATION THAT RELATES TO
26 EXPANDING ACCESS TO HEALTH CARE THROUGH COMMUNITY HEALTH RESOURCES
27 AND IS CONSIDERED DESIRABLE IN THE PUBLIC INTEREST; AND

28 (7) SUBJECT TO THE LIMITATIONS OF THIS SUBTITLE, EXERCISE ANY
29 OTHER POWER THAT IS REASONABLY NECESSARY TO CARRY OUT THE PURPOSES OF
30 THIS SUBTITLE.

31 (B) IN ADDITION TO THE DUTIES SET FORTH ELSEWHERE IN THIS SUBTITLE,
32 THE COMMISSION SHALL:

33 (1) ADOPT RULES AND REGULATIONS THAT RELATE TO ITS MEETINGS,
34 MINUTES, AND TRANSACTIONS;

1 (2) KEEP MINUTES OF EACH MEETING;

2 (3) PREPARE ANNUALLY A BUDGET PROPOSAL THAT INCLUDES THE
3 ESTIMATED INCOME OF THE COMMISSION AND PROPOSED EXPENSES FOR ITS
4 ADMINISTRATION AND OPERATION; AND

5 (4) ON OR BEFORE OCTOBER 1 OF EACH YEAR, SUBMIT TO THE
6 GOVERNOR, TO THE SECRETARY, AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE
7 GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY AN ANNUAL REPORT ON THE
8 OPERATIONS AND ACTIVITIES OF THE COMMISSION DURING THE PRECEDING FISCAL
9 YEAR.

10 19-2108.

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

15 (B) THE POWER OF THE SECRETARY TO TRANSFER BY RULE, REGULATION, OR
16 WRITTEN DIRECTIVE ANY STAFF, FUNCTIONS, OR FUNDS OF UNITS IN THE
17 DEPARTMENT DOES NOT APPLY TO ANY STAFF, FUNCTION, OR FUNDS OF THE
18 COMMISSION.

19 (C) (1) THE POWER OF THE SECRETARY OVER THE PROCUREMENT
20 PROCEDURE FOR UNITS IN THE DEPARTMENT DOES NOT APPLY TO THE
21 PROCUREMENT PROCEDURE FOR THE COMMISSION.

22 (2) SUBJECT TO THE PROVISIONS OF PARAGRAPH (1) OF THIS
23 SUBSECTION, ANY PROCUREMENT FOR SERVICES TO BE PERFORMED OR FOR
24 SUPPLIES TO BE DELIVERED TO THE COMMISSION IS SUBJECT TO THE PURPOSES
25 AND REQUIREMENTS OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

26 19-2109.

27 (A) IN ADDITION TO THE DUTIES SET FORTH ELSEWHERE IN THIS SUBTITLE,
28 THE COMMISSION SHALL:

29 (1) ESTABLISH BY REGULATION THE CRITERIA TO QUALIFY AS A
30 COMMUNITY HEALTH RESOURCE UNDER THIS SUBTITLE;

31 (2) (I) IDENTIFY THE SERVICES THAT A COMMUNITY HEALTH
32 RESOURCE SHALL PROVIDE TO QUALIFY AS A COMMUNITY HEALTH RESOURCE,
33 WHICH MAY INCLUDE THE PROVISION OF FAMILY MEDICINE, GENERAL INTERNAL
34 MEDICINE, GENERAL PEDIATRIC CARE, LABORATORY SERVICES, PHARMACY
35 SERVICES, AND OBSTETRIC AND GYNECOLOGY SERVICES; AND

36 (II) REQUIRE COMMUNITY HEALTH RESOURCES TO SUBMIT A PLAN
37 TO THE COMMISSION ON HOW THE COMMUNITY HEALTH RESOURCE WILL PROVIDE
38 OR ARRANGE TO PROVIDE MENTAL HEALTH SERVICES;

1 (3) IDENTIFY AND SEEK FEDERAL AND STATE FUNDING FOR THE
2 EXPANSION OF COMMUNITY HEALTH RESOURCES;

3 (4) ADMINISTER OPERATING AND CAPITAL GRANT FUND PROGRAMS
4 FOR QUALIFYING COMMUNITY HEALTH RESOURCES;

5 (5) ESTABLISH BY REGULATION THE CRITERIA FOR COMMUNITY
6 HEALTH RESOURCES TO QUALIFY FOR CAPITAL AND OPERATING GRANTS AND
7 PROCEDURES FOR APPLYING FOR CAPITAL AND OPERATING GRANTS;

8 (6) ASSIST INDIVIDUALS UNDER 300% OF THE FEDERAL POVERTY LEVEL
9 WHO DO NOT HAVE HEALTH INSURANCE TO ACCESS HEALTH CARE THROUGH
10 COMMUNITY HEALTH RESOURCES;

11 (7) TAKING INTO CONSIDERATION REGIONAL DISPARITIES IN INCOME
12 AND THE COST OF MEDICAL SERVICES, ESTABLISH GUIDELINES FOR SLIDING SCALE
13 FEE PAYMENTS BY INDIVIDUALS SERVED BY COMMUNITY HEALTH RESOURCES WHO
14 ARE BETWEEN 100% AND ~~300%~~ 200% OF THE FEDERAL POVERTY LEVEL;

15 (8) IDENTIFY AND PROVIDE ASSISTANCE, INCLUDING TECHNICAL
16 ASSISTANCE, TO ENABLE COMMUNITY HEALTH RESOURCES TO RECEIVE FEDERAL
17 OR STATE DESIGNATIONS FOR WHICH THE RESOURCE MAY BE ELIGIBLE;

18 (9) WORK IN CONJUNCTION WITH THE OFFICE OF PRIMARY CARE IN
19 THE IDENTIFICATION OF THE STATE'S HEALTH PROFESSIONAL SHORTAGE AREAS,
20 MEDICALLY UNDERSERVED AREAS, AND MEDICALLY UNDERSERVED POPULATIONS;

21 (10) (I) IDENTIFY METHODS TO INCREASE THE REIMBURSEMENT
22 RATES PAID BY PUBLIC AND PRIVATE INSURERS TO HEALTH CARE PROVIDERS WHO
23 PROVIDE SERVICES THROUGH COMMUNITY HEALTH RESOURCES; AND

24 (II) IDENTIFY METHODS TO FACILITATE REIMBURSEMENT
25 PROVIDED TO HEALTH CARE PROVIDERS WHO PROVIDE SERVICES THROUGH
26 COMMUNITY HEALTH RESOURCES, INCLUDING METHODS TO MAKE THE PROVIDER
27 AN EMPLOYEE OF THE COMMUNITY HEALTH RESOURCE;

28 (11) IDENTIFY METHODS, IN CONSULTATION WITH THE MARYLAND
29 HEALTH CARE COMMISSION, TO ENCOURAGE EMPLOYERS TO MAKE HEALTH CARE
30 COVERAGE AVAILABLE FOR UNINSURED, LOW-INCOME WORKERS, INCLUDING:

31 (I) ALTERNATIVES TO TRADITIONAL HEALTH INSURANCE THAT
32 STILL PROVIDE TAX BENEFITS TO EMPLOYERS OR EMPLOYEES FOR OBTAINING
33 COVERAGE; AND

34 (II) "THREE-SHARE" PROGRAMS THAT DIVIDE COSTS AMONG THE
35 EMPLOYER, THE EMPLOYEE, AND THE GOVERNMENT;

36 (12) DEVELOP ~~AND~~ RECOMMENDATIONS FOR LEGISLATION AND, IF
37 AUTHORIZED BY STATUTE, IMPLEMENT PROGRAMS TO PROVIDE INCENTIVES TO

1 SPECIALIST PROVIDERS TO SERVE INDIVIDUALS REFERRED FROM COMMUNITY
2 HEALTH RESOURCES, INCLUDING PROGRAMS:

3 (I) TO REDUCE LICENSURE FEES FOR SPECIALIST PROVIDERS WHO
4 SERVE A DESIGNATED NUMBER OF INDIVIDUALS REFERRED EACH YEAR FROM
5 COMMUNITY HEALTH RESOURCES;

6 (II) THAT PROVIDE TAX CREDITS, DEDUCTIONS, OR BOTH TO
7 SPECIALIST PROVIDERS BASED ON THE LEVEL OF UNCOMPENSATED CARE
8 PROVIDED EACH YEAR TO INDIVIDUALS REFERRED FROM COMMUNITY HEALTH
9 RESOURCES; AND

10 (III) TO INCREASE HEALTH PROFESSIONAL VOLUNTEERISM;

11 (13) WORK IN COOPERATION WITH THE GRADUATE MEDICAL AND
12 NURSING EDUCATION PROGRAMS IN THE STATE TO ESTABLISH SPECIALTY CARE
13 PROGRAMS, STAFFED PRIMARILY BY MEDICAL RESIDENTS AND FELLOWS AND
14 NURSE PRACTITIONER GRADUATE STUDENTS, FOR INDIVIDUALS REFERRED FROM
15 COMMUNITY HEALTH RESOURCES, PARTICULARLY IN RURAL AREAS;

16 ~~(14) IN COLLABORATION WITH THE MARYLAND HEALTH INSURANCE
17 PLAN, DETERMINE THE AMOUNT OF MONEY NEEDED FOR SPECIALTY CARE FOR
18 INDIVIDUALS WHO RECEIVE SERVICES FROM COMMUNITY HEALTH RESOURCES
19 FROM:~~

20 ~~(F) STRATEGIC CONTRIBUTION PAYMENTS IN THE CIGARETTE
21 RESTITUTION FUND ESTABLISHED UNDER § 7-317 OF THE STATE FINANCE AND
22 PROCUREMENT ARTICLE; AND~~

23 ~~(H) THE HOSPITAL ASSESSMENT ESTABLISHED UNDER § 19-219(F)
24 OF THIS TITLE; AND~~

25 (14) USING \$5 MILLION IN FUNDS PROVIDED FROM THE CIGARETTE
26 RESTITUTION FUND ESTABLISHED UNDER § 7-317 OF THE STATE FINANCE AND
27 PROCUREMENT ARTICLE, SUPPORT SMOKING CESSATION AND CANCER PREVENTION,
28 SCREENING, DIAGNOSIS, AND TREATMENT INITIATIVES; AND

29 (15) DEVELOP A SLIDING FEE SCALE FOR SPECIALTY CARE PROVIDED TO
30 COMMUNITY HEALTH RESOURCES MEMBERS.

31 (B) IN DEVELOPING CRITERIA UNDER SUBSECTION (A)(5) OF THIS SECTION
32 FOR COMMUNITY HEALTH RESOURCES TO QUALIFY FOR CAPITAL AND OPERATING
33 GRANTS, THE COMMISSION SHALL:

34 (1) CONSIDER GEOGRAPHIC BALANCE; AND

35 (2) GIVE PRIORITY TO COMMUNITY HEALTH RESOURCES THAT:

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

1 (II) HAVE PARTNERED WITH A HOSPITAL TO ESTABLISH A REVERSE
2 REFERRAL PROGRAM AT THE HOSPITAL.

3 (C) ON OR BEFORE OCTOBER 1, 2006, THE COMMISSION SHALL ADOPT
4 REGULATIONS TO IMPLEMENT THE PROGRAMS REQUIRED UNDER SUBSECTION
5 (A)(12) OF THIS SECTION.

6 19-2110.

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

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

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

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

14 (4) PROVIDE OUTREACH SERVICES TO EDUCATE AND INFORM
15 INDIVIDUALS OF THE AVAILABILITY OF COMMUNITY HEALTH RESOURCES AND THE
16 ELIGIBILITY CRITERIA OF COMMUNITY HEALTH RESOURCES.

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

20 (C) THE COMMISSION SHALL COORDINATE WITH THE MOTOR VEHICLE
21 ADMINISTRATION, WORKFORCE INVESTMENT BOARDS, LOCAL DEPARTMENTS OF
22 SOCIAL SERVICES, LOCAL HEALTH DEPARTMENTS, MEDBANK INC., THE
23 COMPTROLLER, THE MARYLAND HEALTH CARE COMMISSION, HOSPITALS,
24 COMMUNITY HEALTH RESOURCES, PHYSICIANS, AND ANY OTHER APPROPRIATE
25 PERSONS TO PROVIDE OUTREACH AND CONSUMER INFORMATION, INCLUDING THE
26 NUMBER FOR THE TOLL-FREE HOTLINE ESTABLISHED UNDER THIS SECTION, TO
27 INDIVIDUALS REGARDING THE HEALTH CARE SERVICES PROVIDED THROUGH
28 COMMUNITY HEALTH RESOURCES.

29 (D) ~~SUBJECT TO SUBSECTION (E) OF THIS SECTION,~~ THE COMMISSION SHALL
30 USE THE INFORMATION RECEIVED FROM THE MOTOR VEHICLE ADMINISTRATION
31 AND FROM ANY OTHER SOURCE TO REFER UNINSURED INDIVIDUALS BELOW 300% OF
32 THE FEDERAL POVERTY LEVEL TO COMMUNITY HEALTH RESOURCES.

33 ~~(E) THE COMMISSION SHALL REFER INDIVIDUALS TO COMMUNITY HEALTH
34 RESOURCES BASED ON THE FOLLOWING SCHEDULE:~~

35 ~~(1) ON OR BEFORE OCTOBER 1, 2006, THE COMMISSION SHALL REFER
36 INDIVIDUALS BELOW 100% OF THE FEDERAL POVERTY LEVEL;~~

1 ~~(2)~~ BEGINNING ON OR BEFORE OCTOBER 1, 2007, THE COMMISSION
2 SHALL REFER INDIVIDUALS BELOW 200% OF THE FEDERAL POVERTY LEVEL; AND

3 ~~(3)~~ BEGINNING ON OR BEFORE OCTOBER 1, 2008, THE COMMISSION
4 SHALL REFER INDIVIDUALS BELOW 300% OF THE FEDERAL POVERTY LEVEL.

5 ~~(F)~~ (E) WHEN REFERRING INDIVIDUALS TO A COMMUNITY HEALTH
6 RESOURCE, THE COMMISSION SHALL:

7 (1) PROMOTE AN EQUITABLE DISTRIBUTION OF REFERRALS AMONG
8 THE COMMUNITY HEALTH RESOURCES; AND

9 (2) ESTABLISH A PROCESS TO ASSIST INDIVIDUALS WHO HAVE BEEN
10 RECEIVING HEALTH CARE SERVICES FROM A HEALTH CARE PROVIDER TO CONTINUE
11 TO RECEIVE SERVICES FROM THAT PROVIDER.

12 ~~(G)~~ (F) THE COMMISSION, IN CONSULTATION WITH LOCAL HEALTH
13 DEPARTMENTS AND COMMUNITY HEALTH RESOURCES, SHALL ADOPT REGULATIONS
14 TO IMPLEMENT THIS SECTION.

15 19-2111.

16 (A) TO FACILITATE THE WORK OF THE COMMISSION, THE COMMISSION SHALL
17 ESTABLISH THE FOLLOWING STANDING COMMITTEES:

18 (1) THE COMMITTEE ON CAPITAL AND OPERATIONAL FUNDING;

19 (2) THE COMMITTEE ON HOSPITAL AND COMMUNITY HEALTH
20 RESOURCES RELATIONS;

21 (3) THE COMMITTEE ON SCHOOL-BASED COMMUNITY HEALTH CLINIC
22 CENTER EXPANSION; AND

23 (4) THE COMMITTEE ON DATA INFORMATION SYSTEMS.

24 (B) (1) THE COMMITTEE ON CAPITAL AND OPERATIONAL FUNDING SHALL
25 BE COMPRISED OF:

26 (I) AT LEAST ONE MEMBER OF THE COMMISSION;

27 (II) THE SECRETARY OF THE DEPARTMENT, OR THE SECRETARY'S
28 DESIGNEE;

29 (III) THE SECRETARY OF BUDGET AND MANAGEMENT, OR THE
30 SECRETARY'S DESIGNEE;

31 (IV) THE EXECUTIVE DIRECTOR OF THE MARYLAND HEALTH AND
32 HIGHER EDUCATIONAL FACILITIES AUTHORITY, OR THE EXECUTIVE DIRECTOR'S
33 DESIGNEE; AND

1 (V) ONE REPRESENTATIVE OF EACH OF THE FOLLOWING,
2 APPOINTED BY THE COMMISSION:

- 3 1. LOCAL HEALTH DEPARTMENTS;
- 4 2. FEDERALLY QUALIFIED HEALTH CENTERS; AND
- 5 3. COMMUNITY HEALTH RESOURCES.

6 (2) THE COMMITTEE SHALL:

7 (I) IDENTIFY AVAILABLE FEDERAL GRANTS FOR OPERATIONAL
8 ASSISTANCE, INCLUDING REACH INITIATIVE AND COMMUNITY ACCESS PROGRAM
9 GRANTS;

10 (II) DEVELOP A PROGRAM TO ASSIST COMMUNITY HEALTH
11 RESOURCES IN OBTAINING THE GRANTS IDENTIFIED UNDER ITEM (I) OF THIS
12 PARAGRAPH;

13 (III) ESTABLISH A STATE NEW MARKETS TAX CREDIT PROGRAM TO
14 ASSIST LENDING INSTITUTIONS AND COMMUNITY DEVELOPMENT GROUPS IN
15 OBTAINING CAPITAL FINANCING THROUGH THE FEDERAL NEW MARKETS TAX
16 CREDIT PROGRAM;

17 (IV) ESTABLISH A CAPITAL BOND SUBCOMMITTEE TO ASSIST
18 FEDERALLY QUALIFIED HEALTH CENTERS IN APPLYING FOR CAPITAL BOND
19 FINANCING AS PROVIDED IN TITLE 24, SUBTITLE 13 OF THIS ARTICLE BY:

20 1. PROVIDING TECHNICAL ASSISTANCE TO COMMUNITY
21 HEALTH RESOURCES IN APPLYING FOR CAPITAL BOND FINANCING;

22 2. COLLECTING APPLICATIONS FROM COMMUNITY HEALTH
23 RESOURCES FOR CAPITAL BOND FINANCING; AND

24 3. SUBMITTING APPLICATIONS FOR CAPITAL BOND
25 FINANCING TO THE BOARD OF PUBLIC WORKS;

26 (V) DEVELOP A PROGRAM FOR CAPITAL BOND FINANCING OF
27 COMMUNITY HEALTH RESOURCES THAT ARE NOT ELIGIBLE FOR THE PROGRAM
28 AUTHORIZED UNDER TITLE 24, SUBTITLE 13 OF THIS ARTICLE;

29 (VI) IDENTIFY ANY FEDERAL OR STATE FUNDING SOURCES THAT
30 MAY BE AVAILABLE TO COMMUNITY HEALTH RESOURCES, INCLUDING ~~FINANCIAL~~
31 ~~ASSISTANCE~~ ISSUANCE OF REVENUE BONDS THROUGH THE MARYLAND HEALTH
32 AND HIGHER EDUCATIONAL FACILITIES AUTHORITY; AND

33 (VII) DEVELOP A REVOLVING LOAN PROGRAM TO ASSIST
34 COMMUNITY HEALTH RESOURCES TO OBTAIN REDUCED DRUG PRICES UNDER § 340B
35 OF THE FEDERAL PUBLIC HEALTH SERVICE ACT.

1 (C) (1) THE COMMITTEE ON HOSPITAL AND COMMUNITY HEALTH
2 RESOURCES RELATIONS SHALL BE COMPRISED OF:

3 (I) AT LEAST ONE MEMBER OF THE COMMISSION; AND

4 (II) ONE REPRESENTATIVE OF EACH OF THE FOLLOWING,
5 APPOINTED BY THE COMMISSION:

6 1. HOSPITALS;

7 2. COMMUNITY HEALTH RESOURCES;

8 3. HOSPITAL-BASED SPECIALISTS; AND

9 4. PHYSICIAN SPECIALISTS.

10 (2) THE COMMITTEE SHALL:

11 (I) MAKE RECOMMENDATIONS TO THE COMMISSION ON
12 PROPOSALS TO ENCOURAGE HOSPITALS AND COMMUNITY HEALTH RESOURCES TO
13 PARTNER TO INCREASE ACCESS TO HEALTH CARE, ~~INCLUDING, WITHIN THE~~
14 ~~PARAMETERS OF FEDERAL LAW, PROGRAMS FOR HOSPITAL FINANCIAL AND~~
15 ~~PROGRAM SUPPORT FOR HEALTH CARE PROVIDED BY SPECIALISTS TO INDIVIDUALS~~
16 ~~REFERRED TO THE SPECIALISTS BY COMMUNITY HEALTH RESOURCES;~~

17 (II) MAKE RECOMMENDATIONS TO THE COMMISSION ON HOW TO
18 REDUCE THE NEED FOR HOSPITALS TO ASSIST SPECIALISTS WHO SERVE THE
19 UNINSURED; AND

20 ~~(H)~~ (III) ESTABLISH A REVERSE REFERRAL PILOT PROGRAM
21 UNDER WHICH A HOSPITAL WILL IDENTIFY AND ASSIST PATIENTS IN ACCESSING
22 HEALTH CARE SERVICES THROUGH A COMMUNITY HEALTH RESOURCE.

23 (D) (1) THE COMMITTEE ON SCHOOL-BASED COMMUNITY HEALTH ~~CLINIC~~
24 CENTER EXPANSION SHALL BE COMPRISED OF:

25 (I) AT LEAST ONE MEMBER OF THE COMMISSION;

26 (II) THE SECRETARY OF THE DEPARTMENT, OR THE SECRETARY'S
27 DESIGNEE;

28 (III) ~~ONE REPRESENTATIVE FROM THE GOVERNOR'S OFFICE FOR~~
29 ~~CHILDREN, YOUTH, AND FAMILIES, APPOINTED BY THE GOVERNOR~~ THE MARYLAND
30 INSURANCE COMMISSIONER, OR THE COMMISSIONER'S DESIGNEE;

31 (IV) A LOCAL SUPERINTENDENT OF SCHOOLS, ~~APPOINTED~~
32 NOMINATED BY THE PUBLIC SCHOOL SUPERINTENDENTS ASSOCIATION OF
33 MARYLAND; AND

34 (V) THE FOLLOWING MEMBERS, APPOINTED BY THE COMMISSION:

- 1 ~~1. A REPRESENTATIVE OF A SCHOOL-BASED HEALTH~~
- 2 ~~CLINIC;~~

- 3 1. ONE HEALTH CARE PROVIDER WHO PROVIDES SERVICES
- 4 IN A SCHOOL-BASED COMMUNITY HEALTH CENTER;

- 5 2. ONE PHYSICIAN ASSISTANT;

- 6 3. ONE NURSE PRACTITIONER;

- 7 4. ONE REPRESENTATIVE WITH EXPERIENCE IN
- 8 ADMINISTERING A SCHOOL-BASED COMMUNITY HEALTH CENTER;

- 9 5. ONE REPRESENTATIVE OF THE MARYLAND ASSEMBLY ON
- 10 SCHOOL-BASED HEALTH; AND

- 11 6. TWO ADULT CONSUMERS WHO HAVE RECEIVED SERVICES
- 12 THROUGH A SCHOOL-BASED COMMUNITY HEALTH CENTER.

- 13 ~~2. A NURSE PRACTITIONER OR A PHYSICIAN ASSISTANT; AND~~
- 14 ~~3. A CONSUMER.~~

15 (2) THE COMMITTEE SHALL STUDY AND MAKE RECOMMENDATIONS ON
16 METHODS TO EXPAND SCHOOL-BASED COMMUNITY HEALTH ~~CLINICS~~ CENTERS TO
17 PROVIDE PRIMARY CARE SERVICES, SPECIALTY SERVICES, AND REFERRAL SERVICES
18 TO ALL MEMBERS OF THE COMMUNITY.

19 (3) IN CONDUCTING THE STUDY REQUIRED UNDER PARAGRAPH (2) OF
20 THIS SUBSECTION, THE COMMITTEE SHALL IDENTIFY THE FOLLOWING:

21 (I) ~~EVALUATE THE FEASIBILITY OF DEVELOPING A SCHEDULE~~
22 ~~FOR PREMIUM PAYMENTS TO BE PAID BY INDIVIDUALS ACCESSING A~~
23 ~~SCHOOL-BASED COMMUNITY HEALTH ~~CLINIC~~ CENTER;~~

24 (II) ~~EVALUATE THE FEASIBILITY OF DEVELOPING A SCHEDULE~~
25 ~~FOR THE REIMBURSEMENT TO BE PAID BY MANAGED CARE ORGANIZATIONS AND~~
26 ~~PRIVATE INSURERS TO THE SCHOOL-BASED COMMUNITY HEALTH ~~CLINIC~~ CENTER;~~

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

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

33 (V) ~~EVALUATE THE FEASIBILITY OF DEVELOPING A SYSTEM OF~~
34 ~~REGISTERING INDIVIDUALS WHO RECEIVE HEALTH CARE SERVICES FROM A~~
35 ~~SCHOOL-BASED COMMUNITY HEALTH ~~CLINIC~~ CENTER THAT REQUIRES AN~~
36 ~~INDIVIDUAL TO PAY PREMIUMS AND SLIDING SCALE FEES; AND~~

1 (VI) ~~IDENTIFY~~ SECURITY MEASURES TO BE USED BY
2 SCHOOL-BASED COMMUNITY HEALTH ~~CLINICS~~ CENTERS.

3 (4) (I) ON OR BEFORE DECEMBER 1, 2006, THE COMMITTEE SHALL
4 REPORT ITS FINDINGS AND RECOMMENDATIONS TO THE GOVERNOR AND, IN
5 ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL
6 ASSEMBLY.

7 (II) THE REPORT REQUIRED UNDER SUBPARAGRAPH (I) OF THIS
8 PARAGRAPH SHALL INCLUDE A PLAN FOR IMPLEMENTING THE EXPANSION OF
9 SCHOOL-BASED COMMUNITY HEALTH CENTERS TO PROVIDE SERVICES TO ALL
10 MEMBERS OF THE COMMUNITY ON OR BEFORE DECEMBER 1, 2007.

11 (E) (1) THE COMMITTEE ON DATA INFORMATION SYSTEMS SHALL BE
12 COMPRISED OF NINE MEMBERS:

13 (I) APPOINTED BY THE COMMISSION CHAIR; AND

14 (II) REPRESENTING COMMUNITY HEALTH RESOURCES AND
15 HOSPITALS.

16 (2) THE COMMISSION SHALL ESTABLISH BY REGULATION:

17 (I) THE TERMS OF MEMBERS;

18 (II) THE PROCEDURE FOR SELECTING THE CHAIR OF THE
19 COMMITTEE; AND

20 (III) THE FREQUENCY OF MEETINGS.

21 (3) THE COMMITTEE SHALL:

22 (I) SUPPORT AND MONITOR THE DEVELOPMENT OF A UNIFIED
23 DATA INFORMATION SYSTEM AMONG PRIMARY AND SPECIALTY CARE PROVIDERS,
24 HOSPITALS, AND OTHER PROVIDERS OF SERVICES TO COMMUNITY HEALTH
25 RESOURCES MEMBERS; AND

26 (II) PROVIDE RECOMMENDATIONS TO THE COMMISSION FOR
27 FUNDING OF THE UNIFIED DATA INFORMATION SYSTEM.

28 (4) (I) IN ACCORDANCE WITH RECOMMENDATIONS OF THE
29 COMMITTEE, THE COMMISSION SHALL PROVIDE FUNDING OF \$5,000,000 ANNUALLY
30 FOR DATA INFORMATION SYSTEMS.

31 (II) FUNDING SHALL BE OBTAINED FROM MONEY COLLECTED
32 UNDER § 14-106.1 OF THE INSURANCE ARTICLE.

33 (F) EACH STANDING COMMITTEE ESTABLISHED UNDER THIS SECTION SHALL
34 SUBMIT A REPORT TO THE COMMISSION ON OR BEFORE JUNE 1 OF EACH YEAR ON
35 ITS ACTIVITIES AND ANY FINDINGS AND RECOMMENDATIONS REQUIRED UNDER
36 THIS SECTION.

1 19-2112.

2 (A) IN THIS SECTION, "FUND" MEANS THE COMMUNITY HEALTH RESOURCES
3 COMMISSION FUND.

4 (B) THERE IS A COMMUNITY HEALTH RESOURCES COMMISSION FUND.

5 (C) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT
6 TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

7 (2) THE TREASURER SHALL HOLD THE FUND, AND THE COMPTROLLER
8 SHALL ACCOUNT FOR THE FUND.

9 (D) THE FUND CONSISTS OF:

10 (1) BEGINNING IN FISCAL YEAR 2007 AND CONTINUING EACH FISCAL
11 YEAR THEREAFTER, AT LEAST \$15 MILLION IN GENERAL FUNDS;

12 ~~(1)~~ (2) MONEY COLLECTED FROM A NONPROFIT HEALTH SERVICE
13 PLAN IN ACCORDANCE WITH § 14-106.1 OF THE INSURANCE ARTICLE;

14 ~~(2)~~ (3) FUNDS FROM ~~STRATEGIC CONTRIBUTION PAYMENTS IN THE~~
15 ~~CIGARETTE RESTITUTION FUND ESTABLISHED UNDER § 7-317 OF THE STATE~~
16 ~~FINANCE AND PROCUREMENT ARTICLE MADE AVAILABLE AS A RESULT OF THE~~
17 ~~SETTLEMENT WITH THE LAW OFFICES OF PETER G. ANGELOS;~~

18 ~~(3)~~ (3) ~~MONEY COLLECTED IN ACCORDANCE WITH § 19-219(F) THIS ARTICLE;~~

19 (4) MONEY COLLECTED FROM A NONPROFIT HEALTH MAINTENANCE
20 ORGANIZATION IN ACCORDANCE WITH § 6-121 OF THE INSURANCE ARTICLE;

21 ~~(4)~~ (5) INTEREST EARNED ON INVESTMENTS;

22 ~~(5)~~ (6) MONEY DONATED TO THE FUND;

23 ~~(6)~~ (7) MONEY AWARDED TO THE FUND THROUGH GRANTS; AND

24 ~~(7)~~ (8) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
25 THE BENEFIT OF THE FUND.

26 (E) THE FUND MAY BE USED ONLY TO:

27 (1) COVER THE ADMINISTRATIVE COSTS OF THE COMMISSION;

28 (2) COVER THE ACTUAL DOCUMENTED DIRECT COSTS OF FULFILLING
29 THE STATUTORY AND REGULATORY DUTIES OF THE COMMISSION IN ACCORDANCE
30 WITH THE PROVISIONS OF THIS SUBTITLE;

31 (3) ~~PROVIDE GRANTS TOTALING \$10,000,000 BEGINNING IN FISCAL YEAR~~
32 ~~2006, WITH INFLATIONARY ADJUSTMENTS IN SUBSEQUENT YEARS, TO QUALIFYING~~
33 ~~COMMUNITY HEALTH RESOURCES;~~

1 (4) PROVIDE \$5,000,000 IN ANNUAL SUPPORT FOR PROJECTS
2 RECOMMENDED BY THE COMMITTEE ON DATA INFORMATION SYSTEMS; ~~AND~~

3 (5) ~~PROVIDE GRANTS TO THE MARYLAND HEALTH INSURANCE PLAN TO~~
4 ~~PAY FOR OUTPATIENT SPECIALTY CARE~~

5 (5) SUBSIDIZE THE COST OF OFFICE-BASED SPECIALTY CARE VISITS,
6 DIAGNOSTIC TESTING, AND LABORATORY TESTS FOR UNINSURED INDIVIDUALS
7 WITH FAMILY INCOME THAT DOES NOT EXCEED 200% OF THE FEDERAL POVERTY
8 LEVEL WHO ARE REFERRED THROUGH COMMUNITY HEALTH RESOURCES; AND

9 (6) SUPPORT SMOKING CESSATION PROGRAMS AND CANCER
10 PREVENTION, SCREENING, DIAGNOSIS, AND TREATMENT SERVICES.

11 (F) THE COMMISSION SHALL ADOPT REGULATIONS THAT:

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

14 (2) ESTABLISH THE PROCEDURES TO BE FOLLOWED BY A COMMUNITY
15 HEALTH RESOURCE WHEN APPLYING FOR A GRANT;

16 (3) DEVELOP A FORMULA FOR DISBURSING GRANTS TO QUALIFYING
17 COMMUNITY HEALTH RESOURCES;

18 (4) ESTABLISH CRITERIA FOR THE USE OF FUNDS RECOMMENDED BY
19 THE COMMITTEE ON DATA INFORMATION SYSTEMS; ~~AND~~

20 (5) ~~ESTABLISH CRITERIA FOR THE MARYLAND HEALTH INSURANCE~~
21 ~~PLAN TO PAY FOR OUTPATIENT SPECIALTY CARE~~

22 (5) ESTABLISH CRITERIA AND MECHANISMS TO PAY FOR OFFICE-BASED
23 SPECIALTY CARE VISITS, DIAGNOSTIC TESTING, AND LABORATORY TESTS FOR
24 UNINSURED INDIVIDUALS WITH FAMILY INCOME THAT DOES NOT EXCEED 200% OF
25 THE FEDERAL POVERTY LEVEL WHO ARE REFERRED THROUGH COMMUNITY
26 HEALTH RESOURCES; AND

27 (6) ESTABLISH CRITERIA AND MECHANISMS TO SUPPORT SMOKING
28 CESSATION PROGRAMS AND CANCER PREVENTION, SCREENING, DIAGNOSIS, AND
29 TREATMENT SERVICES.

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

32 (1) TO SUBSIDIZE THE COSTS OF HEALTH CARE PROVIDED TO
33 INDIVIDUALS WITH FAMILY INCOME BETWEEN 117% AND ~~300%~~ 200% OF THE FEDERAL
34 POVERTY LEVEL;

35 (2) TO PROVIDE OPERATIONAL ASSISTANCE TO A COMMUNITY HEALTH
36 RESOURCE;

1 (3) TO PROVIDE SUPPORT FOR DATA INFORMATION SYSTEMS; AND

2 (4) FOR ANY OTHER PURPOSE THE COMMISSION DETERMINES IS
3 APPROPRIATE TO ASSIST A COMMUNITY HEALTH RESOURCE.

4 (H) (1) THE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE
5 SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

6 (2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE RETAINED TO
7 THE CREDIT OF THE FUND.

8 (I) THE FUND SHALL BE SUBJECT TO AN AUDIT BY THE OFFICE OF
9 LEGISLATIVE AUDITS AS PROVIDED FOR IN § 2-1220 OF THE STATE GOVERNMENT
10 ARTICLE.

11 19-2113.

12 (A) THE COMMISSION, IN COLLABORATION WITH ~~THE MARYLAND HEALTH~~
13 ~~INSURANCE PLAN COMMUNITY HEALTH RESOURCES AND LOCAL HEALTH~~
14 ~~DEPARTMENTS~~, SHALL DEVELOP A SPECIALTY CARE NETWORK FOR INDIVIDUALS:

15 (1) WITH FAMILY INCOME THAT DOES NOT EXCEED 200% OF THE
16 FEDERAL POVERTY LEVEL; AND

17 (2) WHO ARE REFERRED THROUGH A COMMUNITY HEALTH RESOURCE.

18 (B) THE SPECIALTY CARE NETWORK SHALL:

19 (1) CONSIST OF HEALTH CARE PRACTITIONERS WHO AGREE TO PROVIDE
20 CARE TO INDIVIDUALS REFERRED THROUGH A COMMUNITY HEALTH RESOURCE FOR
21 A ~~DISCOUNTED~~ FEE ESTABLISHED BY THE COMMISSION ~~AND THE MARYLAND~~
22 ~~HEALTH INSURANCE PLAN~~; AND

23 (2) INCLUDE HEALTH CARE PRACTITIONERS WHO HISTORICALLY HAVE
24 SERVED THE UNINSURED.

25 (C) INDIVIDUALS RECEIVING HEALTH CARE THROUGH THE SPECIALTY CARE
26 NETWORK SHALL PAY FOR SPECIALTY CARE ACCORDING TO A SLIDING FEE SCALE
27 DEVELOPED BY THE COMMISSION.

28 (D) IN ADDITION TO PATIENT FEES, ~~SPECIALTY CARE OFFICE-BASED~~
29 ~~SPECIALTY CARE VISITS, DIAGNOSTIC TESTING, AND LABORATORY TESTS~~ SHALL BE
30 SUBSIDIZED BY FUNDS PROVIDED FROM:

31 ~~(1) STRATEGIC CONTRIBUTION PAYMENTS IN THE CIGARETTE~~
32 ~~RESTITUTION FUND ESTABLISHED UNDER § 7-317 OF THE STATE FINANCE AND~~
33 ~~PROCUREMENT ARTICLE; AND~~

34 ~~(2) AN ASSESSMENT ON HOSPITALS UNDER § 19-219(F) OF THIS TITLE.~~

35 (1) GENERAL FUNDS; AND

1 (2) MONEY COLLECTED FROM A NONPROFIT HEALTH MAINTENANCE
2 ORGANIZATION IN ACCORDANCE WITH § 6-121 OF THE INSURANCE ARTICLE.

3 ~~(E) (1) THE COMMISSION, IN COLLABORATION WITH THE MARYLAND~~
4 ~~HEALTH INSURANCE PLAN, SHALL DETERMINE THE FUNDS NEEDED FOR SUBSIDIES~~
5 ~~FOR SPECIALTY CARE.~~

6 (E) THE COMMISSION SHALL PROVIDE SUBSIDIES TO COMMUNITY HEALTH
7 RESOURCES FOR OFFICE-BASED SPECIALTY CARE VISITS, DIAGNOSTIC TESTING,
8 AND LABORATORY TESTS.

9 ~~(2) IF FUNDS PROVIDED FROM THE STRATEGIC CONTRIBUTION~~
10 ~~PAYMENTS IN THE CIGARETTE RESTITUTION FUND ESTABLISHED UNDER § 7-317 OF~~
11 ~~THE STATE FINANCE AND PROCUREMENT ARTICLE ARE INSUFFICIENT TO COVER~~
12 ~~THE COST OF THE SUBSIDIES FOR SPECIALTY CARE, THE COMMISSION SHALL~~
13 ~~OBTAIN THE REMAINING FUNDS NEEDED FROM THE ASSESSMENT ON HOSPITALS~~
14 ~~UNDER § 19-219(F) OF THIS TITLE.~~

15 19-2114.

16 THE COMMISSION SHALL ASSIST INDIVIDUALS WITH INCOMES BETWEEN 201%
17 AND 300% OF THE FEDERAL POVERTY LEVEL IN ACCESSING COVERAGE UNDER
18 PRIVATE HEALTH INSURANCE OR THE MARYLAND HEALTH INSURANCE PLAN.

19 SUBTITLE 13. FEDERALLY QUALIFIED HEALTH CENTERS GRANT PROGRAM.

20 24-1301.

21 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
22 INDICATED.

23 (B) "FEDERALLY QUALIFIED HEALTH CENTER" MEANS A HEALTH CENTER
24 THAT IS:

25 (1) DESIGNATED AS A FEDERALLY QUALIFIED HEALTH CENTER UNDER
26 § 330 OF THE FEDERAL PUBLIC HEALTH SERVICE ACT, 42 U.S.C. 254B; AND

27 (2) WHOLLY OWNED BY AND OPERATED UNDER THE AUTHORITY OF A
28 COUNTY, MUNICIPAL CORPORATION, OR NONPROFIT ORGANIZATION.

29 (C) "NONPROFIT ORGANIZATION" MEANS:

30 (1) A BONA FIDE RELIGIOUS ORGANIZATION, NO PART OF THE
31 EARNINGS OF WHICH INURES TO THE BENEFIT OF ANY INDIVIDUAL OR IS USED FOR
32 ANY PURPOSE OTHER THAN THE MAINTENANCE AND OPERATION OF A FACILITY,
33 THE PURCHASE OF EQUIPMENT TO BE USED IN A FACILITY, OR THE EXPANSION OF A
34 FACILITY; OR

35 (2) AN ORGANIZATION:

1 (I) THAT IS CHARTERED AS A NONPROFIT CORPORATION AND
2 CLASSIFIED BY THE INTERNAL REVENUE SERVICE AS NONPROFIT; AND

3 (II) NO PART OF THE EARNINGS OF WHICH INURES TO THE
4 BENEFIT OF ANY INDIVIDUAL OR IS USED FOR ANY PURPOSE OTHER THAN THE
5 MAINTENANCE AND OPERATION OF A FACILITY, THE PURCHASE OF EQUIPMENT TO
6 BE USED IN A FACILITY, OR THE EXPANSION OF A FACILITY.

7 (D) "WHOLLY OWNED" INCLUDES LEASED IF:

8 (1) (I) THE LEASE IS FOR A MINIMUM TERM OF 30 YEARS FOLLOWING
9 PROJECT COMPLETION; OR

10 (II) THE LEASE AGREEMENT EXTENDS THE RIGHT OF PURCHASE
11 TO THE LESSEE; AND

12 (2) THE LESSOR CONSENTS TO THE RECORDING, IN THE LAND RECORDS
13 OF THE COUNTY IN WHICH THE FACILITY IS LOCATED, OF A NOTICE OF THE STATE'S
14 RIGHT OF RECOVERY AS PROVIDED UNDER § 24-1306 OF THIS SUBTITLE.

15 24-1302.

16 (A) THERE IS A FEDERALLY QUALIFIED HEALTH CENTERS GRANT PROGRAM.

17 (B) ON THE RECOMMENDATION OF THE SECRETARY, THE BOARD OF PUBLIC
18 WORKS MAY MAKE GRANTS TO COUNTIES, MUNICIPAL CORPORATIONS, AND
19 NONPROFIT ORGANIZATIONS FOR:

20 (1) THE CONVERSION OF PUBLIC BUILDINGS OR PARTS OF PUBLIC
21 BUILDINGS TO FEDERALLY QUALIFIED HEALTH CENTERS;

22 (2) THE ACQUISITION OF EXISTING BUILDINGS OR PARTS OF BUILDINGS
23 FOR USE AS FEDERALLY QUALIFIED HEALTH CENTERS;

24 (3) THE RENOVATION OF FEDERALLY QUALIFIED HEALTH CENTERS;

25 (4) THE PURCHASE OF CAPITAL EQUIPMENT FOR FEDERALLY
26 QUALIFIED HEALTH CENTERS; OR

27 (5) THE PLANNING, DESIGN, AND CONSTRUCTION OF FEDERALLY
28 QUALIFIED HEALTH CENTERS.

29 24-1303.

30 (A) ANY COUNTY, MUNICIPAL CORPORATION, OR NONPROFIT ORGANIZATION
31 SPONSORING A PROJECT INVOLVING WORK SPECIFIED IN § 24-1302 OF THIS
32 SUBTITLE MAY APPLY TO THE SECRETARY FOR A STATE GRANT TO BE APPLIED
33 TOWARD THE COST OF THAT PROJECT.

34 (B) THE APPLICATION SHALL INCLUDE:

1 (1) PROJECT PLANS FOR THE WORK TO BE CARRIED OUT;

2 (2) A STATEMENT LISTING THE PERSONNEL EMPLOYED OR TO BE
3 EMPLOYED AT THE FEDERALLY QUALIFIED HEALTH CENTER, INCLUDING ALL
4 REMUNERATION AND PERQUISITES FOR PERSONAL SERVICES AND ALL OTHER
5 EXPENSES PAID OR TO BE PAID TO THESE PERSONNEL;

6 (3) ALL OTHER EXPENSES INCURRED OR TO BE INCURRED IN
7 OPERATING THE FEDERALLY QUALIFIED HEALTH CENTER; AND

8 (4) THE SCHEDULE OF RATES CHARGED OR TO BE CHARGED FOR
9 SERVICES RENDERED.

10 (C) ON APPROVAL OF A PROJECT AND THE PROJECT PLANS, THE SECRETARY
11 SHALL PROMPTLY REPORT THE APPLICATION TO THE BOARD OF PUBLIC WORKS,
12 TOGETHER WITH THE SECRETARY'S RECOMMENDATION, THAT THE BOARD MAKE
13 FUNDS AVAILABLE AS PROVIDED IN THIS SUBTITLE.

14 24-1304.

15 (A) THE ALLOCATION AND USE OF STATE FUNDS UNDER THIS SUBTITLE ARE
16 SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN THIS SECTION.

17 (B) STATE FUNDS MAY ONLY BE USED FOR THE PURPOSES LISTED UNDER §
18 24-1302 OF THIS SUBTITLE AND APPROVED BY THE SECRETARY UNDER § 24-1303 OF
19 THIS SUBTITLE.

20 (C) (1) THE ALLOCATION AND USE OF STATE FUNDS UNDER THIS SUBTITLE
21 ARE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS.

22 (2) ANY FEDERAL OR OTHER GRANT THAT IS RECEIVED FOR AN
23 ELIGIBLE PROJECT SHALL BE APPLIED FIRST TO THE COST OF THE PROJECT.

24 (3) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A STATE
25 GRANT MAY NOT EXCEED 50% OF THE COST OF ELIGIBLE WORK REMAINING UNPAID
26 AFTER ALL FEDERAL GRANTS HAVE BEEN APPLIED.

27 (4) FOR PURPOSES OF THIS SUBTITLE, COMMUNITY DEVELOPMENT
28 BLOCK GRANT FUNDS SHALL BE CONSIDERED AS LOCAL MATCHING FUNDS AND MAY
29 NOT BE CONSIDERED AS FEDERAL GRANT FUNDS.

30 (D) FOR A PROJECT DESIGNATED AS ELIGIBLE FOR POVERTY AREA FUNDING
31 UNDER FEDERAL REGULATIONS, STATE PLANS, OR DEPARTMENTAL REGULATIONS, A
32 STATE GRANT MAY COVER UP TO 75% OF THE COST OF ELIGIBLE WORK REMAINING
33 UNPAID AFTER ALL FEDERAL GRANTS HAVE BEEN APPLIED.

34 (E) THE AMOUNT OF THE STATE GRANT RECOMMENDED TO THE BOARD OF
35 PUBLIC WORKS FOR ANY PROJECT SHALL BE DETERMINED AFTER CONSIDERATION
36 OF:

1 (1) ALL ELIGIBLE PROJECTS;

2 (2) THE TOTAL OF UNALLOCATED STATE FUNDS AVAILABLE AT THE
3 TIME THE GRANT RECOMMENDATION IS MADE TO THE BOARD OF PUBLIC WORKS;
4 AND

5 (3) THE PRIORITIES OF AREA NEED ESTABLISHED BY THE DEPARTMENT.

6 (F) (1) NO PORTION OF THE PROCEEDS OF A STATE GRANT MAY BE USED:

7 (I) TO FURTHER SECTARIAN RELIGIOUS INSTRUCTION;

8 (II) IN CONNECTION WITH THE DESIGN, ACQUISITION, OR
9 CONSTRUCTION OF ANY BUILDING TO BE USED AS A PLACE OF SECTARIAN
10 RELIGIOUS WORSHIP OR INSTRUCTION; OR

11 (III) IN CONNECTION WITH ANY PROGRAM OR DEPARTMENT OF
12 DIVINITY FOR ANY RELIGIOUS DENOMINATION.

13 (2) ON THE REQUEST OF THE BOARD OF PUBLIC WORKS, THE
14 APPLICANT SHALL SUBMIT EVIDENCE SATISFACTORY TO THE BOARD THAT THE
15 PROCEEDS OF THE GRANT ARE NOT BEING USED FOR A PURPOSE PROHIBITED
16 UNDER THIS SUBSECTION OR UNDER APPLICABLE FEDERAL LAW.

17 (G) BEGINNING IN FISCAL YEAR 2007 AND CONTINUING EVERY YEAR
18 THEREAFTER, THE GOVERNOR SHALL INCLUDE AT LEAST \$5,000,000 IN THE STATE
19 CAPITAL BUDGET TO BE DISTRIBUTED AND MANAGED IN ACCORDANCE WITH THIS
20 SUBTITLE.

21 24-1305.

22 (A) THE BOARD OF PUBLIC WORKS SHALL MAKE ALLOCATIONS FROM FUNDS
23 AVAILABLE UNDER THIS SUBTITLE IN ACCORDANCE WITH THIS SUBTITLE.

24 (B) THE BOARD SHALL CERTIFY THE ALLOCATIONS TO THE PROPER STATE
25 OFFICERS, AND THE TREASURER SHALL MAKE PAYMENTS TO OR ON BEHALF OF THE
26 APPLICANT, WHEN NEEDED, FOR THE APPROVED PROJECT.

27 (C) THE BOARD OF PUBLIC WORKS MAY ADOPT REGULATIONS TO IMPLEMENT
28 THIS SECTION.

29 24-1306.

30 (A) THE STATE MAY RECOVER FROM EITHER THE TRANSFEROR OR
31 TRANSFEREE OR, IN THE CASE OF A PROPERTY THAT HAS CEASED TO BE A
32 FEDERALLY QUALIFIED HEALTH CENTER, FROM THE OWNER, AN AMOUNT BEARING
33 THE SAME RATIO TO THE THEN CURRENT VALUE OF SO MUCH OF THE PROPERTY AS
34 CONSTITUTED AN APPROVED PROJECT AS THE AMOUNT OF THE STATE
35 PARTICIPATION BORE TO THE TOTAL ELIGIBLE COST OF THE APPROVED PROJECT,
36 TOGETHER WITH ALL COSTS AND REASONABLE ATTORNEYS' FEES INCURRED BY THE

1 STATE IN THE RECOVERY PROCEEDINGS, IF, WITHIN 30 YEARS AFTER COMPLETION
2 OF A PROJECT, A PROPERTY FOR WHICH FUNDS HAVE BEEN PAID UNDER THIS
3 SUBTITLE:

4 (1) IS SOLD OR TRANSFERRED TO ANY PERSON, AGENCY, OR
5 ORGANIZATION THAT WOULD NOT QUALIFY AS AN APPLICANT UNDER THIS
6 SUBTITLE, OR THAT IS NOT APPROVED AS A TRANSFEREE BY THE BOARD OF PUBLIC
7 WORKS; OR

8 (2) CEASES TO BE A FEDERALLY QUALIFIED HEALTH CENTER AS
9 DEFINED IN THIS SUBTITLE.

10 (B) (1) BEFORE THE STATE MAKES ANY FUNDS AVAILABLE FOR AN
11 APPROVED PROJECT, THE DEPARTMENT SHALL CAUSE A NOTICE OF THIS RIGHT OF
12 RECOVERY TO BE RECORDED IN THE LAND RECORDS OF THE COUNTY IN WHICH THE
13 PROPERTY IS LOCATED.

14 (2) THE RECORDING OF THE NOTICE:

15 (I) DOES NOT CREATE A LIEN AGAINST THE PROPERTY; BUT

16 (II) SHALL CONSTITUTE NOTICE TO ANY POTENTIAL TRANSFEREE,
17 POTENTIAL TRANSFEROR, POTENTIAL CREDITOR, OR OTHER INTERESTED PARTY OF
18 THE POSSIBILITY THAT THE STATE MAY OBTAIN A LIEN UNDER THIS SUBTITLE.

19 (C) (1) (I) THE SECRETARY OF THE BOARD OF PUBLIC WORKS MAY FILE A
20 CIVIL COMPLAINT UNDER SUBSECTION (B) OF THIS SECTION, IN THE CIRCUIT COURT
21 FOR THE COUNTY IN WHICH THE PROPERTY IS LOCATED, AGAINST THE OWNER OF
22 THE PROPERTY AND ANY OTHER INTERESTED PARTIES, INCLUDING ANY
23 TRANSFEROR THAT THE STATE WISHES TO MAKE A PARTY.

24 (II) THE COMPLAINT SHALL BE FILED WITH:

25 1. SWORN AFFIDAVITS STATING FACTS ON WHICH THE
26 ALLEGATIONS OF DEFAULT ARE BASED; AND

27 2. A DETAILED JUSTIFICATION OF THE AMOUNT CLAIMED.

28 (2) IF THE CIRCUIT COURT DETERMINES FROM THE STATE'S INITIAL
29 FILING THAT A DEFAULT HAS OCCURRED, PENDING FULL DETERMINATION OF THE
30 STATE'S CLAIM, THE COURT SHALL AUTHORIZE A TEMPORARY LIEN ON THE
31 PROPERTY:

32 (I) IN THE AMOUNT OF THE STATE'S COMPLAINT PLUS ANY
33 ADDITIONAL AMOUNT ESTIMATED TO BE NECESSARY TO COVER THE COSTS AND
34 REASONABLE ATTORNEY'S FEES INCURRED BY THE STATE; OR

35 (II) IN OTHER AMOUNTS THAT THE COURT DETERMINES TO BE
36 REASONABLE.

1 (3) (I) A TEMPORARY LIEN SHALL TAKE EFFECT:

2 1. ON THE DATE OF THE COURT'S AUTHORIZATION, IF THE
3 SECRETARY OF THE BOARD OF PUBLIC WORKS RECORDS A NOTICE OF TEMPORARY
4 LIEN IN THE LAND RECORDS OF THE COUNTY IN WHICH THE PROPERTY IS LOCATED
5 WITHIN 10 DAYS AFTER THE COURT'S AUTHORIZATION; OR

6 2. ON THE DATE A NOTICE OF TEMPORARY LIEN IS
7 RECORDED.

8 (II) WHILE THE TEMPORARY LIEN IS IN EFFECT, NEITHER THE
9 OWNER NOR ANY PERSON WHO ACQUIRED AN INTEREST IN THE PROPERTY AFTER
10 THE STATE FIRST MADE FUNDS AVAILABLE IN CONNECTION WITH THE PROPERTY
11 MAY WITHOUT THE PRIOR WRITTEN CONSENT OF THE STATE:

12 1. TAKE ANY ACTION THAT WOULD AFFECT THE TITLE TO
13 THE PROPERTY; OR

14 2. INSTITUTE ANY PROCEEDINGS TO ENFORCE A SECURITY
15 INTEREST OR OTHER SIMILAR RIGHTS IN THE PROPERTY.

16 (4) (I) THE OWNER OF THE PROPERTY OR ANY OTHER INTERESTED
17 PARTY MAY OBTAIN RELEASE OF A TEMPORARY LIEN AT ANY TIME BY FILING WITH
18 THE COURT A BOND SECURING THE PAYMENT IN FULL OF THE STATE'S CLAIM AND
19 ANY ADDITIONAL AMOUNT NECESSARY TO COVER THE COSTS AND REASONABLE
20 ATTORNEY'S FEES INCURRED BY THE STATE.

21 (II) THE OWNER OR OTHER INTERESTED PARTY MAY CAUSE THE
22 RELEASE TO BE RECORDED IN THE LAND RECORDS.

23 (D) PROCEEDINGS TO DETERMINE THE STATE'S RIGHT TO RECOVER AND THE
24 AMOUNT OF ITS RECOVERY UNDER THIS SUBTITLE SHALL HAVE PRIORITY OVER
25 OTHER CIVIL PROCEEDINGS IN THE CIRCUIT COURTS.

26 (E) (1) (I) AT THE CONCLUSION OF FULL ADVERSARY PROCEEDINGS ON
27 THE ISSUE OF DEFAULT AND OF ANY DISPUTES OVER THE AMOUNT OF THE STATE'S
28 RECOVERY, THE CIRCUIT COURT SHALL, IF IT FINDS THAT A DEFAULT HAS
29 OCCURRED, ISSUE A FINAL JUDGMENT FOR THE AMOUNT IT FINDS TO BE
30 RECOVERABLE BY THE STATE.

31 (II) ALL PARTIES INVOLVED IN THE DEFAULT, INCLUDING IN
32 EVERY CASE THE OWNER OF THE PROPERTY, SHALL BE HELD JOINTLY AND
33 SEVERALLY LIABLE TO THE STATE FOR THE AMOUNT OF THE JUDGMENT.

34 (2) (I) EXCEPT AS THE STATE MAY OTHERWISE PROVIDE BY A
35 WRITTEN SUBORDINATION AGREEMENT, IF THE AMOUNT OF THE FINAL JUDGMENT
36 REMAINS UNPAID AFTER 30 DAYS FOLLOWING THE COURT'S FINAL ORDER, THE
37 FINAL JUDGMENT SHALL CONSTITUTE A LIEN ON THE PROPERTY, SUPERIOR TO THE
38 LIEN OR OTHER INTEREST OF A MORTGAGEE, PLEDGEE, PURCHASER, OR JUDGMENT

1 CREDITOR WHOSE INTEREST BECAME PERFECTED AGAINST THIRD PERSONS AFTER
2 THE STATE FIRST MADE FUNDS AVAILABLE UNDER THIS SUBTITLE.

3 (II) 1. EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2 OF THIS
4 SUBPARAGRAPH, A LIEN TAKES EFFECT ON THE DATE A NOTICE OF LIEN IS
5 RECORDED.

6 2. A LIEN TAKES EFFECT ON THE 31ST DAY FOLLOWING THE
7 COURT'S FINAL ORDER IF THE SECRETARY OF THE BOARD OF PUBLIC WORKS
8 RECORDS A NOTICE OF LIEN IN THE LAND RECORDS OF THE COUNTY IN WHICH THE
9 PROPERTY IS LOCATED ON OR BEFORE THE 41ST DAY FOLLOWING THE FINAL ORDER.

10 (III) 1. AT THE TIME THAT A LIEN TAKES EFFECT, ANY
11 TEMPORARY LIEN THEN IN EFFECT SHALL BE AUTOMATICALLY AND FULLY
12 RELEASED.

13 2. THE RECORDED NOTICE OF A LIEN SHALL CONSTITUTE
14 NOTICE OF THE RELEASE OF A TEMPORARY LIEN.

15 (IV) A LIEN IMPOSED UNDER THIS SUBSECTION MAY BE ENFORCED
16 AND FORECLOSED IN ACCORDANCE WITH THE PROCEDURES PRESCRIBED IN THE
17 MARYLAND RULES, EXCEPT THAT NEITHER THE STATE NOR ANY AGENT APPOINTED
18 BY THE STATE TO SELL THE PROPERTY NEED FILE A BOND.

19 (3) (I) THE OWNER OR ANY OTHER INTERESTED PARTY MAY OBTAIN
20 RELEASE OF A LIEN AT ANY TIME BY PAYING TO THE STATE THE FULL AMOUNT OF
21 THE JUDGMENT RENDERED BY THE CIRCUIT COURT, TOGETHER WITH INTEREST
22 FROM THE DATE OF JUDGMENT.

23 (II) ON PAYMENT IN FULL, THE SECRETARY OF THE BOARD OF
24 PUBLIC WORKS SHALL CAUSE A RELEASE TO BE RECORDED IN THE LAND RECORDS.

25 (4) IF THE CIRCUIT COURT FINDS THAT THERE HAS BEEN NO DEFAULT
26 OR IF THE FULL AMOUNT OF THE COURT'S JUDGMENT IS PAID TO THE STATE WITHIN
27 30 DAYS AFTER THE COURT'S FINAL ORDER, A TEMPORARY LIEN THEN IN EFFECT
28 SHALL BE RELEASED IMMEDIATELY AND THE SECRETARY OF THE BOARD OF PUBLIC
29 WORKS SHALL CAUSE THE RELEASE TO BE RECORDED IN THE LAND RECORDS.

30 (F) (1) ALL FUNDS RECOVERED AS A RESULT OF THIS RIGHT OF RECOVERY
31 SHALL BE DEPOSITED IN THE ANNUITY BOND FUND AND APPLIED TO THE DEBT
32 SERVICE REQUIREMENTS OF THE STATE.

33 (2) IF THE BOARD DETERMINES THAT THERE IS GOOD CAUSE FOR
34 RELEASING THE TRANSFEROR, TRANSFEREE, OR OWNER FROM THE OBLIGATION
35 IMPOSED UNDER THIS SUBTITLE, THE BOARD OF PUBLIC WORKS MAY WAIVE THE
36 STATE'S RIGHT OF RECOVERY UNDER THIS SUBTITLE.

1 24-1307.

2 THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT THE
3 PROVISIONS OF THIS SUBTITLE.

4 **Article - Insurance**

5 6-101.

6 (a) The following persons are subject to taxation under this subtitle:

7 (1) a person engaged as principal in the business of writing insurance
8 contracts, surety contracts, guaranty contracts, or annuity contracts;

9 (2) a managed care organization authorized by Title 15, Subtitle 1 of the
10 Health - General Article;

11 (3) A FOR-PROFIT health maintenance organization authorized by Title
12 19, Subtitle 7 of the Health - General Article;

13 (4) an attorney in fact for a reciprocal insurer;

14 (5) the Maryland Automobile Insurance Fund; and

15 (6) a credit indemnity company.

16 (b) The following persons are not subject to taxation under this subtitle:

17 (1) a nonprofit health service plan corporation that meets the
18 requirements established under §§ 14-106 and 14-107 of this article;

19 (2) a fraternal benefit society;

20 (3) a surplus lines broker, who is subject to taxation in accordance with
21 Title 3, Subtitle 3 of this article;

22 (4) an unauthorized insurer, who is subject to taxation in accordance
23 with Title 4, Subtitle 2 of this article;

24 (5) the Maryland Health Insurance Plan established under Title 14,
25 Subtitle 5, Part I of this article; [or]

26 (6) the Senior Prescription Drug Program established under Title 14,
27 Subtitle 5, Part II of this article; OR

28 (7) A NONPROFIT HEALTH MAINTENANCE ORGANIZATION AUTHORIZED
29 BY TITLE 19, SUBTITLE 7 OF THE HEALTH - GENERAL ARTICLE THAT IS EXEMPT
30 FROM TAXATION UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE.

1 6-121.

2 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
3 INDICATED.

4 (2) "NONPROFIT HEALTH MAINTENANCE ORGANIZATION" MEANS A
5 HEALTH MAINTENANCE ORGANIZATION AUTHORIZED BY TITLE 19, SUBTITLE 7 OF
6 THE HEALTH - GENERAL ARTICLE THAT IS EXEMPT FROM TAXATION UNDER §
7 501(C)(3) OF THE INTERNAL REVENUE CODE.

8 (3) "PREMIUM TAX EXEMPTION VALUE" MEANS THE AMOUNT OF
9 PREMIUM TAXES THAT A NONPROFIT HEALTH MAINTENANCE ORGANIZATION
10 WOULD HAVE BEEN REQUIRED TO PAY IF THE NONPROFIT HEALTH MAINTENANCE
11 ORGANIZATION WERE NOT EXEMPT FROM TAXATION UNDER § 6-101(B)(7) OF THIS
12 SUBTITLE.

13 (B) A NONPROFIT HEALTH MAINTENANCE ORGANIZATION SHALL TRANSFER
14 FUNDS IN AN AMOUNT EQUAL TO THE PREMIUM TAX EXEMPTION VALUE OF THE
15 NONPROFIT HEALTH MAINTENANCE ORGANIZATION:

16 (1) AS PROVIDED IN SUBSECTION (C)(1) OF THIS SECTION, TO THE
17 MEDICAL ASSISTANCE PROGRAM ACCOUNT ESTABLISHED UNDER § 19-104.1 OF THIS
18 ARTICLE TO BE USED TO SUPPORT THE PROVISION OF HEALTH CARE TO ELIGIBLE
19 INDIVIDUALS; AND

20 (2) AS PROVIDED IN SUBSECTION (C)(2) OF THIS SECTION, TO THE
21 COMMUNITY HEALTH RESOURCES COMMISSION FUND ESTABLISHED UNDER §
22 19-2112 OF THE HEALTH - GENERAL ARTICLE TO BE USED TO INCREASE ACCESS TO
23 HEALTH CARE THROUGH COMMUNITY HEALTH RESOURCES.

24 (C) A NONPROFIT HEALTH MAINTENANCE ORGANIZATION SHALL TRANSFER:

25 (1) TO THE MEDICAL ASSISTANCE PROGRAM ACCOUNT:

26 (I) ON OR BEFORE AUGUST 1, 2005, AN AMOUNT EQUAL TO THE
27 PREMIUM TAX EXEMPTION VALUE OF THE NONPROFIT HEALTH MAINTENANCE
28 ORGANIZATION FOR THE LAST 6 MONTHS OF FISCAL YEAR 2005; AND

29 (II) WITHIN 30 DAYS FOLLOWING THE END OF EACH CALENDAR
30 QUARTER DURING FISCAL YEARS 2006 AND 2007, AN AMOUNT EQUAL TO THE
31 PREMIUM TAX EXEMPTION VALUE OF THE NONPROFIT HEALTH MAINTENANCE
32 ORGANIZATION FOR THE QUARTER; AND

33 (2) TO THE COMMUNITY HEALTH RESOURCES COMMISSION FUND,
34 WITHIN 30 DAYS FOLLOWING THE END OF EACH CALENDAR QUARTER DURING
35 FISCAL YEAR 2008 AND EACH FISCAL YEAR THEREAFTER, AN AMOUNT EQUAL TO THE
36 PREMIUM TAX EXEMPTION VALUE OF THE NONPROFIT HEALTH MAINTENANCE
37 ORGANIZATION FOR THE QUARTER.

1 (D) ON OR BEFORE MARCH 1 OF EACH YEAR, A NONPROFIT HEALTH
2 MAINTENANCE ORGANIZATION SHALL FILE A REPORT WITH THE COMMISSIONER
3 ESTABLISHING THAT THE NONPROFIT HEALTH MAINTENANCE ORGANIZATION
4 TRANSFERRED FUNDS EQUAL TO ITS PREMIUM TAX EXEMPTION VALUE DURING THE
5 PRECEDING CALENDAR YEAR AS REQUIRED BY THIS SECTION.

6 14-102.

7 (h) The provisions of subsections (d) and (e) of this section and §§ [14-106,
8 14-115(d),] 14-106, 14-106.1, 14-115(D), (e), (f), and (g), and 14-139(d) and (e) of this
9 subtitle do not apply to a nonprofit health service plan that insures between 1 and
10 10,000 covered lives in Maryland or issues contracts for only one of the following
11 services:

- 12 (1) podiatric;
- 13 (2) chiropractic;
- 14 (3) pharmaceutical;
- 15 (4) dental;
- 16 (5) psychological; or
- 17 (6) optometric.

18 14-106.

19 (a) It is the public policy of this State that the exemption from taxation for
20 nonprofit health service plans under § 6-101(b)(1) of this article is granted so that
21 funds which would otherwise be collected by the State and spent for a public purpose
22 shall be used in a like manner and amount by the nonprofit health service plan.

23 (b) By March 1 of each year or a deadline otherwise imposed by the
24 Commissioner for good cause, each nonprofit health service plan shall file with the
25 Commissioner a premium tax exemption report that:

- 26 (1) is in a form approved by the Commissioner; and
- 27 (2) demonstrates that the plan has used funds equal to the value of the
28 premium tax exemption provided to the plan under § 6-101(b) of this article, in a
29 manner that serves the public interest in accordance with this section.

30 (c) A nonprofit health service plan may satisfy the public service requirement
31 of this section by establishing that, to the extent the value of the nonprofit health
32 service plan's premium tax exemption under § 6-101(b) of this article exceeds the
33 subsidy required under the Senior Prescription Drug Program established under
34 Subtitle 5, Part II of this title, the plan has:

1 (1) increased access to, or the affordability of, one or more health care
2 products or services by offering and selling health care products or services that are
3 not required or provided for by law;

4 (2) provided financial or in-kind support for public health programs;

5 (3) employed underwriting standards in a manner that increases the
6 availability of one or more health care services or products;

7 (4) employed pricing policies that enhance the affordability of health
8 care services or products and result in a higher medical loss ratio than that
9 established by a comparable for-profit health insurer; or

10 (5) served the public interest by any method or practice approved by the
11 Commissioner.

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

15 (1) offer health care products in the individual market;

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

18 (3) administer and subsidize the Senior Prescription Drug Program
19 established under Title 14, Subtitle 5, Part II of this title; AND

20 (4) SUBSIDIZE GRANTS TO COMMUNITY HEALTH RESOURCES, AS
21 PROVIDED UNDER § 14-106.1 OF THIS SUBTITLE.

22 (e) The subsidy required under the Senior Prescription Drug Program may
23 not exceed the value of the nonprofit health service plan's premium tax exemption
24 under § 6-101(b) of this article.

25 (f) (1) Subject to paragraph (2) of this subsection, each report filed with the
26 Commissioner under subsection (b) of this section is a public record.

27 (2) In accordance with § 10-617(d) of the State Government Article, the
28 Commissioner shall deny inspection of any part of a report filed under subsection (b)
29 of this section that the Commissioner determines contains confidential commercial
30 information or confidential financial information.

31 14-106.1.

32 (A) BEGINNING IN FISCAL YEAR 2006, A NONPROFIT HEALTH SERVICE PLAN
33 SHALL TRANSFER FUNDS TO THE COMMUNITY HEALTH RESOURCES COMMISSION
34 FUND ESTABLISHED UNDER § 19-2112 OF THE HEALTH - GENERAL ARTICLE FOR THE
35 PURPOSE OF PROVIDING:

1 (1) ~~\$10,000,000 AN AMOUNT EQUAL TO THE VALUE OF THE NONPROFIT~~
 2 ~~HEALTH SERVICE PLAN'S PREMIUM TAX EXEMPTION UNDER § 6-101(B) OF THIS~~
 3 ~~ARTICLE, LESS THE AMOUNT NEEDED TO SUBSIDIZE THE SENIOR PRESCRIPTION~~
 4 ~~DRUG PROGRAM ESTABLISHED UNDER SUBTITLE 5, PART II OF THIS TITLE IN~~
 5 ~~ANNUAL OPERATING GRANTS TO COMMUNITY HEALTH RESOURCES; AND~~

6 (2) \$5,000,000 IN ANNUAL SUPPORT FOR PROJECTS RECOMMENDED BY
 7 THE COMMITTEE ON DATA INFORMATION SYSTEMS ESTABLISHED UNDER § 19-2111
 8 OF THE HEALTH - GENERAL ARTICLE.

9 (B) ~~THE AMOUNT REQUIRED IN SUBSECTION (A)(1) OF THIS SECTION FOR~~
 10 ~~ANNUAL OPERATING GRANTS TO COMMUNITY HEALTH RESOURCES SHALL BE~~
 11 ~~INCREASED EACH YEAR FOR INFLATION, IN ACCORDANCE WITH REGULATIONS~~
 12 ~~ESTABLISHED BY THE MARYLAND COMMUNITY HEALTH RESOURCES COMMISSION.~~

13 ~~14-504.~~

14 (a) (1) ~~There is a Maryland Health Insurance Plan Fund.~~

15 (7) ~~The Fund shall be used only to provide funding for the purposes~~
 16 ~~authorized under this subtitle.~~

17 (b) ~~The Fund shall consist of:~~

18 (1) ~~premiums for coverage that the Plan issues;~~

19 (2) ~~except as provided in § 14-513(a) of this subtitle, premiums paid by~~
 20 ~~enrollees of the Senior Prescription Drug Program;~~

21 (3) ~~money collected in accordance with § 19-219 of the Health—General~~
 22 ~~Article;~~

23 (4) ~~money deposited by a carrier in accordance with § 14-513 of this~~
 24 ~~subtitle;~~

25 (5) ~~income from investments that the Board makes or authorizes on~~
 26 ~~behalf of the Fund;~~

27 (6) ~~interest on deposits or investments of money from the Fund;~~

28 (7) ~~premium tax revenue collected under § 14-107 of this title;~~

29 (8) ~~money collected by the Board as a result of legal or other actions~~
 30 ~~taken by the Board on behalf of the Fund;~~

31 (9) ~~money donated to the Fund; and~~

32 (10) ~~money awarded to the Fund through grants, INCLUDING GRANTS~~
 33 ~~FROM THE MARYLAND COMMUNITY HEALTH RESOURCES COMMISSION.~~

1 (e) (1) In addition to the operation and administration of the Plan, the Fund
2 shall be used for:

3 (I) the operation and administration of the Senior Prescription
4 Drug Program established under Part II of this subtitle; AND

5 (II) ~~SUBSIDIZING THE COST OF SPECIALTY CARE PROVIDED TO~~
6 ~~COMMUNITY HEALTH RESOURCES, AS DEFINED IN § 19-2101 OF THE HEALTH-~~
7 ~~GENERAL ARTICLE.~~

8 (2) ~~The Board shall maintain separate accounts within the Fund for:~~

9 (I) ~~the Senior Prescription Drug Program;~~

10 (II) ~~SPECIALTY CARE PROVIDED TO COMMUNITY HEALTH~~
11 ~~RESOURCES, AS DEFINED IN § 19-2101 OF THE HEALTH - GENERAL ARTICLE; and~~

12 (III) ~~the Maryland Health Insurance Plan.~~

13 (3) ~~Accounts within the Fund shall contain those moneys that are~~
14 ~~intended to support the operation of the Program for which the account is designated.~~
15 15-131.

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

17 (I) AN INSURER;

18 (II) A NONPROFIT HEALTH SERVICE PLAN;

19 (III) A HEALTH MAINTENANCE ORGANIZATION;

20 (IV) A DENTAL PLAN ORGANIZATION; OR

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

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

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

29 19-104.1.

30 (i) Notwithstanding § 2-114 of this article:

1 (1) the Commissioner shall deposit the revenue from the tax imposed on
2 health maintenance organizations and managed care organizations under § 6-102 of
3 this article in the Fund;

4 (2) subject to items (3) and (4) of this subsection, the Fund shall consist
5 of:

6 (i) the revenue from the tax imposed on managed care
7 organizations and health maintenance organizations under § 6-102 of this article;

8 (II) THE FUNDS TRANSFERRED BY A NONPROFIT HEALTH
9 MAINTENANCE ORGANIZATION TO THE MEDICAL ASSISTANCE PROGRAM ACCOUNT
10 OF THE FUND IN ACCORDANCE WITH § 6-121(C) OF THIS ARTICLE;

11 [(ii)] (III) interest or other income earned on the moneys in the
12 Fund; and

13 [(iii)] (IV) any other money from any other source accepted for the
14 benefit of the Fund;

15 (3) the Commissioner shall distribute from the Fund an amount, not to
16 exceed 0.5% of the total revenue collected in each year, sufficient to cover the costs of
17 administering the Fund; and

18 (4) after distributing the amounts required under item (3) of this
19 subsection, the revenue remaining in the Fund shall be allocated according to the
20 following schedule:

21 (i) in fiscal year 2005, \$6,000,000 to the Medical Assistance
22 Program Account;

23 (ii) in fiscal year 2006:

24 1. \$40,700,000 to the Rate Stabilization Account to subsidize
25 agreements for calendar year 2005; and

26 2. \$39,300,000 to the Medical Assistance Program Account;

27 (iii) in fiscal year 2007:

28 1. \$33,400,000 to the Rate Stabilization Account to subsidize
29 agreements for calendar year 2006; and

30 2. \$46,600,000 to the Medical Assistance Program Account;

31 (iv) in fiscal year 2008:

32 1. \$26,100,000 to the Rate Stabilization Account to subsidize
33 agreements for calendar year 2007; and

1 [7.] 6. primary health care in rural areas of the State and
 2 areas targeted by tobacco manufacturers in marketing and promoting cigarette and
 3 tobacco products;

4 [8.] 7. prevention, treatment, and research concerning
 5 cancer, heart disease, lung disease, tobacco product use, and tobacco control,
 6 including operating costs and related capital projects;

7 [9.] 8. substance abuse treatment and prevention
 8 programs; and

9 [10.] 9. any other public purpose.

10 (2) The provisions of this subsection may not be construed to affect the
 11 Governor's powers with respect to a request for an appropriation in the annual budget
 12 bill.

13 (g) (1) Amounts may only be expended from the Fund through
 14 appropriations in the State budget bill as provided in this subsection.

15 (2) The Governor shall include in the annual budget bill appropriations
 16 from the Fund equivalent to the lesser of \$100,000,000 or 90% of the funds estimated
 17 to be available to the Fund in the fiscal year for which the appropriations are made.

18 (3) For each fiscal year for which appropriations are made, at least 50%
 19 of the appropriations shall be made for those purposes enumerated in subsection
 20 (f)(1)(i), (ii), and [(iii)1 through 9] (IV)1 THROUGH 8 of this section subject to the
 21 requirement of subsection (e)(2) of this section.

22 (4) For each of fiscal years 2003 through 2006, at least 25% of the
 23 appropriations shall be made for the purposes of the Maryland Medical Assistance
 24 Program.

25 (5) ~~BEGINNING IN FISCAL YEAR 2008, ANY REVENUE 2007, \$5 MILLION~~
 26 ~~REALIZED BY THE FUND FROM STRATEGIC CONTRIBUTION PAYMENTS RESULTING~~
 27 ~~FROM THE STATE'S LEGAL CONTRIBUTIONS TO THE MASTER SETTLEMENT~~
 28 ~~AGREEMENT THE SETTLEMENT WITH THE LAW OFFICES OF PETER G. ANGELOS~~
 29 ~~SHALL BE DEPOSITED INTO THE COMMUNITY HEALTH RESOURCES FUND~~
 30 ~~ESTABLISHED UNDER § 19-2112 OF THE HEALTH - GENERAL ARTICLE TO BE USED TO~~
 31 ~~PROVIDE SPECIALTY HEALTH CARE SERVICES.~~

32 [(5)] (6) For each fiscal year for which appropriations are made, 0.15% of
 33 the Fund shall be appropriated for the purposes of enforcement of Title 16, Subtitle 5
 34 of the Business Regulation Article.

35 [(6)] (7) Any additional appropriations, not subject to paragraph (3),
 36 paragraph (4), PARAGRAPH (5), or paragraph [(5)] (6) of this subsection, may be made
 37 for any lawful purpose.

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

3 **Article - State Government**

4 12-101.

5 (a) In this subtitle, unless the context clearly requires otherwise, "State
6 personnel" means:

7 (13) to the extent of a nonprofit organization's activities as a third party
8 payee, and to the extent the nonprofit organization has no other insurance for this
9 purpose, a nonprofit organization that has been approved by the Department of
10 Human Resources or its designee to serve as a third party payee for purposes of
11 providing temporary cash assistance, transitional assistance, or child-specific
12 benefits to Family Investment Program recipients; [or]

13 ~~(14) A HEALTH CARE PROVIDER OR HOSPITAL WHEN PROVIDING~~
14 ~~SERVICES TO AN INDIVIDUAL REFERRED TO THE HEALTH CARE PROVIDER OR~~
15 ~~HOSPITAL BY A COMMUNITY HEALTH RESOURCE, AS DEFINED IN § 19-2101 OF THE~~
16 ~~HEALTH - GENERAL ARTICLE; OR~~

17 (14) A HEALTH CARE PRACTITIONER WHO CONTRACTS DIRECTLY WITH
18 THE MARYLAND COMMUNITY HEALTH RESOURCES COMMISSION ESTABLISHED
19 UNDER § 19-2102 OF THE HEALTH - GENERAL ARTICLE, OR DIRECTLY WITH A
20 COMMUNITY HEALTH RESOURCE, AS DEFINED IN § 19-2101 OF THE HEALTH -
21 GENERAL ARTICLE, WHEN PROVIDING SERVICES UNDER THE CONTRACT, IF THE
22 SERVICES ARE PROVIDED:

23 (I) TO AN INDIVIDUAL WHO IS ELIGIBLE TO RECEIVE BENEFITS
24 UNDER TITLE 19, SUBTITLE 21 OF THE HEALTH - GENERAL ARTICLE; AND

25 (II) EITHER WITHOUT CHARGE OR AT A RATE OF REIMBURSEMENT
26 THAT IS NO MORE THAN THE MEDICAID REIMBURSEMENT RATE FOR THE SERVICE
27 RENDERED;

28 (15) A HOSPITAL WHEN PROVIDING SERVICES TO AN INDIVIDUAL WHO IS:

29 (I) REFERRED TO THE HOSPITAL BY A COMMUNITY HEALTH
30 RESOURCE, AS DEFINED IN § 19-2101 OF THE HEALTH - GENERAL ARTICLE; AND

31 (II) ELIGIBLE TO RECEIVE BENEFITS UNDER TITLE 19, SUBTITLE 21
32 OF THE HEALTH - GENERAL ARTICLE; OR

33 [(14)] ~~(15)~~ (16) a student, faculty, or staff member of an institution of
34 higher education who is providing a service under the Family Investment Program in
35 accordance with the provisions of Article 88A, § 47 or § 53 of the Code.

1 12-104.

2 (a) (1) Subject to the exclusions and limitations in this subtitle and
3 notwithstanding any other provision of law, the immunity of the State and of its units
4 is waived as to a tort action, in a court of the State, to the extent provided under
5 paragraph (2) of this subsection.

6 (2) The liability of the State and its units may not exceed \$200,000 to a
7 single claimant for injuries arising from a single incident or occurrence.

8 (b) Immunity is not waived under this section as described under § 5-522(a) of
9 the Courts and Judicial Proceedings Article.

10 (c) (1) The Treasurer may pay from the State Insurance Trust Fund all or
11 part of that portion of a tort claim which exceeds the limitation on liability
12 established under subsection (a)(2) of this section under the following conditions:

13 (i) the tort claim is one for which the State and its units have
14 waived immunity under subsections (a) and (b) of this section;

15 (ii) a judgment or settlement has been entered granting the
16 claimant damages to the full amount established under subsection (a)(2) of this
17 section; and

18 (iii) the Board of Public Works, with the advice and counsel of the
19 Attorney General, has approved the payment.

20 (2) Any payment of part of a settlement or judgment under this
21 subsection does not abrogate the sovereign immunity of the State or any units beyond
22 the waiver provided in subsections (a) and (b) of this section.

23 12-105.

24 State personnel shall have the immunity from liability described under §
25 5-522(b) of the Courts and Judicial Proceedings Article.

26 SECTION 3. AND BE IT FURTHER ENACTED, That:

27 (a) There is a Joint Legislative Task Force on Universal Access to Quality and
28 Affordable Health Care.

29 (b) The Task Force is comprised of eight members of the General Assembly,
30 including:

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

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

1 (c) The following individuals shall serve as ex officio members of the Task
2 Force:

3 (1) the Secretary of Health and Mental Hygiene, or the Secretary's
4 designee; and

5 (2) the Executive Director of the Maryland Health Care Commission, or
6 the Executive Director's designee.

7 (d) (1) Of the four members of the Senate, the President of the Senate shall
8 appoint one member to serve as a cochair; and

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

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

13 (f) The Task Force shall:

14 (1) study and make recommendations on how to make quality, affordable
15 health care, including primary care, specialty care, hospitalization, and prescription
16 drug coverage, accessible to all citizens of the State; and

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

20 (g) The Task Force, in conducting the study required under subsection (f)(1) of
21 this section, shall seek input from consumer advocates, health care providers,
22 insurance carriers that write policies in the State, the business community, hospitals,
23 and community clinics.

24 (h) The Task Force shall conduct a minimum of four public hearings in
25 different geographic regions of the State to receive citizen input.

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

29 ~~SECTION 4. AND BE IT FURTHER ENACTED, That the Department of~~
30 ~~Health and Mental Hygiene shall:~~

31 ~~(1) if the Centers for Medicare and Medicaid Services approves the primary~~
32 ~~care waiver applied for under Chapter 448 of the Acts of 2003, submit an amendment~~
33 ~~to the waiver to include office based and outpatient specialty care for individuals~~
34 ~~with family income below 116% of the federal poverty guidelines; and~~

35 ~~(2) apply for a waiver from the Centers for Medicare and Medicaid Services to~~
36 ~~cover office based and outpatient specialty care for individuals;~~

1 (i) with family income that is between 117% and 200% of the federal
2 poverty guidelines;

3 (ii) referred by a community health resource, as defined in § 19-2101 of
4 the Health General Article, or enacted by Section 1 of this Act; and

5 (iii) receiving care through the specialty care network established under §
6 19-2113 of the Health General Article, as enacted by Section 1 of this Act.

7 SECTION 4. AND BE IT FURTHER ENACTED, That, if the Centers for
8 Medicare and Medicaid Services approves the primary care waiver applied for under
9 Chapter 448 of the Acts of 2003, the Department of Health and Mental Hygiene shall
10 submit an amendment to the waiver to include office-based and outpatient specialty
11 medical care and inpatient medical care for individuals with family income below
12 116% of the federal poverty guidelines who meet the eligibility requirements for the
13 Maryland Primary Care Program. Notwithstanding the provisions of § 14-504 of the
14 Insurance Article, the Department shall use as the State match for the office-based
15 and outpatient specialty medical care and inpatient medical care available revenues
16 from the Maryland Health Insurance Plan Fund.

17 SECTION 5. AND BE IT FURTHER ENACTED, That:

18 (a) (1) (i) Notwithstanding the provisions of § 14-504 of the Insurance
19 Article, in fiscal year 2006 only, the Board of Directors of the Maryland Health
20 Insurance Plan may authorize the ~~use~~ transfer of not more than \$15,000,000 from the
21 Maryland Health Insurance Plan Fund ~~toward~~ to the Major Information Technology
22 Development Project Fund established under § 3-410.2 of the State Finance and
23 Procurement Article to be used for the design and development of an eligibility system
24 by the Department of Health and Mental Hygiene.

25 (ii) Notwithstanding the provisions of § 3-410.2 of the State
26 Finance and Procurement Article, to the extent that the money transferred under this
27 paragraph is not used for the purposes authorized under this subsection, the money
28 shall be redistributed to the Maryland Health Insurance Plan Fund.

29 (2) The purposes of the system are to:

30 (i) enroll eligible individuals more efficiently in the Medicaid
31 Program;

32 (ii) refer eligible individuals to the Maryland Health Insurance
33 Plan; and

34 (iii) if practicable, make referrals to other available State- and
35 federally-sponsored programs that provide inpatient hospital coverage for uninsured
36 individuals and reduce uncompensated care at Maryland hospitals.

37 (b) (1) Before issuing a request for proposals for the development of an
38 eligibility system under this section, the Department shall report to the Board of

1 Directors of the Maryland Health Insurance Plan on a plan to implement the
2 proposed eligibility system, including the system's design and function.

3 (2) The report shall:

4 (i) enumerate the specifications of any request for proposals to
5 develop the eligibility system;

6 (ii) demonstrate how the proposed eligibility system will be more
7 efficient and effective than the existing system;

8 (iii) estimate the reduction in hospital uncompensated care that
9 would result from the appropriate use of the proposed eligibility system; and

10 (iv) demonstrate how the proposed eligibility system will improve
11 enrollment of eligible individuals in the Maryland Health Insurance Plan.

12 (c) (1) After reviewing the report required under subsection (b) of this
13 section, the Board of Directors of the Maryland Health Insurance Plan;

14 (i) may make comments and suggest changes to the proposed plan;
15 and

16 (ii) shall submit a copy of the report to the Chief of Information
17 Technology in the Department of Budget and Management.

18 (2) The Department may not proceed in implementing the proposed
19 eligibility system until the Board:

20 (i) is satisfied with the functional capabilities of the proposed
21 eligibility system as outlined in the request for proposals;

22 (ii) is satisfied that there will be a reduction in hospital
23 uncompensated care commensurate with the investment of Maryland Health
24 Insurance Plan funds in the proposed eligibility system; ~~and~~

25 (iii) obtains approval of the proposed eligibility system from the
26 Chief of Information Technology; and

27 ~~(iii)~~ (iv) votes affirmatively for the Department to proceed in
28 implementing the proposed eligibility system.

29 (d) This section shall be contingent on the approval by the Centers for
30 Medicare and Medicaid Services, in accordance with the terms of the federal waiver
31 granted to the State of Maryland under Section 1814(b) of the Social Security Act, of
32 the use of Medicare funds for the design and development of the eligibility system in
33 accordance with this Section. The Department of Health and Mental Hygiene, within
34 5 days after receiving the decision of the Centers for Medicare and Medicaid Services,
35 shall forward a copy of the decision to the Department of Legislative Services, 90
36 State Circle, Annapolis, Maryland, 21401. If the Centers for Medicare and Medicaid

1 Services do not approve the use of Medicare funds for the design and development of
2 the eligibility system, this section shall be null and void without the necessity of any
3 further action by the General Assembly.

4 SECTION 6. AND BE IT FURTHER ENACTED, That the exemption from the
5 insurance premium tax for nonprofit health maintenance organizations under §
6 6-101(b)(7) of the Insurance Article, as enacted by Section 1 of this Act, shall be
7 applicable to all subscription charges or other amounts paid to a nonprofit health
8 maintenance organization on or after January 1, 2005. Notwithstanding any other
9 provision of law, on or before August 1, 2005, the Maryland Insurance Commissioner
10 shall refund any premium tax paid before the effective date of this Act by a nonprofit
11 health maintenance organization that is exempt from the premium tax under §
12 6-101(b)(7) of the Insurance Article, as enacted by Section 1 of this Act.

13 SECTION 7. AND BE IT FURTHER ENACTED, That the Department of
14 Health and Mental Hygiene shall apply to the federal Department of Health and
15 Human Services for any waivers required under 42 CFR § 433.68 to effect the changes
16 to §§ 19-727, 19-2112(d)(4), and 19-2113(d)(2) of the Health - General Article and §§
17 6-101, 6-121, and 19-104.1 of the Insurance Article, as enacted by Section 1 of this
18 Act. The Department of Health and Mental Hygiene, within 5 days after receiving the
19 decision of the Department of Health and Human Services, shall forward a copy of the
20 decision to the Department of Legislative Services, 90 State Circle, Annapolis,
21 Maryland 21401. If a waiver is not approved, the changes to §§ 19-727, 19-2112(d)(4),
22 and 19-2113(d)(2) of the Health - General Article and §§ 6-101, 6-121, and 19-104.1
23 of the Insurance Article, as enacted by Section 1 of this Act, shall be null and void
24 without the necessity of any further action by the General Assembly.

25 SECTION 8. AND BE IT FURTHER ENACTED, That:

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

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

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

35 (b) The Commissions shall make recommendations on alternative methods of
36 distributing the reasonable costs of uncompensated and undercompensated care
37 provided by physicians who provide at least 25% of their services in a hospital setting,
38 as determined by reporting on the most currently available complete year of data
39 from Medical Care Data Base, including the feasibility of establishing an
40 uncompensated and undercompensated care fund patterned after the Maryland
41 Trauma Physician Services Fund.

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

5 SECTION ~~6~~ 9. AND BE IT FURTHER ENACTED, That, except as provided in
6 Section 5 of this Act, and subject to Section 7 of this Act, this Act shall take effect July
7 1, 2005. Section 2 of this Act shall remain effective for a period of 2 years and, at the
8 end of June 30, 2007, with no further action required by the General Assembly,
9 Section 2 of this Act shall be abrogated and of no further force and effect. Section 3 of
10 this Act shall remain effective for a period of 1 year and, at the end of June 30, 2006,
11 with no further action required by the General Assembly, Section 3 of this Act shall be
12 abrogated and of no further force and effect.