

ENROLLED BILL

-- Finance/Health and Government Operations --

Introduced by ~~Senator Middleton~~ **Senators Middleton, Hollinger, Astle, Della, Exum, Gladden, Kelley, Klausmeier, and Teitelbaum**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

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

President.

CHAPTER _____

1 AN ACT concerning

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

3 FOR the purpose of altering the eligibility requirements of the Maryland Pharmacy
4 Discount Program to cover individuals who are not Medicare beneficiaries, who
5 lack other public or private prescription drug coverage, who have a certain
6 annual household income, and to exclude Medicare beneficiaries; altering the
7 price at which an enrollee in the Program may purchase certain prescription
8 drugs; requiring hospitals to develop financial assistance policies to provide free
9 and reduced-cost care to certain patients; requiring hospitals to post a certain
10 notice; requiring the Health Services Cost Review Commission to develop a
11 uniform financial assistance application and require each hospital to use the
12 application for a certain purpose; requiring a hospital to provide the uniform
13 financial assistance application to certain patients; requiring hospitals to
14 submit to the Health Services Cost Review Commission certain debt collection
15 policies; requiring the Health Services Cost Review Commission to report to
16 certain committees of the General Assembly on or before a certain date on the

1 details of certain hospital policies; requiring nonprofit hospitals to include
2 certain information in their community benefit reports to the Health Services
3 Cost Review Commission; establishing the Maryland Community Health
4 Resources Commission as an independent commission that functions within the
5 Department of Health and Mental Hygiene; establishing the powers and duties
6 of the Maryland Community Health Resources Commission; requiring the
7 Maryland Community Health Resources Commission to adopt certain
8 regulations on or before a certain date; providing for the purpose, duties,
9 powers, membership, appointment of members, terms of members,
10 reimbursement for certain expenses of members meetings, compensation,
11 composition, staff, and appointment of a chair and vice chair of the Maryland
12 Community Health Resources Commission; establishing the powers and duties
13 of the Commission; authorizing the Commission to adopt regulations; requiring
14 the Commission to adopt rules and regulations that relate to its meetings,
15 minutes, and transactions; requiring the Maryland Community Health
16 Resources Commission to submit a certain annual report to the Governor, the
17 Secretary of Health and Mental Hygiene, and the General Assembly; providing
18 that a certain power powers of the Secretary of Health and Mental Hygiene does
19 do not apply to the Maryland Community Health Resources Commission;
20 requiring the Maryland Community Health Resources Commission to develop a
21 certain toll-free hotline; requiring the Commission to coordinate with certain
22 groups in fulfilling its duties; requiring the Maryland Community Health
23 Resources Commission to adopt certain regulations relating to criteria to qualify
24 as a community health resource; requiring the Maryland Community Health
25 Resources Commission to adopt certain regulations relating to the services that
26 a community health resource shall provide; requiring the Maryland Community
27 Health Resources Commission to adopt certain regulations relating to grants;
28 requiring the Maryland Community Health Resources Commission to
29 administer, develop, identify, evaluate, and study certain programs; requiring
30 the Maryland Community Health Resources Commission to submit certain
31 reports to the Governor and the General Assembly on or before certain dates;
32 requiring the final report of the Maryland Community Health Resources
33 Commission to include a plan for transitioning responsibility of any ongoing
34 duties of the Maryland Community Health Resources Commission to the
35 Department and recommendations for legislative changes; establishing the
36 Community Health Resources Commission Fund; providing that the Treasurer
37 shall hold the Fund separately and the Comptroller shall account for the Fund;
38 providing for the contents and use of the Fund; establishing the sources and
39 uses of funds in the Community Health Resources Commission Fund; specifying
40 the use of grants to community health resources; requiring the Treasurer to
41 invest the money in the Fund in a certain manner; providing that any
42 investment earnings of the Fund shall be retained to the credit of the Fund;
43 providing for the investment of the Fund; providing that the Fund shall be is
44 subject to a certain audit by the Office of Legislative Audits; establishing the
45 Federally Qualified Health Centers Grant Program; authorizing the Board of
46 Public Works, on the recommendation of the Secretary of Health and Mental
47 Hygiene, to provide grants under the Program to counties, municipal
48 corporations, and nonprofit corporations for the conversion of public buildings to

1 ~~federally qualified health centers facilities~~ Federally Qualified Health Centers,
2 the acquisition of existing buildings or parts of buildings for use as ~~federally~~
3 ~~qualified health centers~~ Federally Qualified Health Centers, the renovation of
4 ~~federally qualified health centers~~ Federally Qualified Health Centers, the
5 purchase of capital equipment for ~~federally qualified health centers~~ Federally
6 Qualified Health Centers, and the planning, design, and construction of
7 ~~federally qualified health centers~~ Federally Qualified Health Centers; requiring
8 the Department of Health and Mental Hygiene to make certain
9 recommendations ~~and adopt certain regulations~~; providing for ~~the grant an~~
10 application process; authorizing the Board of Public Works to make certain
11 funds available for a State grant under certain circumstances; providing certain
12 terms, conditions, and limitations on the ~~allocation~~ allocations, use, and amount
13 of State grants; prohibiting proceeds of a grant from being used for certain
14 religious purposes; requiring the Governor to include ~~a certain amount of~~
15 funding in the capital budget for the Federally Qualified Health Centers Grant
16 Program; authorizing the Board of Public Works to adopt certain regulations;
17 authorizing the State, under certain circumstances, to recover a certain portion
18 of the State funds expended; authorizing the Secretary of the Board of Public
19 Works to file a civil complaint; providing for a certain judicial proceeding, ~~a~~
20 ~~temporary lien and liens~~ to enforce the State's right of recovery; ~~and~~ the priority
21 of the proceedings, ~~the issuance of a final judgment if a default has occurred,~~
22 ~~and the disposition of the recovery of funds and the lien~~; ~~authorizing the~~
23 Department to adopt certain regulations; providing that certain provisions of
24 law do not apply to certain nonprofit health service plans; requiring certain
25 nonprofit health service plans to subsidize grants to community health
26 resources support the costs of the Community Health Resources Commission,
27 subsidize the Maryland Pharmacy Discount Program, provide funding for a
28 unified data information system, and transfer certain funds beginning in a
29 certain fiscal year for certain purposes; requiring certain insurance carriers to
30 reimburse certain providers for certain services to the extent required under
31 federal law; requiring a health maintenance organization to reimburse a
32 community health resource for certain services; providing that a certain
33 nonprofit health maintenance organization is not subject to the insurance
34 premium tax; requiring the Maryland Community Health Resources
35 Commission, in collaboration with community health resources and local health
36 departments, to develop a specialty care network for certain individuals;
37 requiring the specialty care network to meet certain requirements; requiring
38 individuals who receive care through the specialty care network to pay for
39 specialty care according to a sliding scale fee; requiring specialty care to be
40 subsidized by certain funds, subject to the State budget; requiring the Maryland
41 Community Health Resources Commission to provide to community health
42 resources subsidies for specialty care; requiring a certain nonprofit health
43 maintenance organization to transfer certain funds to a certain Medical
44 Assistance Program Account; providing that beginning in a certain fiscal year, a
45 certain amount of money allocated to the Medical Assistance Program Account
46 that exceeds the amount needed to increase certain health care provider rates
47 shall be transferred, in accordance with the State budget, to the Community
48 Health Resources Commission Fund for a certain purpose; requiring a certain

1 nonprofit health maintenance organization to file a certain report with the
2 Maryland Insurance Commissioner on or before a certain date; requiring the
3 Secretary of Health and Mental Hygiene to transfer to the Community Health
4 Resources Commission Fund, within a certain time period, certain money
5 collected from a nonprofit health maintenance organization; providing that
6 certain portions of the Medical Assistance Program Account may be used by the
7 Secretary of Health and Mental Hygiene only for certain purposes; authorizing
8 the Board of the Maryland Health Insurance Plan to authorize the transfer of
9 certain funds from the Maryland Health Insurance Plan Fund to the Major
10 Information Technology Development Project Fund to design and develop a
11 certain computerized eligibility system; providing that certain money transferred
12 shall be redistributed to the Maryland Health Insurance Plan under certain
13 circumstances; providing for the purpose of the computerized eligibility system;
14 requiring the Department of Health and Mental Hygiene to submit a certain
15 report to the Board of the Maryland Health Insurance Plan that includes certain
16 information; prohibiting the Department of Health and Mental Hygiene from
17 implementing a certain plan until certain actions have been taken by the Board
18 of the Maryland Health Insurance Plan; making certain provisions of this Act
19 subject to certain contingencies; making certain provisions of this Act retroactive;
20 requiring the Department of Health and Mental Hygiene to apply for certain
21 waivers; requiring the Department of Health and Mental Hygiene to review
22 certain rates, make a certain comparison, and report on the review and
23 comparison and on whether certain rates will exceed certain Medicare rates;
24 establishing a Joint Legislative Task Force on Universal Access to Quality and
25 Affordable Health Care; providing for membership, staffing, and duties of the
26 Task Force; requiring the Task Force to report its findings on or before a certain
27 date; requiring the Maryland Health Care Commission and the Health Services
28 Cost Review Commission to jointly assess certain aspects of uncompensated and
29 undercompensated care and certain reimbursement, make recommendations on
30 alternative methods of distributing certain costs of uncompensated and
31 undercompensated care, and submit certain assessments and recommendations
32 to certain committees of the General Assembly on or before a certain date;
33 requiring the Department of Health and Mental Hygiene to submit to the
34 Centers for Medicare and Medicaid Services an application for an amendment to
35 a certain waiver; requiring the Department to apply for certain federal matching
36 funds; providing that certain enrollees in the Maryland Pharmacy Discount
37 Program remain enrolled in the Program through a certain date if the
38 application for a certain amendment to a certain demonstration waiver is
39 approved; requiring the Secretary of Health and Mental Hygiene to provide
40 certain notice to the Department of Legislative Services; ~~making certain~~
41 ~~provisions of this Act subject to a certain contingency;~~ defining certain terms;
42 providing for the termination of certain provisions of this Act; and generally
43 relating to access to health care services through community health resources
44 and Federally Qualified Health Centers.

45 BY repealing and reenacting, with amendments,

46 Article - Health - General

47 Section 15-124.1 and ~~19-303(e)~~, 19-303(c), and 19-727

1 Annotated Code of Maryland
 2 (2000 Replacement Volume and 2004 Supplement)

3 BY adding to
 4 Article - Health - General
 5 Section 19-214.1; 19-712.7; 19-2101 through ~~19-2109~~ ~~19-2110~~, 19-2111,
 6 inclusive, to be under the new subtitle "Subtitle 21. Maryland Community
 7 Health Resources Commission"; 19-2201 to be under the new subtitle
 8 "Subtitle 22. Community Health Resources Fund"; and 24-1301 through
 9 24-1307, inclusive, to be under the new subtitle "Subtitle 13. Federally
 10 Qualified Health Centers Grant Program"
 11 Annotated Code of Maryland
 12 (2000 Replacement Volume and 2004 Supplement)

13 BY repealing and reenacting, with amendments,
 14 Article - Insurance
 15 Section 6-101, 6-102(b), and 6-103
 16 Annotated Code of Maryland
 17 (2003 Replacement Volume and 2004 Supplement)
 18 (As enacted by Chapter 5 of the Acts of the General Assembly of the 2004 Special
 19 Session)

20 BY adding to
 21 Article - Insurance
 22 Section 6-121
 23 Annotated Code of Maryland
 24 (2003 Replacement Volume and 2004 Supplement)

25 BY repealing and reenacting, with amendments,
 26 Article - Insurance
 27 Section 14-102(h) and 14-106(d)
 28 Annotated Code of Maryland
 29 (2002 Replacement Volume and 2004 Supplement)

30 BY adding to
 31 Article - Insurance
 32 Section 14-106.1 and ~~15-131~~ 15-715
 33 Annotated Code of Maryland
 34 (2002 Replacement Volume and 2004 Supplement)

35 BY repealing and reenacting, with amendments,
 36 Article - Insurance
 37 Section 19-807(a) and (b)(3)(iv)
 38 Annotated Code of Maryland

1 *(2002 Replacement Volume and 2004 Supplement)*
2 *(As enacted by Chapter 1 of the Acts of the General Assembly of 2005)*

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

5 **Article - Health - General**

6 15-124.1.

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

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

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

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

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

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

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

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

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

34 [(2)] Subject to subsection (g) of this section, and to the extent authorized
35 under federal waiver, an enrollee whose annual household income is at or below 175
36 percent of the federal poverty guidelines may receive a discount subsidized by the
37 Department that is equal to 35 percent of the price paid by the Maryland Medical

1 Assistance Program for each medically necessary prescription drug purchased under
2 the Program.]

3 (g) The Department may establish mechanisms to:

4 (1) Recover the administrative costs of the Program;

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

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

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

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

14 **Article - Health - General**

15 19-214.1.

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

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

22 (C) THE COMMISSION SHALL:

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

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

27 (D) THE UNIFORM FINANCIAL ASSISTANCE APPLICATION:

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

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

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

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

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

10 19-303.

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

14 (2) The community benefit report shall include:

15 (i) The mission statement of the hospital;

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

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

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

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

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

23 19-712.7.

24 TO THE EXTENT REQUIRED UNDER FEDERAL LAW, A HEALTH MAINTENANCE
 25 ORGANIZATION SHALL REIMBURSE A COMMUNITY HEALTH RESOURCE, AS DEFINED
 26 IN § 19-2101 OF THIS TITLE, FOR COVERED SERVICES PROVIDED TO A MEMBER OR
 27 SUBSCRIBER OF THE HEALTH MAINTENANCE ORGANIZATION.

28 19-727.

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

32 (B) (1) A NONPROFIT HEALTH MAINTENANCE ORGANIZATION THAT IS
 33 EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE IS
 34 NOT SUBJECT TO THE INSURANCE PREMIUM TAX UNDER TITLE 6, SUBTITLE 1 OF
 35 THE INSURANCE ARTICLE.

1 (IX) A TEACHING CLINIC ~~FOR HEALTH CARE PROFESSIONALS NOT~~
2 ~~LOCATED IN SPACE REGULATED BY THE HEALTH SERVICES COST REVIEW~~
3 ~~COMMISSION;~~

4 (X) A WELLMOBILE;

5 (XI) A HEALTH CENTER CONTROLLED OPERATING NETWORK; ~~AND~~

6 (XII) A HISTORIC MARYLAND PRIMARY CARE PROVIDER;

7 (XIII) AN OUTPATIENT MENTAL HEALTH CLINIC; AND

8 ~~(XII)~~ (XIV) ANY OTHER CENTER OR PROGRAM IDENTIFIED BY THE
9 COMMISSION AS A COMMUNITY HEALTH RESOURCE.

10 19-2102.

11 (A) THERE IS A MARYLAND COMMUNITY HEALTH RESOURCES COMMISSION
12 ~~IN THE DEPARTMENT.~~

13 (B) THE COMMISSION IS AN INDEPENDENT COMMISSION THAT FUNCTIONS
14 WITHIN THE DEPARTMENT.

15 ~~(B)~~ (C) THE PURPOSE OF THE COMMISSION IS TO INCREASE ACCESS TO
16 HEALTH CARE SERVICES THROUGH COMMUNITY HEALTH RESOURCES.

17 19-2103.

18 (A) (1) THE COMMISSION CONSISTS OF ~~SEVEN NINE~~ ELEVEN MEMBERS
19 APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE.

20 (2) OF THE ~~SEVEN NINE~~ ELEVEN MEMBERS, ~~FOUR SHALL BE~~
21 ~~INDIVIDUALS WHO DO NOT HAVE ANY CONNECTION WITH THE MANAGEMENT OR~~
22 ~~POLICY OF ANY COMMUNITY HEALTH RESOURCE;~~

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

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

27 (III) ONE SHALL BE A REPRESENTATIVE OF A MARYLAND HOSPITAL;

28 ~~(III)~~ (IV) FOUR SHALL BE INDIVIDUALS WHO:

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

1 ~~(B)~~ A MEMBER OF THE COMMISSION;

2 ~~(1)~~ MAY NOT RECEIVE COMPENSATION; BUT

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

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

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

7 ~~(2)~~ A MEMBER OF THE COMMISSION:

8 ~~(1)~~ MAY NOT RECEIVE COMPENSATION; BUT

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

11 ~~(C)~~ ~~(D)~~ ~~(1)~~ THE COMMISSION MAY EMPLOY A STAFF IN ACCORDANCE
12 WITH THE STATE BUDGET.

13 ~~(2)~~ THE COMMISSION, IN CONSULTATION WITH THE SECRETARY, SHALL
14 DETERMINE THE APPROPRIATE JOB CLASSIFICATIONS AND GRADES FOR ALL STAFF.
15 ~~19-2106. 19-2107.~~

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

18 (1) ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS
19 SUBTITLE;

20 (2) CREATE COMMITTEES FROM AMONG ITS MEMBERS;

21 (3) APPOINT ADVISORY COMMITTEES, WHICH MAY INCLUDE
22 INDIVIDUALS AND REPRESENTATIVES OF INTERESTED PUBLIC OR PRIVATE
23 ORGANIZATIONS;

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

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

29 (6) PUBLISH AND GIVE OUT ANY INFORMATION THAT RELATES TO
30 EXPANDING ACCESS TO HEALTH CARE SERVICES THROUGH COMMUNITY HEALTH
31 RESOURCES THAT IS CONSIDERED DESIRABLE OR IN THE PUBLIC INTEREST; AND

1 (7) SUBJECT TO THE LIMITATIONS OF THIS SUBTITLE, EXERCISE ANY
2 OTHER POWER THAT IS NECESSARY TO CARRY OUT THE PURPOSES OF THIS
3 SUBTITLE.

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

6 (1) ADOPT RULES AND REGULATIONS THAT RELATE TO ITS MEETINGS,
7 MINUTES, AND TRANSACTIONS; ~~AND~~

8 (2) KEEP MINUTES OF EACH MEETING;

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

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

17 ~~19-2107. 19-2108.~~

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

22 (A) ~~(B) (1) THE POWER OF THE SECRETARY OVER THE PROCUREMENT~~
23 ~~PROCEDURE FOR UNITS IN THE DEPARTMENT DOES NOT APPLY TO THE~~
24 ~~PROCUREMENT PROCEDURE FOR THE COMMISSION.~~

25 ~~(B) (2) SUBJECT TO THE PROVISIONS OF SUBSECTION (A) OF THIS SECTION~~
26 ~~PARAGRAPH (1) OF THIS SUBSECTION, ANY PROCUREMENT FOR SERVICES TO BE~~
27 ~~PERFORMED OR FOR SUPPLIES TO BE DELIVERED TO THE COMMISSION IS SUBJECT~~
28 ~~TO THE PURPOSES AND REQUIREMENTS OF THE STATE FINANCE AND~~
29 ~~PROCUREMENT ARTICLE.~~

30 (B) THE POWER OF THE SECRETARY TO TRANSFER BY RULE, REGULATION, OR
31 WRITTEN DIRECTIVE ANY STAFF, FUNCTIONS, OR FUNDS OF UNITS IN THE
32 DEPARTMENT DOES NOT APPLY TO ANY STAFF, FUNCTIONS, OR FUNDS OF THE
33 COMMISSION.

34 ~~19-2108. 19-2109.~~

35 (A) IN ADDITION TO THE DUTIES SET FORTH ELSEWHERE IN THIS SUBTITLE,
36 THE COMMISSION SHALL, TO THE EXTENT BUDGETED RESOURCES PERMIT:

- 1 (1) ESTABLISH BY REGULATION THE CRITERIA TO QUALIFY AS A
2 COMMUNITY HEALTH RESOURCE UNDER THIS SUBTITLE;
- 3 (2) ESTABLISH BY REGULATION THE SERVICES THAT A COMMUNITY
4 HEALTH RESOURCE SHALL PROVIDE TO QUALIFY AS A COMMUNITY HEALTH
5 RESOURCE UNDER THIS SUBTITLE;
- 6 (3) REQUIRE COMMUNITY HEALTH RESOURCES TO SUBMIT A PLAN TO
7 THE COMMISSION ON HOW THE COMMUNITY HEALTH RESOURCE WILL PROVIDE OR
8 ARRANGE TO PROVIDE MENTAL HEALTH SERVICES;
- 9 (4) IDENTIFY AND SEEK FEDERAL AND STATE FUNDING FOR THE
10 EXPANSION OF COMMUNITY HEALTH RESOURCES;
- 11 (5) ESTABLISH BY REGULATION THE CRITERIA FOR COMMUNITY
12 HEALTH RESOURCES TO QUALIFY FOR ~~CAPITAL AND~~ OPERATING GRANTS AND THE
13 PROCEDURES FOR APPLYING FOR ~~CAPITAL AND~~ OPERATING GRANTS;
- 14 (6) ADMINISTER ~~CAPITAL AND~~ OPERATING GRANT FUND PROGRAMS
15 FOR QUALIFYING COMMUNITY HEALTH RESOURCES;
- 16 ~~(7) DEVELOP A REVOLVING LOAN PROGRAM TO ASSIST COMMUNITY
17 HEALTH RESOURCES TO OBTAIN REDUCED DRUG PRICES UNDER § 340B OF THE
18 FEDERAL PUBLIC HEALTH SERVICE ACT;~~
- 19 (7) TAKING INTO CONSIDERATION REGIONAL DISPARITIES IN INCOME
20 AND THE COST OF MEDICAL SERVICES, ESTABLISH GUIDELINES FOR SLIDING SCALE
21 FEE PAYMENTS AT COMMUNITY HEALTH RESOURCES THAT ARE NOT FEDERALLY
22 QUALIFIED HEALTH CENTERS, FOR INDIVIDUALS WHOSE FAMILY INCOME IS
23 BETWEEN 100% AND 200% OF THE FEDERAL POVERTY GUIDELINES;
- 24 (8) IDENTIFY PROGRAMS AND POLICIES TO ENCOURAGE SPECIALIST
25 PROVIDERS TO SERVE INDIVIDUALS REFERRED FROM COMMUNITY HEALTH
26 RESOURCES;
- 27 (9) IDENTIFY PROGRAMS AND POLICIES TO ENCOURAGE HOSPITALS
28 AND COMMUNITY HEALTH RESOURCES TO PARTNER TO INCREASE ACCESS TO
29 HEALTH CARE SERVICES;
- 30 (10) ESTABLISH A REVERSE REFERRAL PILOT PROGRAM UNDER WHICH A
31 HOSPITAL WILL IDENTIFY AND ASSIST PATIENTS IN ACCESSING HEALTH CARE
32 SERVICES THROUGH A COMMUNITY HEALTH RESOURCE;
- 33 ~~(11) EVALUATE THE FEASIBILITY OF DEVELOPING WORK WITH
34 COMMUNITY HEALTH RESOURCES, HOSPITAL SYSTEMS, AND OTHERS TO DEVELOP A
35 UNIFIED INFORMATION AND DATA MANAGEMENT SYSTEM FOR USE BY ALL
36 COMMUNITY HEALTH RESOURCES THAT IS INTEGRATED WITH THE LOCAL HOSPITAL
37 SYSTEMS TO TRACK THE TREATMENT OF INDIVIDUAL PATIENTS AND THAT
38 PROVIDES REAL-TIME INDICATORS OF AVAILABLE RESOURCES;~~

1 (12) ~~IDENTIFY AND PROVIDE ASSISTANCE, INCLUDING TECHNICAL~~
2 ~~ASSISTANCE, TO ENABLE COMMUNITY HEALTH RESOURCES TO RECEIVE FEDERAL~~
3 ~~OR STATE DESIGNATIONS FOR WHICH THE RESOURCE MAY BE ELIGIBLE;~~

4 (13) ~~WORK IN CONJUNCTION WITH THE OFFICE OF PRIMARY CARE IN~~
5 ~~THE IDENTIFICATION OF THE STATE'S HEALTH PROFESSIONAL SHORTAGE AREAS,~~
6 ~~MEDICALLY UNDERSERVED AREAS, AND MEDICALLY UNDERSERVED POPULATIONS;~~

7 (12) WORK IN COOPERATION WITH CLINICAL EDUCATION AND TRAINING
8 PROGRAMS, AREA HEALTH EDUCATION CENTERS, AND TELEMEDICINE CENTERS TO
9 ENHANCE ACCESS TO QUALITY PRIMARY AND SPECIALTY HEALTH CARE FOR
10 INDIVIDUALS IN RURAL AND UNDERSERVED AREAS REFERRED BY COMMUNITY
11 HEALTH RESOURCES;

12 (13) EVALUATE THE FEASIBILITY OF DEVELOPING A CAPITAL GRANT
13 PROGRAM FOR COMMUNITY HEALTH RESOURCES THAT ARE NOT FEDERALLY
14 QUALIFIED HEALTH CENTERS;

15 (14) DEVELOP AN OUTREACH PROGRAM TO EDUCATE AND INFORM
16 INDIVIDUALS OF THE AVAILABILITY OF COMMUNITY HEALTH RESOURCES AND
17 ASSIST INDIVIDUALS UNDER 200% OF THE FEDERAL POVERTY LEVEL WHO DO NOT
18 HAVE HEALTH INSURANCE TO ACCESS HEALTH CARE SERVICES THROUGH
19 COMMUNITY HEALTH RESOURCES;

20 (15) STUDY SCHOOL-BASED ~~CLINIC~~ HEALTH CENTER FUNDING AND
21 ACCESS ISSUES INCLUDING ~~BUT NOT LIMITED TO;~~

22 (I) REIMBURSEMENT OF SCHOOL-BASED HEALTH CENTERS BY
23 MANAGED CARE ORGANIZATIONS, ~~COMMERCIAL~~ INSURERS, NONPROFIT HEALTH
24 SERVICE PLANS, AND HEALTH MAINTENANCE ORGANIZATIONS; AND

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

27 (16) STUDY ACCESS AND REIMBURSEMENT ISSUES REGARDING THE
28 PROVISION OF DENTAL SERVICES; ~~AND~~

29 (17) EVALUATE THE FEASIBILITY OF EXTENDING LIABILITY PROTECTION
30 UNDER THE MARYLAND TORT CLAIMS ACT TO HEALTH CARE PRACTITIONERS WHO
31 CONTRACT DIRECTLY WITH A COMMUNITY HEALTH RESOURCE THAT IS ALSO A
32 MARYLAND QUALIFIED HEALTH CENTER OR A SCHOOL-BASED HEALTH CENTER;
33 AND

34 (18) ESTABLISH CRITERIA AND MECHANISMS TO PAY FOR
35 OFFICE-BASED SPECIALTY CARE VISITS, DIAGNOSTIC TESTING, AND LABORATORY
36 TESTS FOR UNINSURED INDIVIDUALS WITH FAMILY INCOME THAT DOES NOT
37 EXCEED 200% OF THE FEDERAL POVERTY GUIDELINES WHO ARE REFERRED
38 THROUGH COMMUNITY HEALTH RESOURCES.

1 ~~(B)~~ THE COMMISSION SHALL CONSIDER GEOGRAPHIC BALANCE AS A FACTOR
2 ~~IN DEVELOPING CRITERIA UNDER SUBSECTION (A)(5) OF THIS SECTION FOR~~
3 ~~COMMUNITY HEALTH RESOURCES TO QUALIFY FOR CAPITAL AND OPERATING~~
4 ~~GRANTS.~~

5 ~~(C)~~ (B) THE REVERSE REFERRAL PILOT PROGRAM ESTABLISHED UNDER
6 SUBSECTION (A)(10) OF THIS SECTION SHALL INCLUDE AT LEAST A ONE HOSPITAL
7 AND A ONE COMMUNITY HEALTH RESOURCE FROM A RURAL, URBAN, AND
8 SUBURBAN AREA OF THIS STATE.

9 ~~(D)~~ (C) THE COMMISSION, IN DEVELOPING AND IMPLEMENTING THE
10 OUTREACH PROGRAM ESTABLISHED UNDER SUBSECTION (A)(14) OF THIS SECTION,
11 SHALL CONSULT AND COORDINATE WITH THE MOTOR VEHICLE ADMINISTRATION,
12 WORKFORCE INVESTMENT BOARDS, LOCAL DEPARTMENTS OF SOCIAL SERVICES,
13 LOCAL HEALTH DEPARTMENTS, MEDBANK INC., THE COMPTROLLER, THE MARYLAND
14 HEALTH CARE COMMISSION, HOSPITALS, COMMUNITY HEALTH RESOURCES, AND
15 PHYSICIANS TO PROVIDE OUTREACH AND CONSUMER INFORMATION.

16 ~~(E)~~ (D) THE COMMISSION, IN CONDUCTING THE SCHOOL-BASED CLINIC
17 HEALTH CENTER STUDY REQUIRED UNDER SUBSECTION (A)(15) OF THIS SECTION,
18 SHALL:

19 (1) SOLICIT INPUT FROM AND CONSULT WITH LOCAL GOVERNMENTS
20 THAT OPERATE SCHOOL-BASED HEALTH CENTERS, THE STATE DEPARTMENT OF
21 EDUCATION, THE MARYLAND INSURANCE COMMISSIONER, REPRESENTATIVES FROM
22 SCHOOL-BASED HEALTH CENTERS, PROVIDERS, AND INSURERS; AND

23 (2) IDENTIFY THE FOLLOWING:

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

27 (II) ~~A SCHEDULE FOR THE REIMBURSEMENT~~ REIMBURSEMENT
28 RATES TO BE PAID BY MANAGED CARE ORGANIZATIONS AND PRIVATE INSURERS
29 INSURERS, NONPROFIT HEALTH SERVICE PLANS, AND HEALTH MAINTENANCE
30 ORGANIZATIONS TO THE SCHOOL-BASED COMMUNITY HEALTH CENTER;

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

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

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

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

3 ~~(F)~~ (E) THE COMMISSION, IN CONDUCTING THE DENTAL SERVICES STUDY
4 REQUIRED UNDER SUBSECTION (A)(16) OF THIS SECTION, SHALL SELECT INPUT
5 FROM AND CONSULT WITH COMMUNITY HEALTH RESOURCES THAT PROVIDE
6 DENTAL SERVICES, MANAGED CARE ORGANIZATIONS, THE UNIVERSITY OF
7 MARYLAND SCHOOL OF DENTISTRY, AND DENTAL SERVICE PROVIDERS.

8 ~~19-2109.~~

9 ~~(A) THE COMMISSION SHALL DEVELOP A TOLL FREE HOTLINE TO:~~

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

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

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

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

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

22 ~~19-2110.~~

23 ~~(A) THE COMMISSION SHALL SUBMIT THE FOLLOWING REPORTS TO THE~~
24 ~~GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT~~
25 ~~ARTICLE, TO THE GENERAL ASSEMBLY ON ITS ACTIVITIES, FINDINGS, AND~~
26 ~~RECOMMENDATIONS, INCLUDING THE ACTIVITIES, FINDINGS, AND~~
27 ~~RECOMMENDATIONS OF ITS STANDING COMMITTEES:~~

28 ~~(1) AN INTERIM REPORT ON OR BEFORE JUNE 30, 2006;~~

29 ~~(2) AN INTERIM REPORT ON OR BEFORE JUNE 30, 2007; AND~~

30 ~~(3) A FINAL REPORT ON OR BEFORE JUNE 30, 2008.~~

31 ~~(B) THE FINAL REPORT OF THE COMMISSION SHALL INCLUDE:~~

32 ~~(1) A PLAN FOR TRANSITIONING RESPONSIBILITY FOR ANY ONGOING~~
33 ~~DUTIES OF THE COMMISSION UNDER THIS SUBTITLE TO THE DEPARTMENT; AND~~

34 ~~(2) RECOMMENDATIONS FOR LEGISLATIVE CHANGES.~~

1 TO FACILITATE ITS WORK, THE COMMISSION SHALL ESTABLISH STANDING
2 COMMITTEES, INCLUDING:

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

4 (2) THE COMMITTEE ON HOSPITAL AND COMMUNITY HEALTH
5 RESOURCES RELATIONS;

6 (3) THE COMMITTEE ON SCHOOL-BASED COMMUNITY HEALTH CENTER
7 EXPANSION; AND

8 (4) THE COMMITTEE ON DATA INFORMATION SYSTEMS.

9 19-2111.

10 (A) THE COMMISSION, IN COLLABORATION WITH COMMUNITY HEALTH
11 RESOURCES AND LOCAL HEALTH DEPARTMENTS, SHALL DEVELOP A SPECIALTY
12 CARE NETWORK FOR INDIVIDUALS:

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

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

16 (B) THE SPECIALTY CARE NETWORK SHALL:

17 (1) CONSIST OF HEALTH CARE PRACTITIONERS WHO AGREE TO
18 PROVIDE CARE TO INDIVIDUALS REFERRED THROUGH A COMMUNITY HEALTH
19 RESOURCE FOR A DISCOUNTED FEE ESTABLISHED BY THE COMMISSION; AND

20 (2) INCLUDE HEALTH CARE PRACTITIONERS WHO HISTORICALLY HAVE
21 SERVED THE UNINSURED.

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

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

28 (1) GENERAL FUNDS; AND

29 (2) MONEY COLLECTED FROM A NONPROFIT HEALTH MAINTENANCE
30 ORGANIZATION IN ACCORDANCE WITH § 6-121(B)(3) OF THE INSURANCE ARTICLE.

31 (E) SUBJECT TO AVAILABLE FUNDING, THE COMMISSION SHALL PROVIDE
32 SUBSIDIES TO COMMUNITY HEALTH RESOURCES FOR OFFICE-BASED SPECIALTY
33 CARE VISITS, DIAGNOSTIC TESTING, AND LABORATORY TESTS.

1 SECTION ~~2, 3, 4.~~ AND BE IT FURTHER ENACTED, That the Laws of
2 Maryland read as follows:

3 **Article - Health - General**

4 SUBTITLE 22. COMMUNITY HEALTH RESOURCES COMMISSION FUND.

5 19-2201.

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

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

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

11 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND
12 THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

13 (D) THE FUND CONSISTS OF:

14 (1) ~~MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND; AND~~
15 MONEY COLLECTED FROM A NONPROFIT HEALTH SERVICE PLAN IN ACCORDANCE
16 WITH § 14-106.1 OF THE INSURANCE ARTICLE;

17 (2) INTEREST EARNED ON INVESTMENTS;

18 (3) MONEY DONATED TO THE FUND;

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

20 ~~(5)~~ (5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
21 THE BENEFIT OF THE FUND.

22 (E) (1) THE FUND MAY BE USED ONLY TO:

23 ~~(I)~~ (I) COVER THE ADMINISTRATIVE COSTS OF THE COMMISSION AS
24 ~~OF JULY 1, 2005 THROUGH JUNE 30, 2008;~~

25 ~~(II)~~ (II) COVER THE ACTUAL DOCUMENTED DIRECT COSTS OF
26 FULFILLING THE STATUTORY AND REGULATORY DUTIES OF THE COMMISSION IN
27 ACCORDANCE WITH THE PROVISIONS OF THIS SUBTITLE ~~AS OF JULY 1, 2005~~
28 ~~THROUGH JUNE 30, 2008; AND~~

29 ~~(III)~~ (III) PROVIDE OPERATING GRANTS ~~TOTALING \$5,000,000 ANNUALLY~~
30 ~~BEGINNING IN FISCAL YEAR 2006, LESS THE COSTS INCURRED BY THE COMMISSION~~
31 ~~UNDER PARAGRAPHS (1) AND (2) OF THIS SUBSECTION;~~ TO QUALIFYING COMMUNITY
32 HEALTH RESOURCES; AND

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

5 (2) THE FUNDING FOR A UNIFIED DATA INFORMATION SYSTEM UNDER
6 PARAGRAPH (1)(IV) OF THIS SUBSECTION SHALL BE LIMITED TO:

7 (I) ~~\$1,000,000~~ ~~\$1,500,000~~ \$500,000 IN FISCAL YEAR 2006; AND

8 (II) ~~\$1,400,000~~ \$1,700,000 IN FISCAL YEAR 2007 AND ANNUALLY
9 THEREAFTER.

10 (F) THE COMMISSION SHALL ADOPT REGULATIONS THAT:

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

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

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

17 (4) *ESTABLISH CRITERIA AND MECHANISMS FOR FUNDING A UNIFIED*
18 *DATA INFORMATION SYSTEM.*

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

21 (1) CONSIDER GEOGRAPHIC BALANCE; AND

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

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

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

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

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

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

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

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

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

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

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

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

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

18 ~~(F)~~ (I) (1) THE STATE TREASURER SHALL INVEST THE MONEY IN THE
 19 FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

20 (2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE RETAINED TO
 21 THE CREDIT OF THE FUND.

22 ~~(G) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE~~
 23 ~~WITH THE STATE BUDGET.~~

24 ~~(H)~~ (J) THE FUND SHALL BE SUBJECT TO AN AUDIT BY THE OFFICE OF
 25 LEGISLATIVE AUDITS AS PROVIDED FOR IN § 2-1220 OF THE STATE GOVERNMENT
 26 ARTICLE.

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

29 ~~Article – Health – General~~

30 SUBTITLE 13. FEDERALLY QUALIFIED HEALTH CENTERS GRANT PROGRAM.

31 24-1301.

32 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
 33 INDICATED.

1 (B) "FEDERALLY QUALIFIED HEALTH CENTER" MEANS A HEALTH CENTER
2 THAT IS:

3 (1) DESIGNATED AS A FEDERALLY QUALIFIED HEALTH CENTER UNDER
4 § 330 OF THE FEDERAL PUBLIC HEALTH SERVICE ACT, 42 U.S.C. 254B; AND

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

7 (C) "NONPROFIT ORGANIZATION" MEANS:

8 (1) A BONA FIDE RELIGIOUS ORGANIZATION, NO PART OF THE
9 EARNINGS OF WHICH INURES TO THE BENEFIT OF ANY INDIVIDUAL OR IS USED FOR
10 ANY PURPOSE OTHER THAN THE MAINTENANCE AND OPERATION OF A FACILITY,
11 THE PURCHASE OF EQUIPMENT TO BE USED IN A FACILITY, OR THE EXPANSION OF A
12 FACILITY; OR

13 (2) AN ORGANIZATION:

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

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

20 (D) "WHOLLY OWNED" INCLUDES LEASED, IF:

21 (1) (I) THE LEASE IS FOR A MINIMUM TERM OF 15 YEARS FOLLOWING
22 PROJECT COMPLETION; OR

23 (II) THE LEASE AGREEMENT EXTENDS THE RIGHT OF PURCHASE
24 TO THE LESSEE; AND

25 (2) THE LESSOR CONSENTS TO THE RECORDING IN THE LAND RECORDS
26 OF THE COUNTY OR BALTIMORE CITY WHERE THE FACILITY IS LOCATED, OF A
27 NOTICE OF THE STATE'S RIGHT OF RECOVERY AS PROVIDED UNDER § 24-1306 OF THIS
28 SUBTITLE.

29 24-1302.

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

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

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

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

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

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

6 (5) THE PLANNING, DESIGN, AND CONSTRUCTION OF FEDERALLY
7 QUALIFIED HEALTH CENTERS.

8 24-1303.

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

13 (B) THE APPLICATION SHALL INCLUDE:

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

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

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

21 (4) THE SCHEDULE OF RATES CHARGED OR TO BE CHARGED FOR
22 SERVICES RENDERED.

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

27 24-1304.

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

30 (B) STATE FUNDS MAY ONLY BE USED FOR THE PURPOSES LISTED UNDER §
31 24-1302 OF THIS SUBTITLE AND APPROVED BY THE SECRETARY UNDER § 24-1303 OF
32 THIS SUBTITLE.

33 (C) THE ALLOCATION AND USE OF STATE FUNDS UNDER THIS SUBTITLE ARE
34 SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

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

3 (2) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A STATE
4 GRANT MAY NOT EXCEED 50% OF THE COST OF ELIGIBLE WORK REMAINING UNPAID
5 AFTER ALL FEDERAL GRANTS HAVE BEEN APPLIED; AND

6 (3) FOR PURPOSES OF THIS SUBTITLE, COMMUNITY DEVELOPMENT
7 BLOCK GRANT FUNDS SHALL BE CONSIDERED AS LOCAL MATCHING FUNDS AND MAY
8 NOT BE CONSIDERED AS FEDERAL GRANT FUNDS.

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

13 (E) THE AMOUNT OF THE STATE GRANT RECOMMENDED TO THE BOARD OF
14 PUBLIC WORKS FOR ANY PROJECT SHALL BE DETERMINED AFTER CONSIDERATION
15 OF:

16 (1) ALL ELIGIBLE PROJECTS;

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

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

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

22 (I) TO FURTHER SECTARIAN RELIGIOUS INSTRUCTION;

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

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

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

32 (G) BEGINNING IN FISCAL YEAR 2007 AND CONTINUING EVERY YEAR
33 THEREAFTER, THE GOVERNOR SHALL INCLUDE ~~AT LEAST \$5,000,000 AN~~
34 APPROPRIATION IN THE STATE CAPITAL BUDGET TO BE DISTRIBUTED AND MANAGED
35 IN ACCORDANCE WITH THIS SUBTITLE.

1 24-1305.

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

4 (B) THE BOARD OF PUBLIC WORKS SHALL CERTIFY THE ALLOCATIONS TO THE
5 PROPER STATE OFFICERS, AND THE STATE TREASURER SHALL MAKE PAYMENTS TO
6 OR ON BEHALF OF THE APPLICANT, WHEN NEEDED, FOR THE APPROVED PROJECT.

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

9 24-1306.

10 (A) THE STATE MAY RECOVER FROM EITHER THE TRANSFEROR OR
11 TRANSFEREE OR, IN THE CASE OF A PROPERTY THAT HAS CEASED TO BE A
12 FEDERALLY QUALIFIED HEALTH CENTER, FROM THE OWNER, AN AMOUNT BEARING
13 THE SAME RATIO TO THE THEN CURRENT VALUE OF SO MUCH OF THE PROPERTY AS
14 CONSTITUTED AN APPROVED PROJECT AS THE AMOUNT OF THE STATE
15 PARTICIPATION BORE TO THE TOTAL ELIGIBLE COST OF THE APPROVED PROJECT,
16 TOGETHER WITH ALL COSTS AND REASONABLE ATTORNEYS' FEES INCURRED BY THE
17 STATE IN THE RECOVERY PROCEEDINGS, IF, WITHIN 30 YEARS AFTER COMPLETION
18 OF A PROJECT, A PROPERTY FOR WHICH FUNDS HAVE BEEN PAID UNDER THIS
19 SUBTITLE:

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

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

26 (B) (1) BEFORE THE STATE MAKES ANY FUNDS AVAILABLE FOR AN
27 APPROVED PROJECT, THE DEPARTMENT SHALL CAUSE A NOTICE OF THIS RIGHT OF
28 RECOVERY TO BE RECORDED IN THE LAND RECORDS OF THE COUNTY OR
29 BALTIMORE CITY WHERE THE PROPERTY IS LOCATED.

30 (2) THE RECORDING OF THE NOTICE:

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

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

35 (C) (1) (I) THE SECRETARY OF THE BOARD OF PUBLIC WORKS MAY FILE A
36 CIVIL COMPLAINT UNDER SUBSECTION (B) OF THIS SECTION, IN THE CIRCUIT COURT
37 OF THE COUNTY OR BALTIMORE CITY WHERE THE PROPERTY IS LOCATED, AGAINST

1 THE OWNER OF THE PROPERTY AND ANY OTHER INTERESTED PARTIES, INCLUDING
2 ANY TRANSFEROR THAT THE STATE WISHES TO MAKE A PARTY.

3 (II) THE COMPLAINT SHALL BE FILED WITH:

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

6 2. A DETAILED JUSTIFICATION OF THE AMOUNT CLAIMED.

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

11 (I) IN THE AMOUNT OF THE STATE'S COMPLAINT PLUS ANY
12 ADDITIONAL AMOUNT ESTIMATED TO BE NECESSARY TO COVER THE COSTS AND
13 REASONABLE ATTORNEYS' FEES INCURRED BY THE STATE; OR

14 (II) IN OTHER AMOUNTS THAT THE COURT DETERMINES TO BE
15 REASONABLE.

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

17 1. ON THE DATE OF THE COURT'S AUTHORIZATION, IF THE
18 SECRETARY OF THE BOARD OF PUBLIC WORKS RECORDS A NOTICE OF TEMPORARY
19 LIEN IN THE LAND RECORDS OF THE COUNTY OR BALTIMORE CITY WHERE THE
20 PROPERTY IS LOCATED WITHIN 10 DAYS AFTER THE COURT'S AUTHORIZATION; OR

21 2. ON THE DATE A NOTICE OF TEMPORARY LIEN IS
22 RECORDED.

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

27 1. TAKE ANY ACTION THAT WOULD AFFECT THE TITLE TO
28 THE PROPERTY; OR

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

31 (4) (I) THE OWNER OF THE PROPERTY OR ANY OTHER INTERESTED
32 PARTY MAY OBTAIN RELEASE OF A TEMPORARY LIEN AT ANY TIME BY FILING WITH
33 THE COURT A BOND SECURING THE PAYMENT IN FULL OF THE STATE'S CLAIM AND
34 ANY ADDITIONAL AMOUNT NECESSARY TO COVER THE COSTS AND REASONABLE
35 ATTORNEYS' FEES INCURRED BY THE STATE.

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

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

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

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

14 (2) (I) EXCEPT AS THE STATE MAY OTHERWISE PROVIDE BY A
15 WRITTEN SUBORDINATION AGREEMENT, IF THE AMOUNT OF THE FINAL JUDGMENT
16 REMAINS UNPAID AFTER 30 DAYS FOLLOWING THE COURT'S FINAL ORDER, THE
17 FINAL JUDGMENT SHALL CONSTITUTE A LIEN ON THE PROPERTY, SUPERIOR TO THE
18 LIEN OR OTHER INTEREST OF A MORTGAGEE, PLEDGEE, PURCHASER, OR JUDGMENT
19 CREDITOR WHOSE INTEREST BECAME PERFECTED AGAINST THIRD PERSONS AFTER
20 THE STATE FIRST MADE FUNDS AVAILABLE UNDER THIS SUBTITLE.

21 (II) 1. EXCEPT AS PROVIDED IN ITEM 2 OF THIS ITEM, A LIEN
22 TAKES EFFECT ON THE DATE A NOTICE OF LIEN IS RECORDED.

23 2. A LIEN TAKES EFFECT ON THE 31ST DAY FOLLOWING THE
24 COURT'S FINAL ORDER IF THE SECRETARY OF THE BOARD OF PUBLIC WORKS
25 RECORDS A NOTICE OF LIEN IN THE LAND RECORDS OF THE COUNTY OR BALTIMORE
26 CITY WHERE THE PROPERTY IS LOCATED ON OR BEFORE THE 41ST DAY FOLLOWING
27 THE FINAL ORDER.

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

31 2. THE RECORDED NOTICE OF A LIEN SHALL CONSTITUTE
32 NOTICE OF THE RELEASE OF A TEMPORARY LIEN.

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

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

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

3 (4) IF THE CIRCUIT COURT FINDS THAT THERE HAS BEEN NO DEFAULT
4 OR IF THE FULL AMOUNT OF THE COURT'S JUDGMENT IS PAID TO THE STATE WITHIN
5 30 DAYS AFTER THE COURT'S FINAL ORDER, A TEMPORARY LIEN THEN IN EFFECT
6 SHALL BE RELEASED IMMEDIATELY AND THE SECRETARY OF THE BOARD OF PUBLIC
7 WORKS SHALL CAUSE THE RELEASE TO BE RECORDED IN THE LAND RECORDS.

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

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

15 24-1307.

16 THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT THE
17 PROVISIONS OF THIS SUBTITLE.

18 **Article - Insurance**

19 6-101.

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

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

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

25 (3) A FOR-PROFIT health maintenance organization authorized by Title
26 19, Subtitle 7 of the Health - General Article;

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

28 (5) the Maryland Automobile Insurance Fund; and

29 (6) a credit indemnity company.

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

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

33 (2) a fraternal benefit society;

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

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

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

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

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

12 6-102.

13 (b) Premiums to be taxed include:

14 (1) the consideration for a surety contract, guaranty contract, or annuity
15 contract;

16 (2) gross receipts received as a result of capitation payments,
17 supplemental payments, and bonus payments, made to a managed care organization
18 for provider services to an individual who is enrolled in a managed care organization;

19 (3) subscription charges or other amounts paid to a FOR-PROFIT health
20 maintenance organization on a predetermined periodic rate basis by a person other
21 than a person subject to the tax under this subtitle as compensation for providing
22 health care services to members;

23 (4) dividends on life insurance policies that have been applied to buy
24 additional insurance or to shorten the period during which a premium is payable; and

25 (5) the part of the gross receipts of a title insurer that is derived from
26 insurance business or guaranty business.

27 6-103.

28 The tax rate is:

29 (1) 0% for premiums for annuities; and

30 (2) 2% for all other premiums, including:

31 (i) gross receipts received as a result of capitation payments made to a
32 managed care organization, supplemental payments, and bonus payments; and

33 (ii) subscription charges or other amounts paid to a FOR-PROFIT health
34 maintenance organization.

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) (1) A NONPROFIT HEALTH MAINTENANCE ORGANIZATION SHALL
14 TRANSFER FUNDS IN AN AMOUNT EQUAL TO THE PREMIUM TAX EXEMPTION VALUE
15 OF THE NONPROFIT HEALTH MAINTENANCE ORGANIZATION TO THE MEDICAL
16 ASSISTANCE PROGRAM ACCOUNT ESTABLISHED UNDER TITLE 19, SUBTITLE 8 OF
17 THIS ARTICLE TO BE USED TO SUPPORT THE PROVISION OF HEALTH CARE TO
18 ELIGIBLE INDIVIDUALS.

19 (2) NOTWITHSTANDING THE ALLOCATION PROVIDED UNDER § 19-803(B)
20 OF THIS ARTICLE, THE AMOUNT TRANSFERRED TO THE MEDICAL ASSISTANCE
21 PROGRAM ACCOUNT BY A NONPROFIT HEALTH MAINTENANCE ORGANIZATION
22 UNDER PARAGRAPH (1) OF THIS SUBSECTION:

23 (I) SHALL BE ALLOCATED DIRECTLY TO THE MEDICAL
24 ASSISTANCE PROGRAM ACCOUNT; AND

25 (II) SHALL BE COUNTED TOWARDS THE TOTAL ALLOCATION
26 REQUIRED TO THE MEDICAL ASSISTANCE PROGRAM ACCOUNT UNDER §
27 19-803(B)(3)(II)2, (III)2, (IV)2, (V)2, AND (VI) OF THIS ARTICLE.

28 (3) BEGINNING IN FISCAL YEAR 2008 AND ANNUALLY THEREAFTER THE
29 AMOUNT UNDER PARAGRAPH (2) OF THIS SUBSECTION THAT IS COUNTED TOWARDS
30 THE TOTAL ALLOCATION UNDER § 19-803(B)(3)(IV)2, (V)2, AND (VI) OF THIS ARTICLE
31 THAT EXCEEDS THE AMOUNT NEEDED TO INCREASE BOTH FEE-FOR-SERVICE
32 HEALTH CARE PROVIDER RATES PAID BY THE MEDICAL ASSISTANCE PROGRAM AND
33 MANAGED CARE ORGANIZATION HEALTH CARE PROVIDER RATES TO A LEVEL OF
34 RATES PAID TO SIMILAR PROVIDERS FOR THE SAME SERVICES UNDER THE FEDERAL
35 MEDICARE FEE SCHEDULE SHALL BE TRANSFERRED, UNLESS OTHERWISE
36 PROVIDED IN THE STATE BUDGET, TO THE COMMUNITY HEALTH RESOURCES
37 COMMISSION FUND UNDER TITLE 19, SUBTITLE 22 OF THE HEALTH - GENERAL
38 ARTICLE FOR THE PURPOSE OF SUPPORTING OFFICE-BASED SPECIALTY CARE,
39 DIAGNOSTIC TESTING, AND LABORATORY TESTS FOR INDIVIDUALS WITH FAMILY
40 INCOME THAT DOES NOT EXCEED 200% OF THE FEDERAL POVERTY LEVEL.

1 (C) A NONPROFIT HEALTH MAINTENANCE ORGANIZATION SHALL TRANSFER
 2 TO THE MEDICAL ASSISTANCE PROGRAM ACCOUNT:

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

6 (2) WITHIN 30 DAYS FOLLOWING THE END OF EACH CALENDAR
 7 QUARTER, AN AMOUNT EQUAL TO THE PREMIUM TAX EXEMPTION VALUE OF THE
 8 NONPROFIT HEALTH MAINTENANCE ORGANIZATION FOR THE QUARTER.

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

14 14-102.

15 (h) The provisions of subsections (d) and (e) of this section and §§ 14-106,
 16 14-106.1, 14-115(d), (e), (f), and (g), and 14-139(d) and (e) of this subtitle do not
 17 apply to a nonprofit health service plan that insures between 1 and 10,000 covered
 18 lives in Maryland or issues contracts for only one of the following services:

19 (1) podiatric;

20 (2) chiropractic;

21 (3) pharmaceutical;

22 (4) dental;

23 (5) psychological; or

24 (6) optometric.

25 14-106.

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

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

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

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

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

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

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

7 (V) SUPPORT THE COSTS OF THE COMMUNITY HEALTH
8 RESOURCES COMMISSION UNDER TITLE 19, SUBTITLE 21 OF THE HEALTH -
9 GENERAL ARTICLE, INCLUDING:

10 1. OPERATING GRANTS TO COMMUNITY HEALTH
11 RESOURCES;

12 2. FUNDING FOR A UNIFIED DATA INFORMATION SYSTEM;

13 3. THE DOCUMENTED DIRECT COSTS OF FULFILLING THE
14 STATUTORY AND REGULATORY DUTIES OF THE COMMISSION; AND

15 4. THE ADMINISTRATIVE COSTS OF THE COMMISSION.

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

18 (2) (I) THE SUPPORT PROVIDED UNDER PARAGRAPH (1)(V)1, 3, AND 4,
19 OF THIS SUBSECTION TO THE COMMUNITY HEALTH RESOURCES COMMISSION
20 SHALL BE LIMITED TO:

21 1. ~~\$6,000,000~~ \$2,000,000 IN FISCAL YEAR 2006; AND

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

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

26 B. THE SUBSIDY REQUIRED UNDER THIS SECTION
27 SUBSECTION FOR THE MARYLAND PHARMACY DISCOUNT PROGRAM; AND

28 C. THE FUNDING REQUIRED UNDER THIS SUBSECTION FOR
29 THE UNIFIED DATA INFORMATION SYSTEM.

30 (II) THE SUBSIDY PROVIDED UNDER PARAGRAPH ~~(4)(V)~~ (1)(IV) OF
31 THIS SECTION SUBSECTION FOR THE MARYLAND PHARMACY DISCOUNT PROGRAM
32 SHALL BE LIMITED TO:

33 1. ~~\$1,000,000~~ \$500,000 IN FISCAL YEAR 2006; AND

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

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

7 15-715.

8 (A) THIS SECTION APPLIES TO EACH INDIVIDUAL OR GROUP HEALTH
 9 INSURANCE POLICY OR CONTRACT OF AN INSURER THAT IS ISSUED OR DELIVERED
 10 IN THE STATE BY AN INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH
 11 MAINTENANCE ORGANIZATION.

12 (B) TO THE EXTENT REQUIRED UNDER FEDERAL LAW, AN INSURER,
 13 NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION
 14 SHALL REIMBURSE A COMMUNITY HEALTH RESOURCE, AS DEFINED IN § 19-2101 OF
 15 THE HEALTH - GENERAL ARTICLE, FOR COVERED SERVICES PROVIDED TO THE
 16 INSURED OR ANY OTHER PERSON COVERED BY THE POLICY OR CONTRACT.

17 19-807.

18 (a) (1) The Commissioner shall disburse money from the Medical Assistance
 19 Program account to the Secretary.

20 (2) THE SECRETARY SHALL TRANSFER TO THE COMMUNITY HEALTH
 21 RESOURCES COMMISSION FUND ESTABLISHED UNDER § 19-2201 OF THE HEALTH -
 22 GENERAL ARTICLE, WITHIN 30 DAYS FOLLOWING THE END OF EACH QUARTER
 23 DURING FISCAL YEAR 2008 AND EACH FISCAL YEAR THEREAFTER, THE MONEY
 24 COLLECTED FROM A NONPROFIT HEALTH MAINTENANCE ORGANIZATION IN
 25 ACCORDANCE WITH § 6-121(B)(3) OF THIS ARTICLE.

26 (b) (3) Portions of the Medical Assistance Program Account that exceed the
 27 amount provided under paragraph (2) of this subsection shall be used by the Secretary
 28 only to:

29 (iv) after fiscal year [2009] 2008:

30 1. maintain increased capitation payments to managed care
 31 organizations;

32 2. maintain increased rates for health care providers; [and]

33 3. IN ACCORDANCE WITH § 6-121(B)(3) OF THIS ARTICLE,
 34 SUPPORT THE PROVISION OF OFFICE-BASED SPECIALTY CARE, DIAGNOSTIC
 35 TESTING, AND LABORATORY TESTS FOR INDIVIDUALS WITH FAMILY INCOME THAT
 36 DOES NOT EXCEED 200% OF THE FEDERAL POVERTY LEVEL; AND

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

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

6 SECTION 6. AND BE IT FURTHER ENACTED, That:

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

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

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

19 (d) The Department of Health and Mental Hygiene, within 5 days after
20 receiving notice of the approval or denial of the waiver amendment application, shall
21 forward a copy of the notice to the Department of Legislative Services, 90 State Circle,
22 Annapolis, Maryland 21401.

23 SECTION 7. AND BE IT FURTHER ENACTED, That, if the Centers for
24 Medicare and Medicaid Services approves the primary care waiver applied for under
25 Chapter 448 of the Acts of 2003, the Department of Health and Mental Hygiene shall
26 submit an amendment to the waiver to include office-based and outpatient specialty
27 medical care and inpatient medical care for individuals with family income below
28 116% of the federal poverty guidelines who meet the eligibility requirements for the
29 Maryland Primary Care Program.

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

31 (a) (1) (i) Notwithstanding the provisions of § 14-504 of the Insurance
32 Article, in fiscal year 2006 only, the Board of Directors of the Maryland Health
33 Insurance Plan may authorize the transfer of not more than \$15,000,000 from the
34 Maryland Health Insurance Plan Fund to the Major Information Technology
35 Development Project Fund established under § 3-410.2 of the State Finance and
36 Procurement Article to be used for the design and development of a computerized
37 eligibility system by the Department of Health and Mental Hygiene.

38 (ii) Notwithstanding the provisions of § 3-410.2 of the State Finance
39 and Procurement Article, to the extent that the money transferred under this

1 paragraph is not used for the purposes authorized under this subsection, the money
2 shall be redistributed to the Maryland Health Insurance Plan Fund.

3 (2) The purposes of the computerized system are to:

4 (i) enroll eligible individuals more efficiently in the Medicaid
5 Program;

6 (ii) refer eligible individuals to the Maryland Health Insurance
7 Plan; and

8 (iii) if practicable, make referrals to other available State- and
9 federally-sponsored programs that provide inpatient hospital coverage for uninsured
10 individuals and other health care services that have the potential to reduce
11 uncompensated care at Maryland hospitals.

12 (b) (1) Before issuing a request for proposals for the development of a
13 computerized eligibility system under this section, the Department shall report to the
14 Board of the Maryland Health Insurance Plan on a plan to implement the proposed
15 eligibility system, including a design draft and a description of how the system will
16 function.

17 (2) The report required under paragraph (1) of this subsection shall:

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

20 (ii) demonstrate how the proposed computerized eligibility system
21 will be more efficient and effective than the existing system;

22 (iii) estimate the reduction in hospital uncompensated care that
23 would result from the appropriate use of the proposed computerized eligibility system;
24 and

25 (iv) demonstrate how the proposed computerized eligibility system
26 will improve enrollment of eligible individuals in the Maryland Health Insurance
27 Plan.

28 (c) (1) After reviewing the report required under subsection (b) of this section,
29 the Board of the Maryland Health Insurance Plan:

30 (i) may make comments and suggest changes to the proposed plan;
31 and

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

34 (2) The Department may not proceed in implementing the proposed
35 computerized eligibility system until the Board of the Maryland Health Insurance
36 Plan:

1 (i) is satisfied with the functional capabilities of the proposed
2 computerized eligibility system as described in the request for proposals;

3 (ii) is satisfied that there will be a reduction in hospital
4 uncompensated care commensurate with the investment of Maryland Health
5 Insurance Plan Fund money in the proposed computerized eligibility system;

6 (iii) obtains approval of the proposed computerized eligibility system
7 from the Chief of Information Technology; and

8 (iv) votes affirmatively for the Department to proceed to implement
9 the proposed computerized eligibility system.

10 (d) This section shall be contingent on the approval by the Centers for Medicare
11 and Medicaid Services, in accordance with the terms of the federal waiver granted to
12 the State of Maryland under § 1814(b) of the Social Security Act, of the use of Medicare
13 funds for the design and development of the eligibility system in accordance with this
14 Section. The Department of Health and Mental Hygiene, within 5 days after receiving
15 the decision of the Centers for Medicare and Medicaid Services, shall forward a copy of
16 the decision to the Department of Legislative Services, 90 State Circle, Annapolis,
17 Maryland, 21401. If the Centers for Medicare and Medicaid Services do not approve
18 the use of Medicare funds for the design and development of the eligibility system on or
19 before June 30, 2006, this section shall be null and void without the necessity of any
20 further action by the General Assembly.

21 SECTION 9. AND BE IT FURTHER ENACTED, That the exemption from the
22 insurance premium tax for nonprofit health maintenance organizations under §
23 6-101(b)(7) of the Insurance Article, as enacted by Section 4 of this Act, shall be
24 applicable to all subscription charges or other amounts paid to a nonprofit health
25 maintenance organization on or after January 1, 2005. Notwithstanding any other
26 provision of law, on or before August 1, 2005, the Maryland Insurance Commissioner
27 shall refund any premium tax paid before the effective date of this Act by a nonprofit
28 health maintenance organization that is exempt from the premium tax under §
29 6-101(b)(7) of the Insurance Article, as enacted by Section 4 of this Act.

30 SECTION 10. AND BE IT FURTHER ENACTED, That the Department of
31 Health and Mental Hygiene shall apply to the federal Department of Health and
32 Human Services for any waivers required under 42 CFR § 433.68 to effect the changes
33 to § 19-727 of the Health - General Article, as enacted by Section 2 of this Act, and §§
34 6-101 and 6-121 of the Insurance Article, as enacted by Section 4 of this Act. The
35 Department of Health and Mental Hygiene, within 5 days after receiving the decision
36 of the Department of Health and Human Services, shall forward a copy of the decision
37 to the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401.
38 If a waiver is not approved, the changes to § 19-727 of the Health - General Article, as
39 enacted by Section 2 of this Act, and § 6-101 and 6-121 of the Insurance Article, as
40 enacted by Section 4 of this Act, shall be null and void without the necessity of any
41 further action by the General Assembly.

42 SECTION 11. AND BE IT FURTHER ENACTED, That:

1 (a) For the calendar year prior to the report date under subsection (b) of this
2 section, the Department of Health and Mental Hygiene shall review the rates paid to
3 providers under the federal Medicare fee schedule and compare the rates under the
4 Medicare fee schedule to the fee-for-service rates paid to similar providers for the
5 same services under the Medical Assistance Program and the rates paid to managed
6 care organization providers for the same services under the Medical Assistance
7 Program.

8 (b) On or before January 1, 2006, and each January 1 thereafter, the
9 Department shall report to the Senate Finance Committee and the House Health and
10 Government Operations Committee on:

11 (1) the review and comparison under subsection (a) of this section; and

12 (2) whether the fee-for-services rates and managed care organization
13 provider rates will exceed the rates paid under the Medicare fee schedule for the period
14 covered by the report required under subsection (a) of this section.

15 ~~SECTION 8-12.~~ AND BE IT FURTHER ENACTED, That:

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

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

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

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

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

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

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

36 (c) The assessments and recommendations required under subsections (a) and
37 (b) of this section shall be submitted, in accordance with § 2-1246 of the State

1 Government Article, to the House Health and Government Operations Committee
2 and the Senate Finance Committee on or before January 1, 2006.

3 SECTION 9- 13. AND BE IT FURTHER ENACTED, That Section 1 of this Act
4 shall take effect contingent on the approval by the Centers for Medicare and Medicaid
5 Services of a waiver amendment applied for under Section 6 of this Act. If the waiver
6 amendment applied for under Section 6 of this Act is denied, Section 1 of this Act,
7 without the necessity of any further action by the General Assembly, shall be null and
8 void and of no further force and effect.

9 SECTION 3- 10, 14. AND BE IT FURTHER ENACTED, That, subject to
10 Section 9 13 of this Act, this Act shall take effect July 1, 2005. Section 4 Section 3 of
11 this Act shall remain effective for a period of 3 5 years and, at the end of June 30, 2008
12 2010, with no further action required by the General Assembly, Section 4 3 of this Act
13 shall be abrogated and of no further force and effect. Section 5 of this Act shall remain
14 effective for a period of 1 year and, at the end of June 30, 2006, with no further action
15 required by the General Assembly, Section 5 of this Act shall be abrogated and of no
16 further force and effect.