

ENROLLED BILL
-- Finance/Health and Government Operations --

Introduced by **Senator Middleton**

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 **Department of Health and Mental Hygiene - Maryland Health Insurance**
3 **Plan - Computerized Eligibility System**

4 FOR the purpose of authorizing the Board of the Maryland Health Insurance Plan
5 (MHIP) to authorize the ~~use of certain funding~~ transfer of certain funds from the
6 Maryland Health Insurance Plan Fund to the ~~Department of Health and Mental~~
7 ~~Hygiene Major Information Technology Development Project Fund~~ to design and
8 develop a certain computerized eligibility system; providing that certain money
9 transferred shall be redistributed to the Maryland Health Insurance Plan under
10 certain circumstances; providing for the purpose of the computerized eligibility
11 system; requiring the Department of Health and Mental Hygiene to submit a
12 certain report to the Board of MHIP including certain information; prohibiting
13 the Department of Health and Mental Hygiene from implementing a certain
14 plan until certain actions have been taken by the Board of MHIP; making this
15 Act subject to a certain contingency; and generally relating to the development
16 of a computerized eligibility system for the Maryland Health Insurance Plan by
17 the Department of Health and Mental Hygiene.

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That:

3 (a) (1) (i) Notwithstanding the provisions of § 14-504 of the Insurance
4 Article, in fiscal year ~~2007~~ 2006 only, the Board for the Maryland Health Insurance
5 Plan may authorize the ~~use~~ transfer of not more than \$15,000,000 from the Maryland
6 Health Insurance Plan Fund ~~toward to the Major Information Technology~~
7 Development Project Fund established under § 3-410.2 of the State Finance and
8 Procurement Article to be used for the design and development of a computerized
9 eligibility system for the Medicaid Program by the Department of Health and Mental
10 Hygiene.

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

15 (b) (2) The ~~purpose~~ purposes of the computerized eligibility system ~~is~~ are to:

16 (1) (i) ~~to~~ enroll eligible individuals more efficiently in the Medicaid
17 Program;

18 (2) (ii) ~~to~~ refer eligible individuals to the Maryland Health Insurance
19 Plan; and

20 (3) (iii) if practicable, make referrals to other available ~~state and~~
21 ~~federally-sponsored~~ State- and federally-sponsored programs that provide inpatient
22 hospital coverage for uninsured individuals and other health care services that have
23 the potential to reduce uncompensated care at Maryland hospitals.

24 (4) (b) (1) Before the issuance of a request for proposals for the
25 development of the computerized eligibility system under this section, the
26 Department of Health and Mental Hygiene shall submit a report to the Board of the
27 Maryland Health Insurance Plan on a plan to implement the proposed computerized
28 eligibility system including a design draft and a description of how the system will
29 function.

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

31 (i) enumerate the specifications of any requests for proposals to
32 develop the computerized eligibility system;

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

35 (iii) estimate the reduction in hospital uncompensated care that
36 would result from the appropriate use of the computerized eligibility system; and

1 (iv) demonstrate how the proposed computerized eligibility system
 2 will improve enrollment of eligible individuals in the Maryland Health Insurance
 3 Plan.

4 ~~(3)~~ (c) (1) After reviewing the report, the Board of the Maryland
 5 Health Insurance Plan;

6 (i) may make comments and suggest changes to the proposed plan;
 7 and

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

10 ~~(4)~~ (2) The Department of Health and Mental Hygiene may not implement
 11 the proposed eligibility system until the Board of the Maryland Health Insurance
 12 Plan:

13 ~~(4)~~ (i) is satisfied with the functional capabilities of the proposed
 14 eligibility system as described in the request for proposals;

15 ~~(4)~~ (ii) is satisfied that there will be a reduction in hospital
 16 uncompensated care commensurate with the investment of Maryland Health
 17 Insurance Plan Fund money in the proposed eligibility system; ~~and~~

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

20 ~~(4)~~ (iv) votes affirmatively for the Department of Health and Mental
 21 Hygiene to implement the proposed eligibility system.

22 SECTION 2. AND BE IT FURTHER ENACTED, That Section 1 of this Act
 23 shall take effect on the date of approval by the federal Centers of Medicare and
 24 Medicaid Services, in accordance with the terms of the waiver granted to the State
 25 under § 1814(b) of the Social Security Act, of the method of funding the computerized
 26 eligibility system. If the method of funding the eligibility system is denied, this Act
 27 shall be null and void without the necessity of any further action by the General
 28 Assembly. The Department of Health and Mental Hygiene, within 5 days after
 29 receiving notice of approval or denial of the method of funding, shall forward a copy of
 30 this notice to the Department of Legislative Services, 90 State Circle, Annapolis,
 31 Maryland 21401.

32 SECTION 3. AND BE IT FURTHER ENACTED, That, subject to Section 2 of
 33 this Act, this Act shall take effect ~~October 1, 2005~~ July 1, 2005.

