

BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 282
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, after “Maryland)” insert “and Senators Middleton, Della, Exum, Gladden, Hafer, Hooper, Kelley, Klausmeier, and Teitelbaum”; strike beginning with “providing” in line 6 down through “purposes;” in line 7; strike beginning with “permitting” in line 8 down through “regulation” in line 10 and substitute “authorizing the Executive Director of the Plan to employ certain staff; repealing a certain exemption of the Board from certain State personnel laws; requiring the Board to develop a certain master plan document; requiring the Board to file the master plan document with the Maryland Insurance Commissioner and provide the document to a member, at no charge, on request of the member; requiring the Board to develop a certain certificate of coverage; requiring the Board to update the certificate of coverage under certain circumstances; requiring the Board to provide the most recent version of the certificate of coverage to certain persons under certain circumstances; requiring the Board to make the most recent version of the certificate of coverage available on the Plan’s website; requiring the Board to provide notice of a change to the certificate of coverage to certain persons; specifying the circumstances under which the Board may make changes to a certain benefit package; providing for the effective date of a change to a certain benefit package; requiring the Board to submit a certain report to certain committees of the General Assembly on or before a certain date each year; providing that if there is a conflict between a provision of the master plan document and a provision of the certificate of coverage a certain provision will control; requiring the Plan to comply with the terms of certain written representations or authorizations under certain circumstances; requiring the contract between the Board and the Plan Administrator to require the Administrator to comply with certain provisions of law”; in line 11, strike “Maryland Insurance”; in line 12, after “law;” insert “providing that certain provisions of this Act do not limit the authority of the Commissioner to impose certain penalties or take certain action under certain circumstances; authorizing the Commissioner to require the Plan to make certain restitution to certain individuals under certain circumstances; prohibiting the Commissioner from imposing a fine or administrative penalty on the Plan;”; in line 14, after “circumstances;” insert “requiring the Commissioner to provide a copy of an adopted examination report or the results of

(Over)

certain reviews to the Board and to make recommendations for any corrective action to be taken by the Board; requiring the Board to determine the steps necessary to implement corrective action; requiring certain monies to be deposited into the Maryland Health Insurance Plan Fund; requiring the Maryland Insurance Administration to provide fiscal and personnel services to the Plan at no charge during certain fiscal years;”; in line 15, after “change;” insert “providing for the application of this Act;”; in line 19, strike “and”; and in the same line, after “14-505” insert “, and 14-506(b)”.

AMENDMENT NO. 2

On page 2, in line 4, strike “(1)”; strike in their entirety lines 6 and 7; in line 18, strike “AN” and substitute “THE PLAN SHALL ENSURE THAT ANY”; in the same line, strike “SHALL COMPLY” and substitute “COMPLIES”; in line 27, after “Commission” insert “, OR THE EXECUTIVE DIRECTOR’S DESIGNEE”; in line 29, after “Commission” insert “, OR THE EXECUTIVE DIRECTOR’S DESIGNEE”; and in line 31, after “Management” insert “, OR THE SECRETARY’S DESIGNEE”.

AMENDMENT NO. 3

On page 3, strike in their entirety lines 20 through 26, inclusive; in lines 27 and 29, in each instance, strike the brackets; in line 27, strike “(F)”; and in line 29, strike “(G)”.

On page 4, after line 2, insert:

“(G) (1) THE EXECUTIVE DIRECTOR MAY EMPLOY A STAFF FOR THE PLAN IN ACCORDANCE WITH THE STATE BUDGET.

(2) STAFF FOR THE PLAN ARE IN THE EXECUTIVE SERVICE, MANAGEMENT SERVICE, OR ARE SPECIAL APPOINTMENTS IN THE STATE PERSONNEL MANAGEMENT SYSTEM.

(3) THE EXECUTIVE DIRECTOR, IN CONSULTATION WITH THE DEPARTMENT OF BUDGET AND MANAGEMENT, MAY DETERMINE THE APPROPRIATE JOB CLASSIFICATIONS AND GRADES FOR ALL STAFF.”;

in lines 3 and 4, strike “: (1)”; in line 4, strike the semicolon and substitute a period; strike in their entirety lines 5 through 8, inclusive; and in line 33, strike “BY REGULATION”.

AMENDMENT NO. 4

On page 5, strike in their entirety lines 10 and 11; after line 11, insert:

“(B) (1) THE BOARD SHALL DEVELOP A MASTER PLAN DOCUMENT THAT SETS FORTH IN DETAIL ALL OF THE TERMS AND CONDITIONS OF THE STANDARD BENEFIT PACKAGE, INCLUDING:

(I) THE BENEFITS PROVIDED IN THE PACKAGE;

(II) ANY EXCLUSIONS FROM COVERAGE;

(III) ANY CONDITIONS REQUIRING PREAUTHORIZATION OR UTILIZATION REVIEW AS A CONDITION TO OBTAINING A BENEFIT OR SERVICE;

(IV) ANY CONDITIONS OR LIMITATIONS ON THE SELECTION OF A PRIMARY CARE PROVIDER OR PROVIDER OF SPECIALTY MEDICAL CARE;

(V) ANY COST-SHARING REQUIREMENTS, INCLUDING ANY PREMIUMS, DEDUCTIBLES, CO-INSURANCE, AND COPAYMENT AMOUNTS FOR WHICH A MEMBER MAY BE RESPONSIBLE; AND

(VI) THE PROCEDURES TO BE FOLLOWED IN PRESENTING A CLAIM.

(2) THE BOARD SHALL:

(I) FILE THE MASTER PLAN DOCUMENT WITH THE COMMISSIONER; AND

(II) PROVIDE A COPY OF THE COPY OF THE MOST RECENT VERSION OF THE MASTER PLAN DOCUMENT TO A MEMBER, AT NO CHARGE, ON REQUEST OF THE MEMBER.

(Over)

(C) (1) THE BOARD SHALL DEVELOP A CERTIFICATE OF COVERAGE THAT DESCRIBES THE ESSENTIAL FEATURES OF THE PLAN AND THE STANDARD BENEFIT PACKAGE.

(2) THE CERTIFICATE OF COVERAGE SHALL:

(I) BE WRITTEN IN CLEAR AND EASY TO UNDERSTAND LANGUAGE; AND

(II) BE SUFFICIENTLY ACCURATE AND COMPREHENSIVE TO REASONABLY INFORM MEMBERS OF THEIR RIGHTS AND OBLIGATIONS UNDER THE STANDARD BENEFIT PACKAGE.

(3) THE BOARD SHALL UPDATE THE CERTIFICATE OF COVERAGE AS NECESSARY TO REFLECT CHANGES TO THE STANDARD BENEFIT PACKAGE.

(4) THE BOARD SHALL:

(I) WITHIN 30 DAYS AFTER A MEMBER'S ENROLLMENT IN THE PLAN, PROVIDE THE MOST RECENT VERSION OF THE CERTIFICATE OF COVERAGE TO:

1. THE MEMBER; OR

2. IF DEPENDENTS ARE INCLUDED IN THE COVERAGE, THE FAMILY UNIT;

(II) MAKE THE MOST RECENT VERSION OF THE CERTIFICATE OF COVERAGE AVAILABLE ON THE PLAN'S WEBSITE; AND

(III) PROVIDE NOTICE OF ANY CHANGE TO THE STANDARD BENEFIT PACKAGE TO:

1. EACH MEMBER OF THE PLAN TO WHOM A

CERTIFICATE OF COVERAGE PREVIOUSLY HAS BEEN PROVIDED; OR

2. IF DEPENDENTS ARE INCLUDED IN THE COVERAGE, EACH FAMILY UNIT TO WHICH A CERTIFICATE OF COVERAGE PREVIOUSLY HAS BEEN PROVIDED.

(D) THE BOARD MAY MAKE A CHANGE TO THE STANDARD BENEFIT PACKAGE ONLY IF:

(1) THE PROPOSED CHANGE IS SUBMITTED IN WRITING TO THE BOARD AT LEAST 15 DAYS BEFORE THE MEETING AT WHICH A VOTE ON THE PROPOSED CHANGE WILL BE TAKEN;

(2) CONSIDERATION OF THE PROPOSED CHANGE IS LISTED AS AN ACTION ITEM ON THE AGENDA FOR THE MEETING;

(3) THE PROPOSED CHANGE IS SET FORTH IN A WRITTEN MOTION THAT:

(I) IDENTIFIES THE SPECIFIC CHANGE TO BE MADE; AND

(II) IS INCLUDED IN THE MINUTES OF THE MEETING OF THE BOARD AT WHICH THE MOTION IS MADE;

(4) THE DELIBERATIONS AND VOTE ON THE PROPOSED CHANGE OCCUR DURING A PUBLIC SESSION OF A MEETING OF THE BOARD;

(5) THE PROPOSED CHANGE RECEIVES AT LEAST SIX AFFIRMATIVE VOTES; AND

(6) THE VOTE APPROVING THE PROPOSED CHANGE IS REFLECTED IN THE MINUTES OF THE MEETING OF THE BOARD AT WHICH THE VOTE IS TAKEN.

(Over)

(E) A CHANGE TO THE STANDARD BENEFIT PACKAGE IS NOT EFFECTIVE UNTIL THE LATER OF:

(1) 30 DAYS AFTER THE DATE THE BOARD ADOPTS THE CHANGE;

(2) THE DATE AN UPDATED MASTER PLAN DOCUMENT REFLECTING THE CHANGE IS FILED WITH THE COMMISSIONER; OR

(3) 15 DAYS AFTER NOTICE OF THE CHANGE AND THE EFFECTIVE DATE OF THE CHANGE IS:

(I) SENT TO:

1. EACH MEMBER OF THE PLAN; OR

2. IF DEPENDENTS ARE INCLUDED IN THE COVERAGE, THE FAMILY UNIT; AND

(II) POSTED ON THE PLAN'S WEBSITE.

(F) ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE BOARD SHALL REPORT TO THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE AND THE SENATE FINANCE COMMITTEE ON:

(1) THE CURRENT STANDARD BENEFIT PACKAGE OFFERED BY THE PLAN; AND

(2) ANY CHANGES TO THE STANDARD BENEFIT PACKAGE IMPLEMENTED DURING THE PREVIOUS FISCAL YEAR.

(G) (1) IF THERE IS A CONFLICT BETWEEN A PROVISION OF THE MASTER PLAN DOCUMENT AND A PROVISION OF THE CERTIFICATE OF COVERAGE, THE PROVISION THAT IS MOST BENEFICIAL TO THE MEMBER WILL CONTROL.

(2) NOTWITHSTANDING THE TERMS AND CONDITIONS OF THE STANDARD BENEFIT PACKAGE, THE MASTER PLAN DOCUMENT, OR THE CERTIFICATE OF COVERAGE, THE PLAN SHALL COMPLY WITH THE TERMS OF ANY WRITTEN REPRESENTATION OR AUTHORIZATION OF COVERAGE MADE BY OR ON BEHALF OF THE PLAN TO THE EXTENT THAT A MEMBER HAS INCURRED COSTS FOR HEALTH CARE SERVICES IN REASONABLE RELIANCE ON THE WRITTEN REPRESENTATION OR AUTHORIZATION.”;

in lines 12, 17, and 28, strike “(b)”, “(c)”, and “(d)”, respectively, and substitute “(H)”, “(I)”, and “(J)”, respectively; and after line 28, insert:

“14-506.

(b) (1) The Administrator shall serve for a period of time specified in its contract with the Plan subject to removal for cause and any other terms, conditions, and limitations contained in the contract.

(2) THE CONTRACT BETWEEN THE BOARD AND THE ADMINISTRATOR SHALL REQUIRE THE ADMINISTRATOR TO COMPLY WITH THE PROVISIONS OF THIS SUBTITLE TO WHICH THE PLAN IS SUBJECT.”.

AMENDMENT NO. 5

On page 5, in line 33, after “(C)” insert “EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION.”.

On page 6, after line 8, insert:

“(D) (1) THE PLAN IS NOT SUBJECT TO § 15-10B-12 OF THIS ARTICLE.

(2) THIS SUBSECTION DOES NOT LIMIT THE AUTHORITY OF THE COMMISSIONER TO IMPOSE THE PENALTY AUTHORIZED UNDER § 15-10B-12 OF THIS ARTICLE ON A PRIVATE REVIEW AGENT CONDUCTING UTILIZATION REVIEW ON BEHALF OF THE PLAN.

(Over)

(E) (1) THE COMMISSIONER MAY NOT IMPOSE A FINE OR ADMINISTRATIVE PENALTY ON THE PLAN.

(2) IF THE COMMISSIONER FINDS THAT THE PLAN HAS VIOLATED A PROVISION OF THIS SUBTITLE, THE COMMISSIONER MAY REQUIRE THE PLAN TO MAKE RESTITUTION TO EACH CLAIMANT WHO HAS SUFFERED ACTUAL ECONOMIC DAMAGES BECAUSE OF THE VIOLATION.

(3) SUBJECT TO THE TERMS OF THE MASTER PLAN DOCUMENT, THE RESTITUTION AUTHORIZED UNDER PARAGRAPH (2) OF THIS SUBSECTION MAY NOT EXCEED THE AMOUNT OF ACTUAL ECONOMIC DAMAGES SUSTAINED BY THE CLAIMANT.

(4) THIS SUBSECTION DOES NOT LIMIT THE AUTHORITY OF THE COMMISSIONER TO TAKE ACTION AGAINST ANY PERSON WITH RESPECT TO ANY PROVISION OF THIS ARTICLE, OTHER THAN THIS SUBTITLE, THAT IS APPLICABLE TO THAT PERSON.”;

in line 9, strike “(D)” and substitute “(F)”;

in line 19, after “ARTICLE” insert “, EXCEPT FOR § 19-710.1(E)”; and after line 22, insert:

“(G) (1) THE COMMISSIONER SHALL:

(I) PROVIDE A COPY OF AN ADOPTED EXAMINATION REPORT OR THE RESULTS OF ANY REVIEW CONDUCTED UNDER THIS SUBTITLE TO THE BOARD; AND

(II) MAKE RECOMMENDATIONS FOR CORRECTIVE ACTION TO BE TAKEN BY THE BOARD.

(2) (I) BASED ON ANY RECOMMENDATIONS OF THE COMMISSIONER PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE BOARD SHALL DETERMINE THE STEPS NECESSARY TO IMPLEMENT CORRECTIVE ACTION TO COMPLY WITH THE PROVISIONS OF THIS SUBTITLE, INCLUDING WHETHER TO EXERCISE ANY REMEDIES AVAILABLE TO THE BOARD UNDER THE

CONTRACT BETWEEN THE BOARD AND THE PLAN ADMINISTRATOR.

(II) IF THE BOARD EXERCISES ITS RIGHT TO IMPOSE FISCAL SANCTIONS OR LIQUIDATED DAMAGES UNDER THE TERMS OF A CONTRACT BETWEEN THE BOARD AND THE PLAN ADMINISTRATOR, THE MONIES SHALL BE DEPOSITED IN THE FUND.

(3) THIS SUBSECTION DOES NOT LIMIT THE AUTHORITY OF THE COMMISSIONER TO:

(I) IMPOSE THE PENALTY UNDER § 15-10B-12 OF THIS ARTICLE ON A PRIVATE REVIEW AGENT CONDUCTING UTILIZATION REVIEW ON BEHALF OF THE PLAN; OR

(II) IMPOSE PENALTIES UNDER TITLE 8, SUBTITLE 3 OF THIS ARTICLE ON A THIRD PARTY ADMINISTRATOR OPERATING ON BEHALF OF THE PLAN.

SECTION 2. AND BE IT FURTHER ENACTED, That during fiscal years 2007 and 2008, the Maryland Insurance Administration shall provide fiscal and personnel services to the Maryland Health Insurance Plan at no charge.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall apply to any contract that becomes effective, is entered into, or is modified on or after the effective date of this Act.”;

and in line 23, strike “2.” and substitute “4.”.