

BY: Finance Committee

AMENDMENTS TO SENATE BILL 149  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “requiring” in line 5 down through “regulations” in line 6 and substitute “authorizing certain regulations adopted by the Department to include certain incentives”; in line 6, strike “establishing” and substitute “requiring the Secretary of Health and Mental Hygiene to establish”; strike beginning with “Institute” in line 6 down through “organization” in line 7 and substitute “Health Care Quality Coordinating Council”; in line 8, strike “and”; in the same line, after “membership” insert “, chair, and staff”; in the same line, strike “Institute” and substitute “Council”; and strike beginning with “establishing” in line 12 down through “time” in line 22 and substitute “altering a certain requirement that a certain health insurance carrier notify certain parents of certain information; requiring the Maryland Insurance Commissioner to establish and publish a certain notice; requiring certain health insurance policies and contracts to provide for certain coverage for certain dependents under certain circumstances”.

On page 2, in line 1, strike “discounted rate” and substitute “discount”; in the same line, strike “activities” and substitute “programs under certain circumstances”; strike beginning with “providing” in line 1 down through “Assembly;” in line 8; in line 14, after “date;” insert “requiring the Maryland Health Care Commission, in consultation with the Maryland Insurance Administration, to conduct a certain study; requiring the Commission to submit a certain interim report to a certain Task Force on or before a certain date; requiring the Commission to report to certain committees of the General Assembly on the results of the study on or before a certain date;”; in line 19, after “Force;” insert “requiring the Department of Health and Mental Hygiene to submit certain reports on or before a certain date; requiring the Department of Health and Mental Hygiene, in conjunction with the Department of Human Resources, to conduct a certain needs assessment; requiring the Joint Committee on Health Care Delivery and Financing to study certain issues and include certain findings in a

(Over)

certain report; declaring the intent of the General Assembly;” and in line 21, strike “providing for a delayed effective date for certain provisions of this Act;”.

On page 3, strike in their entirety lines 2 and 3 and substitute:

“Section 15-418 and 15-1201(r)”;

strike in their entirety lines 6 through 11, inclusive; in line 14, strike “14-501(a), (g), (i), and (j) and”; in the same line, after “15-1201(a)” insert “and (d)”; and in line 19, strike “14-501(c), 14-502, 14-503, and” and substitute “15-416 and”.

#### AMENDMENT NO. 2

On page 3, strike beginning with “who” in line 30 down through “and” in line 31.

On page 4, strike beginning with “above” in line 5 down through “**400%**” in line 6 and substitute “**ABOVE 200%**”; and in line 15, strike “**BUT AT OR BELOW 400%**”.

On page 5, after line 22, insert:

**“(3) THE ANNUAL FAMILY CONTRIBUTION FOR AN ELIGIBLE INDIVIDUAL WHOSE FAMILY INCOME IS ABOVE 300% OF FEDERAL POVERTY GUIDELINES SHALL BE BASED ON FULL BENEFIT COSTS, INCLUDING COSTS FOR SPECIALTY MENTAL HEALTH SERVICES.”**

#### AMENDMENT NO. 3

On pages 5 through 7, strike in their entirety the lines beginning with line 24 on page 5 through line 4 on page 7, inclusive, and substitute:

**“(A) IN THIS SECTION, “COUNCIL” MEANS THE MARYLAND HEALTH CARE QUALITY COORDINATING COUNCIL.**

**(B) THE SECRETARY SHALL ESTABLISH A MARYLAND HEALTH CARE QUALITY COORDINATING COUNCIL TO COORDINATE, EVALUATE, AND PRIORITIZE HEALTH CARE QUALITY INITIATIVES IN THE STATE.**

**(C) (1) THE COUNCIL SHALL CONSIST OF SEVEN MEMBERS.**

**(2) OF THE SEVEN MEMBERS:**

**(I) SIX SHALL BE APPOINTED BY THE SECRETARY, TWO OF WHOM SHALL BE INDIVIDUALS WHO ARE NOT EMPLOYED BY A HEALTH CARE PROVIDER OR HEALTH INSURANCE CARRIER; AND**

**(II) ONE SHALL BE THE SECRETARY OF HEALTH AND MENTAL HYGIENE, OR THE SECRETARY'S DESIGNEE.**

**(3) TO THE EXTENT PRACTICABLE, MEMBERS OF THE COUNCIL SHALL BE REPRESENTATIVE OF ONGOING QUALITY EFFORTS IN MARYLAND.**

**(D) WITH THE EXCEPTION OF THE MEMBER DESCRIBED IN SUBSECTION (C)(2)(II) OF THIS SECTION:**

**(1) THE TERM OF A MEMBER OF THE COUNCIL SHALL BE 3 YEARS; AND**

**(2) A COUNCIL MEMBER MAY NOT SERVE MORE THAN TWO TERMS CONSECUTIVELY.**

**(E) THE SECRETARY SHALL DESIGNATE THE CHAIR OF THE COUNCIL.**

**(F) (1) A MAJORITY OF THE FULL AUTHORIZED MEMBERSHIP OF THE COUNCIL IS A QUORUM.**

**(2) THE COUNCIL MAY ACT ON ANY MATTER WITH THE AUTHORIZATION OF A MAJORITY OF A QUORUM PRESENT AND VOTING.**

**(G) A MEMBER OF THE COUNCIL:**

**(1) MAY NOT RECEIVE COMPENSATION; BUT**

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

**(H) THE SECRETARY SHALL DESIGNATE THE STAFF NECESSARY TO PROVIDE SUPPORT FOR THE COUNCIL.**

**(I) THE COUNCIL SHALL:**

**(1) COORDINATE AND FACILITATE COLLABORATION ON HEALTH CARE QUALITY IMPROVEMENT INITIATIVES BY:**

**(I) MEDICAL GROUPS, HOSPITALS, AND OTHER HEALTH CARE PROVIDERS;**

**(II) HEALTH INSURANCE CARRIERS AND OTHER HEALTH CARE PURCHASERS;**

**(III) STATE AND LOCAL GOVERNMENTAL ENTITIES; AND**

**(IV) PROFESSIONAL BOARDS;**

**(2) CONDUCT STRATEGIC PLANNING AND PRIORITIZATION OF HEALTH CARE QUALITY INITIATIVES;**

**(3) PARTICIPATE IN HEALTH CARE QUALITY DISCUSSIONS AND MAKE RECOMMENDATIONS ON HEALTH CARE QUALITY AND PRIORITIES TO POLICYMAKERS, STATE AND LOCAL GOVERNMENTAL ENTITIES, PROFESSIONAL BOARDS, THE MARYLAND PATIENT SAFETY CENTER, INDUSTRY GROUPS, CONSUMERS, AND OTHER STAKEHOLDERS; AND**

**(4) (I) EVALUATE THE IMPACT OF HEALTH INFORMATION TECHNOLOGY PRODUCTS AND SYSTEMS ON HEALTH CARE QUALITY; AND**

**(II) FACILITATE THE INTEGRATION OF HEALTH INFORMATION TECHNOLOGY IN HEALTH CARE SYSTEMS.**

**(J) THE COUNCIL SHALL AVOID DUPLICATION OF EXISTING HEALTH CARE QUALITY IMPROVEMENT EFFORTS IN THE STATE.**

**(K) ON OR BEFORE DECEMBER 1 OF EACH YEAR, THE COUNCIL SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, DESCRIBING ITS ACTIVITIES FOR THE PREVIOUS YEAR, AND MAKING RECOMMENDATIONS FOR IMPROVING HEALTH CARE QUALITY IN THE STATE.”.**

On page 8, in line 7, strike “INSTITUTE FOR HEALTH CARE QUALITY” and substitute “HEALTH CARE QUALITY COORDINATING COUNCIL”.

(Over)

AMENDMENT NO. 4

On pages 8 through 18, strike in their entirety the lines beginning with line 8 on page 8 through line 5 on page 18, inclusive.

AMENDMENT NO. 5

On page 18, after line 12, insert:

“15–416.

(a) This section applies to insurers, nonprofit health service plans, and health maintenance organizations that deliver or issue for delivery in the State individual, group, or blanket health insurance policies and contracts.

(b) At least 60 days before a child [age 19 and older] who is covered under a parent’s individual, group, or blanket health insurance policy or contract [as a full-time student attains the limiting age specified in the policy or contract for a full-time student] **URNS 18 YEARS OF AGE**, an entity subject to this section shall:

(1) notify the parent of [the impending loss of the child’s coverage] **CRITERIA UNDER WHICH A CHILD MAY REMAIN ELIGIBLE FOR COVERAGE AS A DEPENDENT UNDER THE POLICY OR CONTRACT**; and

(2) provide information regarding:

(i) any other policies that may be available to the child from the entity; and

(ii) the availability of additional information from the Administration regarding individual policies in the State.

(c) **THE COMMISSIONER SHALL ESTABLISH AND PUBLISH BY BULLETIN THE NOTICE TO BE GIVEN UNDER THIS SECTION.**”.

On pages 18 and 19, strike in their entirety the lines beginning with line 20 on page 18 through line 8 on page 19, inclusive, and substitute:

**“(3) “CHILD DEPENDENT” MEANS AN INDIVIDUAL WHO:**

**(I) IS:**

**1. THE NATURAL CHILD, STEPCHILD, ADOPTED CHILD, OR GRANDCHILD OF THE INSURED;**

**2. A CHILD PLACED WITH THE INSURED FOR LEGAL ADOPTION; OR**

**3. A CHILD WHO IS ENTITLED TO DEPENDENT COVERAGE UNDER § 15-403.1 OF THIS ARTICLE;**

**(II) IS A DEPENDENT OF THE INSURED AS THAT TERM IS USED IN 26 U.S.C. §§ 104, 105, AND 106, AND ANY REGULATIONS ADOPTED UNDER THOSE SECTIONS;**

**(III) IS UNMARRIED; AND**

**(IV) IS UNDER THE AGE OF 25 YEARS.**

**(B) (1) THIS SECTION APPLIES TO:**

**(I) EACH POLICY OF INDIVIDUAL OR GROUP HEALTH INSURANCE THAT IS ISSUED IN THE STATE;**

(Over)

**(II) EACH CONTRACT THAT IS ISSUED IN THE STATE BY A NONPROFIT HEALTH SERVICE PLAN; AND**

**(III) EACH CONTRACT THAT IS ISSUED IN THE STATE BY A HEALTH MAINTENANCE ORGANIZATION.**

**(2) NOTWITHSTANDING PARAGRAPH (1) OF THIS SECTION, THIS SECTION DOES NOT APPLY TO:**;

in line 9, strike “**1.**” and substitute “**(I)**”; in lines 11, 13, 14, and 15, strike “**A.**”, “**B.**”, “**C.**”, and “**D.**”, respectively, and substitute “**1.**”, “**2.**”, “**3.**”, and “**4.**”, respectively; in line 16, strike “**2.**” and substitute “**(II)**”; and in lines 18, 19, 20, 21, and 23, strike “**A.**”, “**B.**”, “**C.**”, “**D.**”, and “**E.**”, respectively, and substitute “**1.**”, “**2.**”, “**3.**”, “**4.**”, and “**5.**”, respectively.

On page 20, strike in their entirety lines 1 through 21, inclusive, and substitute:

**“(C) EACH POLICY OR CONTRACT SUBJECT TO THIS SECTION THAT PROVIDES COVERAGE FOR DEPENDENTS:**

**(1) SHALL INCLUDE COVERAGE FOR A CHILD DEPENDENT;**

**(2) SHALL PROVIDE THE SAME HEALTH INSURANCE BENEFITS TO A CHILD DEPENDENT THAT ARE AVAILABLE TO ANY OTHER COVERED DEPENDENT; AND**

**(3) SHALL PROVIDE HEALTH INSURANCE BENEFITS TO A CHILD DEPENDENT AT THE SAME RATE OR PREMIUM APPLICABLE TO ANY OTHER COVERED DEPENDENT.**



**(D) THIS SECTION DOES NOT LIMIT OR ALTER ANY RIGHT TO DEPENDENT COVERAGE OR TO THE CONTINUATION OF COVERAGE THAT IS OTHERWISE PROVIDED FOR IN THIS ARTICLE.**

**AMENDMENT NO. 6**

On page 20, after line 23, insert:

**“(d) “Commission” means the Maryland Health Care Commission established under Title 19, Subtitle 1 of the Health – General Article.”;**

and strike in their entirety lines 24 through 30, inclusive, and substitute:

**“(R) (1) “WELLNESS PROGRAM” MEANS A PROGRAM OR ACTIVITY THAT:**

**(I) IS DESIGNED TO IMPROVE HEALTH STATUS AND REDUCE HEALTH CARE COSTS; AND**

**(II) COMPLIES WITH GUIDELINES DEVELOPED BY THE COMMISSION.**

**(2) “WELLNESS PROGRAM” INCLUDES PROGRAMS AND ACTIVITIES FOR:**

**(I) SMOKING CESSATION;**

**(II) REDUCTION OF ALCOHOL MISUSE;**

**(III) WEIGHT REDUCTION;**

(Over)

(IV) NUTRITION EDUCATION; AND

(V) AUTOMOBILE AND MOTORCYCLE SAFETY.”.

On page 21, strike in their entirety lines 16 and 17 and substitute:

“(4) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, AFTER APPLYING THE RISK ADJUSTMENT FACTORS UNDER PARAGRAPH (2) OF THIS SUBSECTION, A CARRIER MAY OFFER A DISCOUNT NOT TO EXCEED 20% TO A SMALL EMPLOYER FOR PARTICIPATION IN A WELLNESS PROGRAM.

(II) A DISCOUNT OFFERED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE:

1. APPLIED TO REDUCE THE RATE OTHERWISE PAYABLE BY THE SMALL EMPLOYER;

2. ACTUARIALLY JUSTIFIED;

3. OFFERED UNIFORMLY TO ALL SMALL EMPLOYERS;

AND

4. APPROVED BY THE COMMISSIONER.”.

AMENDMENT NO. 7

On pages 22 through 25, strike beginning with line 6 on page 22 through line 23 on page 25, inclusive.

On page 25, in line 24, strike “4.” and substitute “3.”.

AMENDMENT NO. 8

On page 26, in line 17, strike “5.” and substitute “4.”; and in line 19, after “Hygiene” insert “, within currently budgeted resources.”.

AMENDMENT NO. 9

On page 27, after line 4, insert:

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

(a) The Maryland Health Care Commission, in consultation with the Maryland Insurance Administration, shall conduct a study of the feasibility and desirability of establishing a health insurance exchange to promote expansion of affordable health care coverage in the State.

(b) The study shall include:

- (1) the organization and governance of an exchange;
- (2) the target population for an exchange;
- (3) the functions an exchange would carry out;
- (4) the types of products to be offered through an exchange;
- (5) the merits of creating a separate insurance product to be administered and offered by an exchange, versus offering existing insurance products;
- (6) incentives for employers and individuals to participate in an exchange;
- (7) the impact of an exchange on:

(Over)

- (i) the State's existing health insurance markets;
  - (ii) the cost of health coverage in the State to consumers of health coverage; and
  - (iii) access to health coverage in the State;
- (8) the role of an exchange in increasing consumer participation and choice in purchasing health coverage;
- (9) the need to restructure the State's existing health insurance markets, including combining the individual and small group markets, to achieve the goal of making health insurance more affordable;
- (10) the relationship between an exchange and insurance producers, including the services currently provided by licensed health insurance producers in connection with the sale and service of health insurance;
- (11) mechanisms for State oversight;
- (12) the costs of initiating and maintaining an exchange;
- (13) whether participation in an exchange should be mandatory or voluntary;
- (14) the relationship of the Consumer Education and Advocacy Program established under Title 2, Subtitle 3 of the Insurance Article to an exchange, including the need to expand the Program to provide additional information to consumers regarding health insurance; and
- (15) any lessons learned from experience in Massachusetts with an exchange.

(c) In conducting the study, the Commission shall solicit oral and written comments, data, and other information from all interested parties.

(d) On or before October 1, 2007, the Commission shall submit an interim report on the results of the study to the Task Force on Expanding Access to Affordable Health Care.

(e) On or before January 1, 2008, the Commission shall report on the results of its study, in accordance with § 2-1246 of the State Government Article, to the Senate Finance Committee and the House Health and Government Operations Committee.”.

On page 27, strike beginning with “a” in line 13 down through “State” in line 14 and substitute “a method of unambiguously linking an individual’s health information from different sources, while protecting privacy”.

On page 28, in line 5, after “Commission” insert “, the Maryland Insurance Administration,”; in line 24, after “insurance,” insert “and”; and strike beginning with “; and” in line 25 down through “groups” in line 28.

AMENDMENT NO. 10

On page 29, after line 20, insert:

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

(a) On or before December 1, 2007, the Department of Health and Mental Hygiene shall submit a report to the Governor and, in accordance with § 2-1246 of the State Government Article, to the General Assembly, on the progress made in updating the computer eligibility system used for the Maryland Medical Assistance Program, including securing funding from the Centers for Medicare and Medicaid Services and issuing a request for proposals for the purchase and implementation of the system.

(Over)

(b) (1) The Department of Health and Mental Hygiene, in conjunction with the Department of Human Resources, shall conduct a needs assessment to determine the number of additional caseworkers needed to enroll current applicants into the Maryland Medical Assistance Program in a timely manner and the number of caseworkers needed if the Program is expanded.

(2) (i) On or before December 1, 2007, the Department of Health and Mental Hygiene shall report on the needs assessment to the House Health and Government Operations Committee and the Senate Finance Committee, in accordance with § 2-1246 of the State Government Article.

(ii) The report shall include the protocol of the Departments for training all caseworkers on the eligibility process and new federal and State rules.

SECTION 9. AND BE IT FURTHER ENACTED, That:

(a) During the 2007 interim, the Joint Committee on Health Care Delivery and Financing shall study:

(1) the interaction of Medicaid policy and State budget issues, and potential policy and budget issues that will need to be addressed if the Maryland Medical Assistance Program is expanded; and

(2) policy and State budget issues affecting access to public mental health system services, including issues identified by the Joint Committee on Access to Mental Health Services.

(b) The Joint Committee on Health Care Delivery and Financing shall include in its annual report to the General Assembly, due by January 1, 2008, a summary of its findings resulting from the study required under this section.

SECTION 10. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Department of Health and Mental Hygiene, subject to the limitations of the State budget, provide for increased education and outreach for all children who are eligible for the Maryland Children’s Health Program.”;

in line 21, strike “8.” and substitute “11.”; in line 23, in each instance, strike “October 1, 2007” and substitute “January 1, 2008”; in line 24, strike “October 1, 2008” and substitute “January 1, 2009”; strike in their entirety lines 25 and 26; in line 27, strike “10.” and substitute “12.”; and strike beginning with the second comma in line 27 down through “Act,” in line 28.