

HOUSE BILL 1052

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7lr2433

By: **Delegates Mizeur, Beidle, Benson, Bromwell, Hixson, Hubbard, Ivey, N. King, Pena-Melnyk, and Tarrant**

Introduced and read first time: February 9, 2007

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Young Adult Coverage Expansion Act**

3 FOR the purpose of requiring the Maryland Children's Health Program to provide
4 comprehensive medical care and other health care services to certain young
5 adults, subject to certain limitations; providing for the administration of the
6 Maryland Children's Health Program for young adults through the MCHP
7 premium plan; requiring young adults to agree to pay a certain contribution to
8 enroll and participate in the Maryland Children's Health Program; requiring
9 the Department of Health and Mental Hygiene to determine the amount of a
10 certain family contribution; requiring each group or individual health benefit
11 plan issued or delivered in the State by certain carriers to permit a child to
12 continue coverage under the plan under certain circumstances and for a certain
13 period of time; providing that certain provisions of this Act apply to health
14 maintenance organizations; providing for the application of this Act; and
15 generally relating to health insurance coverage for young adults.

16 BY repealing and reenacting, with amendments,
17 Article – Health – General
18 Section 15–301 and 15–301.1
19 Annotated Code of Maryland
20 (2005 Replacement Volume and 2006 Supplement)

21 BY adding to
22 Article – Health – General
23 Section 19–706(jjj)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland
2 (2005 Replacement Volume and 2006 Supplement)

3 BY adding to
4 Article – Insurance
5 Section 15–418
6 Annotated Code of Maryland
7 (2006 Replacement Volume and 2006 Supplement)

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

10 **Article – Health – General**

11 15–301.

12 (a) There is a Maryland Children’s Health Program.

13 (b) The Maryland Children’s Health Program shall provide, subject to the
14 limitations of the State budget and any other requirements imposed by the State and
15 as permitted by federal law or waiver, comprehensive medical care and other health
16 care services to:

17 (1) [an] **AN** individual who has a family income at or below 300
18 percent of the federal poverty guidelines and who is under the age of 19 years; **AND**

19 (2) **AN INDIVIDUAL WHO HAS A FAMILY INCOME AT OR BELOW 400**
20 **PERCENT OF THE FEDERAL POVERTY GUIDELINES AND WHO IS AT LEAST 19**
21 **YEARS OLD AND UNDER THE AGE OF 30 YEARS.**

22 (c) The Maryland Children’s Health Program shall be administered:

23 (1) Except as provided in item (3) of this subsection, for individuals
24 whose family income is at or below 200 percent of the federal poverty guidelines,
25 through the Program under Subtitle 1 of this title requiring individuals to enroll in
26 managed care organizations;

27 (2) For eligible individuals whose family income is above 200 percent,
28 but at or below [300] **400** percent of the federal poverty guidelines, through the
29 MCHP premium plan under § 15–301.1 of this subtitle; or

1 (3) In fiscal year 2004 only, for eligible individuals whose family
2 income is above 185 percent, but at or below 300 percent of the federal poverty
3 guidelines, through the MCHP premium plan under § 15–301.1 of this subtitle.

4 (d) (1) The Department shall provide eligible individuals and health care
5 providers with an accurate directory or other listing of all available providers:

6 (i) In written form, made available upon request; and

7 (ii) On an Internet database.

8 (2) The Department shall update the Internet database at least every
9 30 days.

10 (3) The written directory shall include a conspicuous reference to the
11 Internet database.

12 15–301.1.

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

14 (2) “Eligible individual” means an individual who qualifies to
15 participate in the Maryland Children’s Health Program under § 15–301(b) of this
16 subtitle.

17 (3) “Family contribution” means the portion of the premium cost paid
18 for an eligible individual to enroll and participate in the Maryland Children’s Health
19 Program.

20 (4) “MCHP premium plan” means the plan established under this
21 section to provide access to health insurance coverage to eligible individuals through
22 managed care organizations under the Maryland Children’s Health Program.

23 (b) Except as provided in [subsection (c)] **SUBSECTIONS (C) AND (D)** of this
24 section, this section applies only to individuals whose family income is above 200
25 percent, but at or below 300 percent of the federal poverty guidelines.

26 (c) (1) As a requirement of enrollment and participation in the MCHP
27 premium plan, the parent or guardian of an eligible individual **UNDER §**
28 **15–301(B)(1) OF THIS SUBTITLE** shall agree to pay the following annual family
29 contribution:

(i) In fiscal year 2004 only, for an eligible individual whose family income is above 185 percent, but at or below 200 percent of the federal poverty guidelines, an amount equal to 2 percent of the annual income of a family of two at 185 percent of the federal poverty guidelines;

(ii) For an eligible individual whose family income is above 200 percent, but at or below 250 percent of the federal poverty guidelines, an amount equal to 2 percent of the annual income of a family of two at 200 percent of the federal poverty guidelines; and

(iii) For an eligible individual whose family income is above 250 percent, but at or below 300 percent of the federal poverty guidelines, an amount equal to 2 percent of the annual income of a family of two at 250 percent of the federal poverty guidelines.

(2) The family contribution amounts required under paragraph (1) of this subsection apply on a per family basis regardless of the number of eligible individuals each family has enrolled in the MCHP premium plan.

(D) (1) AS A REQUIREMENT OF ENROLLMENT AND PARTICIPATION IN THE MCHP PREMIUM PLAN, AN ELIGIBLE INDIVIDUAL UNDER § 15-301(B)(2) OF THIS SUBTITLE SHALL AGREE TO PAY AN ANNUAL FAMILY CONTRIBUTION TO BUY INTO THE MARYLAND CHILDREN'S HEALTH PROGRAM AT COST.

(2) THE DEPARTMENT SHALL DETERMINE THE AMOUNT OF THE FAMILY CONTRIBUTION REQUIRED FOR ELIGIBLE INDIVIDUALS UNDER THIS SUBSECTION.

[(d)] (E) The Department shall adopt regulations necessary to implement this section.

19-706.

(JJJ) THE PROVISIONS OF § 15-418 OF THE INSURANCE ARTICLE APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

Article – Insurance

15-418.

1 **D. LONG-TERM CARE COVERAGE; OR**

2 **2. THE FOLLOWING BENEFITS IF THEY ARE**
3 **PROVIDED UNDER A SEPARATE CONTRACT:**

4 **A. DENTAL COVERAGE;**

5 **B. VISION COVERAGE;**

6 **C. MEDICARE SUPPLEMENT INSURANCE;**

7 **D. COVERAGE LIMITED TO BENEFITS FOR A**
8 **SPECIFIED DISEASE OR DISEASES; AND**

9 **E. TRAVEL ACCIDENT OR SICKNESS COVERAGE.**

10 **(B) EACH GROUP OR INDIVIDUAL HEALTH BENEFIT PLAN ISSUED OR**
11 **DELIVERED IN THE STATE BY A CARRIER SHALL PERMIT A CHILD TO CONTINUE**
12 **TO BE COVERED UNDER THE HEALTH BENEFIT PLAN AFTER THE CHILD MEETS**
13 **THE LIMITING AGE SPECIFIED IN THE HEALTH BENEFIT PLAN IF THE CHILD HAS**
14 **HAD CONTINUOUS COVERAGE FOR AT LEAST 2 YEARS IMMEDIATELY PRIOR TO**
15 **REACHING THE LIMITING AGE.**

16 **(C) THE CONTINUATION OF COVERAGE PROVIDED IN SUBSECTION (B)**
17 **OF THIS SECTION SHALL END ON THE EARLIER OF:**

18 **(1) THE END OF THE MONTH IN WHICH THE CHILD ATTAINS AGE**
19 **25;**

20 **(2) THE DATE ON WHICH THE CHILD ACCEPTS COVERAGE UNDER**
21 **ANOTHER INDIVIDUAL HEALTH BENEFIT PLAN;**

22 **(3) THE DATE ON WHICH THE CHILD BECOMES ELIGIBLE FOR**
23 **COVERAGE UNDER AN EMPLOYER-SPONSORED HEALTH BENEFIT PLAN AS**
24 **OTHER THAN A DEPENDENT CHILD;**

25 **(4) THE DATE ON WHICH THE PARENT ELECTS TO TERMINATE**
26 **COVERAGE FOR THE CHILD UNDER THE PARENT'S HEALTH BENEFIT PLAN; OR**

1 **(5) THE DATE ON WHICH THE PARENT TERMINATES COVERAGE.**

2 **(D) THE CONTINUATION RIGHT PROVIDED UNDER THIS SECTION MAY**
3 **NOT BE USED TO TERMINATE COVERAGE FOR AN INCAPACITATED CHILD AS**
4 **PROVIDED UNDER § 15-402 OF THIS SUBTITLE.**

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
6 health benefit plans issued, delivered, or renewed in the State on or after July 1, 2007.

7 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 July 1, 2007.