

# HOUSE BILL 278

P4

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By: **Chair, Health and Government Operations Committee (By Request -  
Departmental - Health and Mental Hygiene)**

Introduced and read first time: January 23, 2008

Assigned to: Health and Government Operations

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 27, 2008

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Department of Health and Mental Hygiene - Powers of the Secretary**

3 FOR the purpose of clarifying that the Secretary of Health and Mental Hygiene may  
4 conduct a survey to identify any ~~areas~~ area in this State that ~~have~~ has a  
5 substantial deficiency in ~~specific~~ certain medical or health care facilities ~~or,~~  
6 ~~staff, or services; clarifying that the Secretary may provide counsel and other~~  
7 ~~help to establish medical or health care services in a certain underserved area;~~  
8 ~~clarifying that if the proposals considered or adopted by the Secretary are not~~  
9 ~~feasible or successful to assure the public health of an identified underserved~~  
10 ~~area of the State, the Secretary may provide the~~ authorizing the Secretary to  
11 provide needed health care facilities, staff, or services by ~~entering into~~  
12 ~~contracts or approving,~~ to facilitate the provision of State health care services to  
13 the underserved area, approve contracts with certain public or private health  
14 care entities ~~that facilitate the provision of State health care services to the~~  
15 ~~underserved area;~~ requiring the Secretary to consider market factors that may  
16 be contributing to a deficiency in general or specific medical or health care  
17 facilities, staff, or services in certain areas of the State; requiring the Secretary  
18 to maximize, to the extent feasible, the State's recovery of health care costs and  
19 expenses when seeking to ameliorate an identified deficiency in health care  
20 facilities, staff, or services; requiring the Secretary to consult with certain  
21 commissions and groups under certain circumstances; and generally relating to  
22 the powers of the Secretary of Health and Mental Hygiene with respect to  
23 health care facilities, staff, and services in underserved areas of the State.

24 BY repealing and reenacting, with amendments,

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Article – Health – General  
 2 Section 2–108  
 3 Annotated Code of Maryland  
 4 (2005 Replacement Volume and 2007 Supplement)

5 Preamble

6 WHEREAS, Disparities in the financing and delivery of health care limit the  
 7 availability of medical and other health care services to certain populations and areas  
 8 of the State and compromise efforts to assure the public health of those medically  
 9 underserved populations and areas; and

10 WHEREAS, It is necessary to clarify the Secretary’s authority to utilize a  
 11 variety of business arrangements that may be necessary to assure the public health  
 12 and facilitate the flexible and efficient provision of State health care services to those  
 13 underserved populations and areas; now, therefore,

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

16 **Article – Health – General**

17 2–108.

18 [The Secretary:]

19 [(1)](A) On the Secretary’s initiative or on request of a community or  
 20 voluntary, nonprofit organization, **THE SECRETARY** may [do] **CONDUCT** a survey to  
 21 identify any area in this State that has a substantial deficiency in general **OR**  
 22 **SPECIFIC** medical or health care facilities, **STAFF**, or services[;].

23 [(2)](B) In cooperation with appropriate county and State groups,  
 24 **THE SECRETARY** may provide the community or organization with counsel and other  
 25 help to establish medical or health care facilities **OR SERVICES** and to recruit medical  
 26 or health care staff in [that] ~~THE AN~~ **UNDERSERVED** area **IDENTIFIED AS A RESULT**  
 27 **OF THE SURVEY CONDUCTED IN ACCORDANCE WITH SUBSECTION (A) OF THIS**  
 28 **SECTION**[; and].

29 [(3)](C) If [the efforts] ~~PROPOSALS CONSIDERED OR ADOPTED~~  
 30 **THE COUNSEL AND OTHER HELP PROVIDED** under [item (2)] **SUBSECTION (B)** of  
 31 this section ~~are [unsuccessful],~~ **NOT FEASIBLE OR SUCCESSFUL DO NOT RESULT IN**  
 32 **FEASIBLE OR SUCCESSFUL PROPOSALS, OR IF OTHER ACTION IS NECESSARY TO**  
 33 **ASSURE THE PUBLIC HEALTH OF THE UNDERSERVED AREA, THE SECRETARY**  
 34 may:

1 (1) [provide] **PROVIDE** the **NEEDED HEALTH CARE** facilities [or],  
2 staff, **OR SERVICES** by contract with one or more physicians, hospitals, or other  
3 medical groups or personnel; **OR**

4 (2) ~~**APPROVE TO FACILITATE THE PROVISION OF STATE HEALTH**~~  
5 ~~**CARE SERVICES TO THE UNDERSERVED AREA, APPROVE A CONTRACT OR OTHER**~~  
6 ~~**WRITTEN ARRANGEMENT WITH A PUBLIC OR PRIVATE HEALTH CARE ENTITY**~~  
7 ~~**THAT FACILITATES THE PROVISION OF STATE HEALTH CARE SERVICES TO THE**~~  
8 ~~**UNDERSERVED AREA, INCLUDING:**~~

9 (I) **A FEDERALLY QUALIFIED HEALTH CENTER;**

10 (II) **A HEALTH CARE FACILITY, AS DEFINED IN § 19-114 OF**  
11 **THIS ARTICLE;**

12 (III) ~~**A HEALTH CARE PLAN OR INSURANCE PROVIDER**~~  
13 ~~**BENEFIT PLAN OR INSURANCE CARRIER;**~~

14 (IV) **A HEALTH MAINTENANCE ORGANIZATION;**

15 (V) **A MANAGED CARE ORGANIZATION; AND**

16 (VI) **ANY OTHER ENTITY THAT FINANCES THE PROVISION OF**  
17 **OR DELIVERS HEALTH CARE SERVICES TO THE AREA.**

18 SECTION 2. AND BE IT FURTHER ENACTED, That:

19 (1) In conducting a survey under § 2-108(a) of the Health – General  
20 Article, as enacted by Section 1 of this Act, the Secretary of Health and Mental  
21 Hygiene shall consider market factors that may be contributing to an identified  
22 deficiency in general or specific medical or health care facilities, staff, or services in an  
23 area of the State;

24 (2) In authorizing action to ameliorate an identified deficiency in an  
25 area of the State, identified as a result of § 2-108(a) of the Health – General Article as  
26 enacted by Section 1 of this Act, the Secretary shall maximize, to the extent feasible,  
27 the State's recovery of State health care costs and expenses and reimbursement for  
28 State health care services, consistent with Title 16 of the Health – General Article;  
29 and

30 (3) Following the taking or approval of action under § ~~2-108(b)~~  
31 ~~2-108(c)~~ of the Health – General Article, as enacted by Section 1 of this Article, the  
32 Secretary shall consult with the ~~Maryland State~~ Health Services ~~and~~ Cost Review  
33 Commission, the Maryland Health Care Commission, and other appropriate regional  
34 and State groups concerning feasible means to encourage the establishment and

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1 expansion of private sector health care providers and services for underserved  
2 individuals in that area.

3           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
4 October 1, 2008.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.