HOUSE BILL 289

C3, J1 8lr1657

By: **Delegate Pendergrass**
Introduced and read first time: January 23, 2008
Assigned to: Health and Government Operations

Committee Report: Favorable
House action: Adopted
Read second time: February 13, 2008

CHAPTER _____

AN ACT concerning

Task Force on Health Care Access and Reimbursement – Extension

FOR the purpose of extending the date on which the Task Force on Health Care Access and Reimbursement is required to submit its final report and recommendations; extending the termination date of the Task Force; and generally relating to the Task Force on Health Care Access and Reimbursement.

BY repealing and reenacting, with amendments,
Article – Health – General
Section 19–710.3
Annotated Code of Maryland
(2005 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,
Chapter 505 of the Acts of the General Assembly of 2007
Section 2

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

Article – Health – General

19–710.3.

(a) There is a Task Force on Health Care Access and Reimbursement.

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.

(b) The Task Force consists of the following members:

(1) Two members of the House of Delegates, appointed by the Speaker of the House;

(2) Two members of the Senate of Maryland, appointed by the President of the Senate;

(3) The Secretary of Health and Mental Hygiene;

(4) The Attorney General, or the Attorney General's designee;

(5) The Insurance Commissioner, or the Insurance Commissioner's designee;

(6) The Secretary of Budget and Management, or the Secretary's designee; and

(7) Six individuals appointed by the Governor.

(c) In performing its duties, the Task Force may consult with individuals and entities that the Secretary of Health and Mental Hygiene deems appropriate.

(d) (1) The Secretary of Health and Mental Hygiene shall:

(i) Chair the Task Force;

(ii) Establish subcommittees and appoint subcommittee chairs as necessary to facilitate the work of the Task Force; and

(iii) Provide staff support for the Task Force from the Department.

(2) To the extent practicable, the members appointed to the Task Force shall reasonably reflect the geographic, racial, ethnic, cultural, and gender diversity of the State.

(3) In performing its duties, the Task Force shall invite all interested groups, including physician groups, health care provider specialty groups, employers, and health insurance carriers, to present testimony or other information to the Task Force concerning:

(i) The issues to be studied by the Task Force;

(ii) Data on the reimbursements paid to physicians and other health care providers by health insurance carriers;

(iii) Trends relating to reimbursement rates and total payments to physicians and other health care providers by health insurance carriers; and

(iv) Data and trends in physician and other health care provider workforce supply and future demand.

(e) The Task Force shall examine:

(1) Reimbursement rates and total payments to physicians and other health care providers by specialty and geographic area and trends in such reimbursement rates and total payments, including a comparison of reimbursement rates, total payments, and trends in other states;

(2) The impact of changes in reimbursements on access to health care and on health care disparities, volume of services, and quality of care;

(3) The effect of competition on payments to physicians and other health care providers;

(4) The trends for physician and other health care provider shortages by specialty and geographic area and any impact on health care access and quality caused by such shortages, including emergency department overcrowding;

(5) The amount of uncompensated care being provided by physicians and other health care providers and the trends in uncompensated care in Maryland and in other states;

(6) The extent to which current reimbursement methods recognize and reward higher quality of care;

(7) Methods used by large purchasers of health care to evaluate adequacy and cost of provider networks; and

(8) (i) The practice by certain health insurance carriers of requiring health care providers who join a provider network of a carrier to also serve on a provider network of a different carrier; and

(ii) The effect of the practice described in item (i) of this item on health care provider payments and willingness to serve on provider networks of health insurance carriers.

(f) The Task Force shall develop recommendations regarding:

(1) Specific options that are available, given limitations of the federal ERISA law, to change physician and other health care provider reimbursements, if needed;

(2) The sufficiency of present statutory formulas for the reimbursement of noncontracting physicians and other health care providers by health maintenance organizations;

(3) Whether the Maryland Insurance Administration and the Attorney General currently have sufficient authority to regulate rate setting and market–related practices of health insurance carriers that may have the effect of unreasonably reducing reimbursements;

(4) Whether there is a need to enhance the ability of physicians and other health care providers to negotiate reimbursement rates with health insurance carriers, without unduly impairing the ability of the carriers to appropriately manage their provider networks;

(5) Whether there is a need to establish a rate–setting system for physicians and other health care providers similar to the system established to set hospital rates in Maryland;

(6) The advisability of the use of payment methods linked to quality of care or outcomes; and

(7) The need to prohibit a health insurance carrier from requiring health care providers who join a provider network of the carrier to also serve on a provider network of a different carrier.

(g) (1) The Task Force shall report its findings and recommendations to the Governor and, subject to § 2–1246 of the State Government Article, to the General Assembly, on or before December 31, 2007.

(2) If the Task Force determines it will not complete its work by December 31, 2007, the Task Force shall, in the same manner as provided in paragraph (1) of this subsection:

(i) Submit an interim report of its findings and recommendations on or before December 1, 2007; and

(ii) Submit a final report of its findings and recommendations on or before **[**June 30, 2008**]** **DECEMBER 1, 2008**.

(3) Notwithstanding paragraph (2) of this subsection, the Task Force shall submit its findings and recommendations relating to subsection (f)(7) of this section on or before December 31, 2007.

(h) A member of the Task Force may not receive compensation as a member of the Task Force but is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

Chapter 505 of the Acts of 2007

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007. It shall remain effective for a period of 1 year **AND 5 MONTHS** and, at the end of **[**June 30, 2008**]** **DECEMBER 1, 2008**, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 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.