

HOUSE BILL 602

B1

8lr2686

By: **Delegate O'Donnell**

Introduced and read first time: January 31, 2008

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Care Provider Rate Stabilization Fund – Transfer of**
3 **Moneys to the Rainy Day Fund**

4 FOR the purpose of requiring that certain moneys in the Rate Stabilization Account of
5 the Maryland Health Care Provider Rate Stabilization Fund that remain at the
6 end of fiscal year 2008 be transferred to the Revenue Stabilization Account of
7 the State Reserve Fund during fiscal year 2009; and generally relating to the
8 transfer of certain moneys from the Maryland Health Care Provider Rate
9 Stabilization Fund.

10 BY repealing and reenacting, without amendments,
11 Article – Insurance
12 Section 19–804(c)
13 Annotated Code of Maryland
14 (2006 Replacement Volume and 2007 Supplement)

15 BY adding to
16 Article – Insurance
17 Section 19–804(e)
18 Annotated Code of Maryland
19 (2006 Replacement Volume and 2007 Supplement)

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

22 **Article – Insurance**

23 19–804.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (c) (1) Portions of the Rate Stabilization Account that exceed the amount
2 necessary to pay for health care provider subsidies shall remain in the Rate
3 Stabilization Account to be used:

4 (i) to pay for health care provider subsidies in calendar years
5 2006 through 2008; and

6 (ii) after the fiscal year 2009 allocation to the Rate Stabilization
7 Account under § 19–803(b) of this subtitle, by the Medical Assistance Program
8 Account for the purposes specified under § 19–807(b) of this subtitle.

9 (2) Any disbursements from the Rate Stabilization Account to a
10 medical professional liability insurer that is not used to provide a rate reduction,
11 credit, or refund to a health care provider shall be returned to the State Treasurer for
12 reversion to the Fund.

13 (3) Notwithstanding paragraph (1) of this subsection, amounts
14 necessary to pay for health care provider subsidies under § 19–805(b)(3) of this
15 subtitle shall remain in the Rate Stabilization Account.

16 **(E) NOTWITHSTANDING SUBSECTION (C) OF THIS SECTION OR ANY**
17 **OTHER PROVISION OF LAW, IN FISCAL YEAR 2009, \$83,275,000 OF THE BALANCE**
18 **REMAINING IN THE RATE STABILIZATION ACCOUNT AT THE END OF FISCAL**
19 **YEAR 2008 SHALL BE TRANSFERRED TO THE REVENUE STABILIZATION**
20 **ACCOUNT ESTABLISHED UNDER § 7–311 OF THE STATE FINANCE AND**
21 **PROCUREMENT ARTICLE.**

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 June 1, 2008.