

# HOUSE BILL 1284

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CF SB 545

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By: **Chair, Appropriations Committee**

Introduced and read first time: February 8, 2008

Assigned to: Health and Government Operations and Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Care Provider Rate Stabilization Account – Transfer of**  
3 **Funds**

4 FOR the purpose of authorizing certain funds in a certain account of the Maryland  
5 Health Care Provider Rate Stabilization Fund to be transferred to certain  
6 accounts to be used for certain purposes; and generally relating to the use of  
7 certain funds in a certain account of the Maryland Health Care Provider Rate  
8 Stabilization Fund.

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

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

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

21 **Article – Insurance**

22 19–804.

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) to pay for health care provider subsidies in calendar years  
2 2006 through 2008; and

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

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

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

13 **(E) NOTWITHSTANDING SUBSECTION (C) OF THIS SECTION OR ANY**  
14 **OTHER PROVISION OF LAW, IN FISCAL YEAR 2009, \$83,275,000 OF THE BALANCE**  
15 **REMAINING IN THE RATE STABILIZATION ACCOUNT AT THE END OF FISCAL**  
16 **YEAR 2008 SHALL BE TRANSFERRED AS FOLLOWS:**

17 **(1) \$7,000,000 TO THE MEDICAL ASSISTANCE PROGRAM**  
18 **ACCOUNT, TO BE USED BY THE SECRETARY TO INCREASE FEE-FOR-SERVICE**  
19 **PROVIDER RATES TO DENTISTS IN FISCAL YEAR 2009;**

20 **(2) \$14,275,000 TO THE HEALTH CARE COVERAGE FUND**  
21 **ESTABLISHED UNDER TITLE 15, SUBTITLE 7 OF THE HEALTH – GENERAL**  
22 **ARTICLE, TO BE USED FOR ALLOWABLE EXPENSES IN FISCAL YEAR 2009; AND**

23 **(3) \$62,000,000 TO THE HEALTH CARE COVERAGE FUND**  
24 **ESTABLISHED UNDER TITLE 15, SUBTITLE 7 OF THE HEALTH – GENERAL**  
25 **ARTICLE, TO BE USED FOR ALLOWABLE EXPENSES IN FISCAL YEAR 2010.**

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
27 July 1, 2008.