

# HOUSE BILL 1379

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By: **Delegates Ivey, Barkley, Beidle, Benson, Branch, V. Clagett, Doory, Gilchrist, Harrison, Lee, Montgomery, Pena-Melnyk, Ramirez, Rice, Valderrama, and Walker**

Introduced and read first time: February 8, 2008

Assigned to: Health and Government Operations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Waiver for Older Adults Expansion Fund**

3 FOR the purpose of establishing the Waiver for Older Adults Expansion Fund;  
4 establishing the sources and uses of the Fund; requiring the State Treasurer to  
5 invest the money in the Fund in a certain manner; providing that any  
6 investment earnings of the Fund shall be retained to the credit of the Fund;  
7 requiring expenditures from the Fund to be made only in accordance with the  
8 State budget; providing that the Fund is subject to audit by the Office of  
9 Legislative Audits; altering the purposes of the Maryland Health Care Provider  
10 Rate Stabilization Fund; requiring certain funds remaining in the Rate  
11 Stabilization Account at the end of a certain fiscal year to be transferred to the  
12 Waiver for Older Adults Expansion Fund; and generally relating to the Waiver  
13 for Older Adults Expansion Fund.

14 BY adding to

15 Article – Health – General  
16 Section 15–132.2  
17 Annotated Code of Maryland  
18 (2005 Replacement Volume and 2007 Supplement)

19 BY repealing and reenacting, without amendments,

20 Article – Insurance  
21 Section 19–802(a) and 19–804(c) and (d)  
22 Annotated Code of Maryland  
23 (2006 Replacement Volume and 2007 Supplement)

24 BY repealing and reenacting, with amendments,

25 Article – Insurance  
26 Section 19–802(b)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland  
2 (2006 Replacement Volume and 2007 Supplement)

3 BY adding to  
4 Article – Insurance  
5 Section 19–804(e)  
6 Annotated Code of Maryland  
7 (2006 Replacement Volume and 2007 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 **15–132.2.**

12 (A) IN THIS SECTION, “FUND” MEANS THE WAIVER FOR OLDER ADULTS  
13 EXPANSION FUND.

14 (B) THERE IS A WAIVER FOR OLDER ADULTS EXPANSION FUND.

15 (C) THE PURPOSE OF THE FUND IS TO EXPAND ACCESS TO HOME– AND  
16 COMMUNITY–BASED SERVICES BY FINANCING ADDITIONAL SLOTS IN THE  
17 MEDICAID WAIVER FOR OLDER ADULTS PROGRAM.

18 (D) THE DEPARTMENT SHALL ADMINISTER THE FUND.

19 (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT  
20 SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

21 (2) THE STATE TREASURER SHALL HOLD THE FUND  
22 SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

23 (F) THE FUND CONSISTS OF:

24 (1) MONEYS TRANSFERRED FROM THE MARYLAND HEALTH  
25 CARE PROVIDER RATE STABILIZATION FUND UNDER TITLE 19, SUBTITLE 8 OF  
26 THE INSURANCE ARTICLE;

27 (2) ANY MONEYS MADE AVAILABLE FROM INVESTMENT  
28 EARNINGS; AND

29 (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED  
30 FOR THE BENEFIT OF THE FUND.



1 (4) increase capitation payments to managed care organizations  
2 participating in the Maryland Medical Assistance Program consistent with §  
3 15-103(b)(18) of the Health – General Article; [and]

4 (5) **EXPAND ACCESS TO HOME- AND COMMUNITY-BASED**  
5 **SERVICES BY FINANCING ADDITIONAL SLOTS IN THE MEDICAID WAIVER FOR**  
6 **OLDER ADULTS PROGRAM; AND**

7 (6) during the period that an allocation is made to the Rate  
8 Stabilization Account, subsidize up to \$350,000 annually to provide for the costs  
9 incurred by the Commissioner to administer the Fund.

10 19-804.

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

14 (i) to pay for health care provider subsidies in calendar years  
15 2006 through 2008; and

16 (ii) after the fiscal year 2009 allocation to the Rate Stabilization  
17 Account under § 19-803(b) of this subtitle, by the Medical Assistance Program  
18 Account for the purposes specified under § 19-807(b) of this subtitle.

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

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

26 (d) A medical professional liability insurer shall reduce the subsidy paid to  
27 each health care provider electing to receive a subsidy if the balance of the Rate  
28 Stabilization Account is insufficient to pay health care provider subsidies.

29 **(E) NOTWITHSTANDING SUBSECTION (C) OF THIS SECTION OR ANY**  
30 **OTHER PROVISION OF LAW, ANY BALANCE REMAINING IN THE RATE**  
31 **STABILIZATION ACCOUNT AT THE END OF FISCAL YEAR 2009 SHALL BE**  
32 **TRANSFERRED TO THE WAIVER FOR OLDER ADULTS EXPANSION FUND UNDER**  
33 **§ 15-132.1 OF THE HEALTH – GENERAL ARTICLE.**

34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
35 October 1, 2008.