

SENATE BILL 545

J1, C4

8lr2417
CF 8lr2420

By: **Chair, Budget and Taxation Committee**

Introduced and read first time: February 1, 2008

Assigned to: Budget and Taxation and Finance

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:

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.