

SENATE BILL 134

C3

EMERGENCY BILL
ENROLLED BILL

(4lr0133)

— Finance/Health and Government Operations —

Introduced by **The President (By Request – Administration) and Senators Middleton, Astle, Feldman, Kelley, Klausmeier, Mathias, and Pugh**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Maryland Health Insurance Plan – Access for Bridge Eligible Individuals**

3 FOR the purpose of altering the purpose of the Maryland Health Insurance Plan to
4 include decreasing uncompensated care costs by providing access to affordable,
5 comprehensive health benefits for certain bridge eligible individuals; providing
6 that it is the intent of the General Assembly that Maryland Health Insurance
7 Plan Fund revenue be used to subsidize health insurance coverage for bridge
8 eligible individuals; repealing a certain provision of law that provides that
9 enrollment in the Plan shall be closed to any individual who ~~is not enrolled~~ has
10 not applied for enrollment *is not enrolled* in the Plan as of a certain date;
11 altering a certain limitation on reenrollment in the Plan; providing that
12 enrollment in the Plan shall be closed to any bridge eligible individual who ~~is~~
13 ~~not enrolled~~ has not applied for enrollment in the Plan as of a certain date;
14 providing that the enrollment of a bridge eligible individual in the Plan

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.

Italics indicate opposite chamber/conference committee amendments.



1 terminates on the effective date of enrollment in a certain health plan;
 2 exempting an amendment that pertains to the enrollment of bridge eligible
 3 individuals from a certain requirement that any amendments to a certain plan
 4 of operation be submitted to the Maryland Insurance Commissioner for
 5 approval; authorizing the Board of Directors for the Maryland Health Insurance
 6 Plan to adopt certain policies and procedures; requiring the Board to provide
 7 notice of the policies and procedures to certain committees of the General
 8 Assembly; authorizing the Board to extend the date for closing certain
 9 enrollment under certain circumstances; requiring the Board to notify certain
 10 legislative committees and the Department of Legislative Services of the
 11 extension within a certain time period; requiring the Maryland Health
 12 Insurance Plan, beginning on a certain date, to submit monthly reports to certain
 13 legislative committees on certain progress; providing for the termination of this
 14 Act; defining a certain term; making certain conforming changes; making this
 15 Act an emergency measure; and generally relating to the Maryland Health
 16 Insurance Plan.

17 BY repealing and reenacting, without amendments,
 18 Article – Insurance
 19 Section 14–501(a), (c), (j), and (k) and 14–503(a)
 20 Annotated Code of Maryland
 21 (2011 Replacement Volume and 2013 Supplement)

22 BY adding to
 23 Article – Insurance
 24 Section 14–501(c–1)
 25 Annotated Code of Maryland
 26 (2011 Replacement Volume and 2013 Supplement)

27 BY repealing and reenacting, with amendments,
 28 Article – Insurance
 29 Section 14–502 and 14–503(i)
 30 Annotated Code of Maryland
 31 (2011 Replacement Volume and 2013 Supplement)

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

34 **Article – Insurance**

35 14–501.

36 (a) In this subtitle the following words have the meanings indicated.

37 (c) “Board” means the Board of Directors for the Maryland Health Insurance
 38 Plan.

1 (C-1) (1) "BRIDGE ELIGIBLE INDIVIDUAL" MEANS AN INDIVIDUAL WHO:

2 (I) IS A QUALIFIED INDIVIDUAL AS DEFINED IN § 31-101 OF
3 THIS ARTICLE; AND

4 (II) 1. PROVIDES EVIDENCE THAT THE INDIVIDUAL HAS
5 ATTEMPTED TO OBTAIN INSURANCE THROUGH THE MARYLAND HEALTH
6 BENEFIT EXCHANGE AND WAS UNSUCCESSFUL IN ENROLLING IN COVERAGE; OR

7 2. IS A DEPENDENT AS DEFINED IN § 15-1316 OF
8 THIS ARTICLE.

9 (2) "BRIDGE ELIGIBLE INDIVIDUAL" DOES NOT INCLUDE AN
10 INDIVIDUAL WHO IS ELIGIBLE FOR COVERAGE UNDER:

11 (I) THE FEDERAL MEDICARE PROGRAM;

12 (II) ~~UNLESS THE INDIVIDUAL IS ELIGIBLE FOR A SUBSIDY~~
13 ~~OF PLAN COSTS PROVIDED BY THE DEPARTMENT OF HEALTH AND MENTAL~~
14 ~~HYGIENE UNDER A MEDICAID WAIVER PROGRAM,~~ THE MARYLAND MEDICAL
15 ASSISTANCE PROGRAM;

16 (III) THE MARYLAND CHILDREN'S HEALTH PROGRAM; OR

17 (IV) AN EMPLOYER-SPONSORED GROUP HEALTH INSURANCE
18 PLAN THAT INCLUDES BENEFITS COMPARABLE TO PLAN BENEFITS.

19 (j) "Plan" means the Maryland Health Insurance Plan.

20 (k) "Plan of operation" means the articles, bylaws, and operating rules and
21 procedures adopted by the Board in accordance with § 14-503 of this subtitle.

22 14-502.

23 (a) There is a Maryland Health Insurance Plan.

24 (b) The Plan is an independent unit of the State government.

25 (c) The purpose of the Plan is to decrease uncompensated care costs by:

26 (1) providing access to affordable, comprehensive health benefits for
27 medically uninsurable residents of the State by July 1, 2003; AND

28 (2) PROVIDING ACCESS TO AFFORDABLE, COMPREHENSIVE
29 HEALTH BENEFITS FOR BRIDGE ELIGIBLE INDIVIDUALS, AS NEEDED, ON:

1 **(I) A RETROACTIVE BASIS BEGINNING NO EARLIER THAN**
 2 **JANUARY 1, 2014; AND**

3 **(II) A PROSPECTIVE BASIS.**

4 (d) It is the intent of the General Assembly that the Plan operate as a
 5 nonprofit entity and that Fund revenue, to the extent consistent with good business
 6 practices, be used to:

7 (1) subsidize health insurance coverage for medically uninsurable
 8 individuals **AND BRIDGE ELIGIBLE INDIVIDUALS**; and

9 (2) fund the State Reinsurance Program authorized under § 31–117 of
 10 this article.

11 (e) (1) The operations of the Plan are subject to the provisions of this
 12 subtitle whether the operations are performed directly by the Plan itself or through an
 13 entity contracted with the Plan.

14 (2) The Plan shall ensure that any entity contracted with the Plan
 15 complies with the provisions of this subtitle when performing services that are subject
 16 to this subtitle on behalf of the Plan.

17 (f) (1) (i) [Enrollment in the Plan shall be closed to any individual
 18 who is not enrolled in the Plan as of December 31, 2013.

19 (ii)] A [member] **MEDICALLY UNINSURABLE INDIVIDUAL**
 20 enrolled in the Plan as of December 31, 2013, who thereafter terminates enrollment
 21 may not reenroll in the Plan **UNLESS ENROLLING AS A BRIDGE ELIGIBLE**
 22 **INDIVIDUAL.**

23 **(II) ENROLLMENT IN THE PLAN SHALL BE CLOSED TO ANY**
 24 **BRIDGE ELIGIBLE INDIVIDUAL WHO IS NOT ENROLLED HAS NOT APPLIED FOR**
 25 **ENROLLMENT IN THE PLAN AS OF MARCH 31, 2014.**

26 **(III) ON THE EFFECTIVE DATE OF ENROLLMENT IN A**
 27 **QUALIFIED HEALTH PLAN THROUGH THE MARYLAND HEALTH BENEFIT**
 28 **EXCHANGE, THE ENROLLMENT OF A BRIDGE ELIGIBLE INDIVIDUAL IN THE PLAN**
 29 **TERMINATES.**

30 (2) Subject to paragraph (3) of this subsection, the Board, in
 31 consultation with the Maryland Health Benefit Exchange, shall determine the
 32 appropriate date on which the Plan shall decline to reenroll Plan members beyond the
 33 term of the members' existing Plan coverage.

1 (3) The date on which the Plan no longer will provide coverage to all
2 Plan members shall be no earlier than January 1, 2014, and no later than January 1,
3 2020.

4 (g) Beginning October 1, 2013, and annually thereafter until the Plan no
5 longer provides coverage to members, the Board shall provide notice to Plan members
6 that, effective January 1, 2014, the member:

7 (1) may not be denied health insurance because of a preexisting health
8 condition; and

9 (2) may be eligible to:

10 (i) enroll in the Maryland Medical Assistance Program;

11 (ii) purchase a health benefit plan offered in the Maryland
12 Health Benefit Exchange or in the insurance market outside the Maryland Health
13 Benefit Exchange; and

14 (iii) receive federal premium and cost-sharing assistance for the
15 purchase of a health benefit plan in the Maryland Health Benefit Exchange.

16 14-503.

17 (a) There is a Board for the Plan.

18 (i) (1) The Board shall adopt a plan of operation for the Plan.

19 (2) The Board shall submit the plan of operation and any amendment
20 to the plan of operation, **EXCEPT AN AMENDMENT THAT PERTAINS TO THE**
21 **ENROLLMENT OF BRIDGE ELIGIBLE INDIVIDUALS**, to the Commissioner for
22 approval.

23 SECTION 2. AND BE IT FURTHER ENACTED, That:

24 (a) The Board of Directors for the Maryland Health Insurance Plan may
25 adopt policies and procedures necessary to operate and administer the Plan as it
26 pertains to the enrollment of bridge eligible individuals.

27 (b) The policies and procedures may include:

28 (1) procedures for determining, to the best of the Board's ability, that
29 bridge eligible individuals meet the definition of "qualified individual " under § 31-101
30 of the Insurance Article;

31 (2) Plan enrollment procedures; and

1 (3) any other Plan requirement as determined by the Board.

2 (c) The Board shall provide notice of the policies and procedures adopted
3 under this section to the Joint Committee on Administrative, Executive, and
4 Legislative Review, the Senate Finance Committee, and the House Health and
5 Government Operations Committee.

6 SECTION 3. AND BE IT FURTHER ENACTED, That the Board of Directors
7 for the Maryland Health Insurance Plan:

8 (1) may extend the date established under § 14-502(f)(1)(ii) of the
9 Insurance Article, as enacted by Section 1 of this Act, for closing enrollment in the
10 Maryland Health Insurance Plan to bridge eligible individuals if the Board determines
11 that bridge eligible individuals continue to be unsuccessful in enrolling in coverage
12 through the Maryland Health Benefit Exchange; and

13 (2) shall notify the Senate Finance Committee, the House Health and
14 Government Operations Committee, the Legislative Policy Committee of the General
15 Assembly, and the Department of Legislative Services of the extension within 15 days
16 after it is approved.

17 SECTION 4. AND BE IT FURTHER ENACTED, That:

18 (a) Beginning on February 1, 2014, the Maryland Health Insurance Plan
19 shall submit, in accordance with § 2-1246 of the State Government Article, monthly
20 reports to the Legislative Policy Committee of the General Assembly, the Senate Finance
21 Committee, and the House Health and Government Operations Committee on progress
22 in enrolling bridge eligible individuals into coverage.

23 (b) The reports shall include the number of bridge eligible individuals:

24 (1) enrolled in MHIP Standard;

25 (2) enrolled in MHIP+; and

26 (3) transitioned to coverage in a qualified health plan or other
27 coverage.

28 SECTION ~~3~~ 4 5. AND BE IT FURTHER ENACTED, That this Act is an
29 emergency measure, is necessary for the immediate preservation of the public health
30 or safety, has been passed by a yea and nay vote supported by three-fifths of all the
31 members elected to each of the two Houses of the General Assembly, and shall take
32 effect from the date it is enacted. It shall remain effective through June 30, 2015, and,
33 at the end of June 30, 2015, with no further action required by the General Assembly,
34 this Act shall be abrogated and of no further force and effect.