

# SENATE BILL 878

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8lr2318  
CF HB 1312

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By: **Senator Feldman**

Introduced and read first time: February 5, 2018

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 27, 2018

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 ~~Health Insurance Medicaid Buy In Task Force~~  
3 Maryland Health Insurance Coverage Protection Commission – Medicaid  
4 Buy-In Study

5 FOR the purpose of ~~establishing the Medicaid Buy In Task Force; providing for the~~  
6 ~~purpose, composition, chair, and staffing of the Task Force; prohibiting a member of~~  
7 ~~the Task Force from receiving certain compensation, but authorizing the~~  
8 ~~reimbursement of certain expenses; authorizing the Secretary of Health to seek and~~  
9 ~~obtain certain grant funding; requiring the Task Force to study and make~~  
10 ~~recommendations on certain matters; requiring the Task Force to report certain~~  
11 ~~findings and recommendations to the Governor and the General Assembly on or~~  
12 ~~before certain dates; providing for the termination of this Act; and generally relating~~  
13 ~~to a Medicaid Buy In Task Force~~ requiring the Maryland Health Insurance  
14 Coverage Protection Commission to study and make recommendations regarding the  
15 feasibility of a Medicaid buy-in program for a certain purpose; requiring the study  
16 to address certain matters; requiring the Commission to include certain findings and  
17 recommendations in a certain annual report; and generally relating to the Maryland  
18 Health Insurance Coverage Protection Commission and the study of a Medicaid  
19 buy-in program.

20 BY repealing and reenacting, without amendments,  
21 Chapter 17 of the Acts of the General Assembly of 2017  
22 Section 1(b) and (g)

23 BY adding to

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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.



1 Chapter 17 of the Acts of the General Assembly of 2017  
 2 Section 1(h)

3 BY repealing and reenacting, with amendments,  
 4 Chapter 17 of the Acts of the General Assembly of 2017  
 5 Section 1(h) and (i)

6 Preamble

7 WHEREAS, Only two insurers offer coverage in the State's individual health  
 8 insurance market; and

9 WHEREAS, Nine managed care organizations provide coverage to Medicaid  
 10 enrollees in the State; and

11 WHEREAS, Consumers benefit when they have more choices in finding health care  
 12 coverage that is affordable and meets their needs; and

13 WHEREAS, States are considering methods to provide more health care coverage  
 14 options to individuals in the individual market through State programs such as Medicaid;  
 15 now, therefore,

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

18 ~~(a) There is a Medicaid Buy-In Task Force.~~

19 ~~(b) The purpose of the Task Force is to make recommendations regarding the~~  
 20 ~~feasibility of a Medicaid buy-in program to expand the health care coverage choices~~  
 21 ~~available to individuals purchasing coverage.~~

22 ~~(c) The Task Force consists of the following members:~~

23 ~~(1) the Secretary of Health, or the Secretary's designee;~~

24 ~~(2) the Maryland Insurance Commissioner, or the Commissioner's~~  
 25 ~~designee;~~

26 ~~(3) the Executive Director of the Maryland Health Benefit Exchange, or the~~  
 27 ~~Executive Director's designee;~~

28 ~~(4) the Attorney General, or the Attorney General's designee; and~~

29 ~~(5) the following members appointed by the Governor:~~

1                   ~~(i) three representatives from three different consumer advocacy~~  
2 ~~organizations, including an organization that provides direct support to consumers who are~~  
3 ~~not eligible for Medicaid;~~

4                   ~~(ii) a representative of a managed care organization;~~

5                   ~~(iii) a representative of an insurance carrier that offers individual~~  
6 ~~insurance on the Maryland Health Benefit Exchange;~~

7                   ~~(iv) a representative of an insurance carrier that does not offer~~  
8 ~~individual insurance on the Maryland Health Benefit Exchange; and~~

9                   ~~(v) three representatives from health provider organizations.~~

10           ~~(d) The Secretary shall designate the chair of the Task Force.~~

11           ~~(e) (1) The Department of Legislative Services shall provide staff for the Task~~  
12 ~~Force.~~

13                   ~~(2) The Department of Legislative Services may consult with staff from the~~  
14 ~~Maryland Department of Health, the Maryland Insurance Administration, and the~~  
15 ~~Maryland Health Benefit Exchange to provide assistance in staffing the Task Force.~~

16           ~~(f) The Secretary of Health may seek and obtain grant funding to support the~~  
17 ~~Task Force.~~

18           ~~(g) A member of the Task Force:~~

19                   ~~(1) may not receive compensation as a member of the Task Force; but~~

20                   ~~(2) is entitled to reimbursement for expenses under the Standard State~~  
21 ~~Travel Regulations, as provided in the State budget.~~

22           ~~(h) The Task Force shall study and make recommendations on:~~

23                   ~~(1) the benefits and consequences of implementing a Medicaid buy-in~~  
24 ~~program;~~

25                   ~~(2) the circumstances under which the State should consider a Medicaid~~  
26 ~~buy-in program, including a consideration of the accessibility of affordable insurance~~  
27 ~~options in the individual market in rural, suburban, and urban areas;~~

28                   ~~(3) eligibility criteria for participation in the program;~~

29                   ~~(4) general parameters for a coverage package in the program;~~

~~(5) a financial structure for the program, including premiums and cost sharing, and the availability of subsidies for individuals participating in the program;~~

~~(6) the structure of a risk pool for the buy-in population and the consequences of combining the buy-in risk pool with Medicaid;~~

~~(7) an administrative structure for the program, including whether a program would be administered through Medicaid fee-for-service or through HealthChoice;~~

~~(8) an evaluation of whether a Medicaid waiver would be required to implement any of the recommendations made by the Task Force; and~~

~~(9) any other buy-in options that should be considered.~~

~~(i) (1) On or before December 15, 2018, the Task Force shall report its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, the General Assembly.~~

~~(2) On or before December 15, 2019, the Task Force may report any follow-up recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, the General Assembly.~~

### Chapter 17 of the Acts of 2017

#### SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

That:

(b) There is a Maryland Health Insurance Coverage Protection Commission.

(g) (1) The Commission shall:

(i) monitor potential and actual federal changes to the ACA, Medicaid, the Maryland Children's Health Program, Medicare, and the Maryland All-Payer Model;

(ii) assess the impact of potential and actual federal changes to the ACA, Medicaid, the Maryland Children's Health Program, Medicare, and the Maryland All-Payer Model; and

(iii) provide recommendations for State and local action to protect access of residents of the State to affordable health coverage.

(2) The duties of the Commission under paragraph (1) of this subsection shall include a study that includes:

1 (i) an assessment of the current and potential adverse effects of the  
2 loss of health coverage on the residents, public health, and economy of the State resulting  
3 from changes to the ACA, Medicaid, the Maryland Children’s Health Program, Medicare,  
4 or the Maryland All–Payer Model;

5 (ii) an estimate of the costs to the State and State residents of  
6 adverse effects from changes to the ACA, Medicaid, the Maryland Children’s Health  
7 Program, Medicare, or the Maryland All–Payer Model and the resulting loss of health  
8 coverage;

9 (iii) an examination of measures that may prevent or mitigate the  
10 adverse effects of changes to the ACA, Medicaid, the Maryland Children’s Health Program,  
11 Medicare, or the Maryland All–Payer Model and the resulting loss of health coverage on  
12 the residents, public health, and economy of the State; and

13 (iv) recommendations for laws that:

14 1. may be warranted to minimize the adverse effects  
15 associated with changes to the ACA, Medicaid, the Maryland Children’s Health Program,  
16 Medicare, or the Maryland All–Payer Model; and

17 2. will assist residents in obtaining and maintaining  
18 affordable health coverage.

19 **(H) (1) THE COMMISSION SHALL STUDY AND MAKE RECOMMENDATIONS**  
20 **REGARDING THE FEASIBILITY OF A MEDICAID BUY–IN PROGRAM TO EXPAND THE**  
21 **HEALTH CARE COVERAGE CHOICES AVAILABLE TO INDIVIDUALS PURCHASING**  
22 **COVERAGE.**

23 **(2) THE STUDY UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL**  
24 **ADDRESS:**

25 **(I) THE BENEFITS AND CONSEQUENCES OF IMPLEMENTING A**  
26 **MEDICAID BUY–IN PROGRAM;**

27 **(II) THE CIRCUMSTANCES UNDER WHICH THE STATE SHOULD**  
28 **CONSIDER A MEDICAID BUY–IN PROGRAM, INCLUDING A CONSIDERATION OF THE**  
29 **ACCESSIBILITY OF AFFORDABLE INSURANCE OPTIONS IN THE INDIVIDUAL MARKET**  
30 **IN RURAL, SUBURBAN, AND URBAN AREAS;**

31 **(III) ELIGIBILITY CRITERIA FOR PARTICIPATION IN THE**  
32 **PROGRAM;**

33 **(IV) GENERAL PARAMETERS FOR A COVERAGE PACKAGE IN THE**  
34 **PROGRAM;**

1 (V) A FINANCIAL STRUCTURE FOR THE PROGRAM, INCLUDING  
 2 PREMIUMS AND COST SHARING, AND THE AVAILABILITY OF SUBSIDIES FOR  
 3 INDIVIDUALS PARTICIPATING IN THE PROGRAM;

4 (VI) THE STRUCTURE OF A RISK POOL FOR THE BUY-IN  
 5 POPULATION AND THE CONSEQUENCES OF COMBINING THE BUY-IN RISK POOL WITH  
 6 MEDICAID;

7 (VII) AN ADMINISTRATIVE STRUCTURE FOR THE PROGRAM,  
 8 INCLUDING WHETHER A PROGRAM WOULD BE ADMINISTERED THROUGH MEDICAID  
 9 FEE-FOR-SERVICE OR THROUGH HEALTHCHOICE;

10 (VIII) AN EVALUATION OF WHETHER A MEDICAID WAIVER WOULD  
 11 BE REQUIRED TO IMPLEMENT ANY OF THE RECOMMENDATIONS MADE BY THE  
 12 COMMISSION; AND

13 (IX) ANY OTHER BUY-IN OPTIONS THAT SHOULD BE  
 14 CONSIDERED.

15 (3) THE COMMISSION SHALL INCLUDE ITS FINDINGS AND  
 16 RECOMMENDATIONS FROM THE STUDY REQUIRED UNDER PARAGRAPH (1) OF THIS  
 17 SUBSECTION IN THE ANNUAL REPORT SUBMITTED BY THE COMMISSION ON OR  
 18 BEFORE DECEMBER 31, 2018, UNDER SUBSECTION (J) OF THIS SECTION.

19 ~~[(h)]~~ **(I)** The Commission may:

20 (1) hold public meetings across the State to carry out the duties of the  
 21 Commission; and

22 (2) convene workgroups to solicit input from stakeholders.

23 ~~[(i)]~~ **(J)** On or before December 31 each year, the Commission shall submit a  
 24 report on its findings and recommendations, including any legislative proposals, to the  
 25 Governor and, in accordance with § 2-1246 of the State Government Article, the General  
 26 Assembly.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~July~~  
 28 ~~June 1, 2018. It shall remain effective for a period of 1 year and 6 months and, at the end~~  
 29 ~~of December 31, 2019, this Act, with no further action required by the General Assembly,~~  
 30 ~~shall be abrogated and of no further force and effect.~~