

HOUSE BILL 49

C3

EMERGENCY BILL

9lr0072

By: **Chair, Health and Government Operations Committee (By Request –
Departmental – Maryland Insurance Administration)**

Introduced and read first time: January 14, 2019

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Recoupment of the Health Insurance Provider Fee – Calculation**

3 FOR the purpose of clarifying that the amounts on which a certain assessment is calculated
4 for the purpose of recouping a certain health insurance provider fee are for insurance
5 products that are subject to a certain provision of federal law and may be subject to
6 an assessment by the State; requiring that the calculation of the assessment be made
7 without regard to certain threshold limits or a certain partial exclusion of net
8 premiums; making a conforming change; making this Act an emergency measure;
9 and generally relating to the recoupment of the health insurance provider fee.

10 BY repealing and reenacting, with amendments,
11 Article – Insurance
12 Section 6–102.1
13 Annotated Code of Maryland
14 (2017 Replacement Volume and 2018 Supplement)

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

17 **Article – Insurance**

18 6–102.1.

19 (a) This section applies to:

20 (1) an insurer, a nonprofit health service plan, a health maintenance
21 organization, a dental plan organization, a fraternal benefit organization, and any other
22 person subject to regulation by the State that provides a product that:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) is subject to [the fee under] § 9010 of the Affordable Care Act;
2 and

3 (ii) may be subject to an assessment by the State; and

4 (2) a managed care organization authorized under Title 15, Subtitle 1 of
5 the Health – General Article.

6 (b) The purpose of this section is to recoup the aggregate amount of the health
7 insurance provider fee that otherwise would have been assessed under § 9010 of the
8 Affordable Care Act that is attributable to State health risk for calendar year 2019 as a
9 bridge to stability in the individual health insurance market.

10 (c) (1) In calendar year 2019, in addition to the amounts otherwise due under
11 this subtitle, an entity subject to this section shall be subject to an assessment of 2.75% on
12 all amounts used to calculate the entity's premium tax liability under § 6–102 of this
13 subtitle or the amount of the entity's premium tax exemption value for calendar year 2018
14 **FOR PRODUCTS THAT:**

15 (I) **ARE SUBJECT TO § 9010 OF THE AFFORDABLE CARE ACT;**
16 **AND**

17 (II) **MAY BE SUBJECT TO AN ASSESSMENT BY THE STATE.**

18 (2) **THE CALCULATION OF THE ASSESSMENT REQUIRED UNDER**
19 **PARAGRAPH (1) OF THIS SUBSECTION SHALL BE MADE WITHOUT REGARD TO:**

20 (I) **THE THRESHOLD LIMITS ESTABLISHED IN § 9010(B)(2)(A)**
21 **OF THE AFFORDABLE CARE ACT; OR**

22 (II) **THE PARTIAL EXCLUSION OF NET PREMIUMS PROVIDED FOR**
23 **IN § 9010(B)(2)(B) OF THE AFFORDABLE CARE ACT.**

24 [(2)] (3) Notwithstanding § 2–114 of this article, the assessment required
25 under this section shall be distributed by the Commissioner to the Maryland Health Benefit
26 Exchange Fund established under § 31–107 of this article.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
28 measure, is necessary for the immediate preservation of the public health or safety, has
29 been passed by a ye and nay vote supported by three–fifths of all the members elected to
30 each of the two Houses of the General Assembly, and shall take effect from the date it is
31 enacted.