

HOUSE BILL 1098

C3

9lr1749

By: **Delegate Kipke**

Introduced and read first time: February 8, 2019

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Maryland Health Benefit Exchange – Small Business Tax**
3 **Credit Subsidy**

4 FOR the purpose of altering the contents of the Maryland Health Benefit Exchange Fund;
5 requiring the Maryland Health Benefit Exchange, in consultation with the Maryland
6 Insurance Commissioner and as approved by the Board of Trustees of the Exchange,
7 to submit a waiver under certain provisions of federal law as soon as practicable but
8 not later than a certain date to allow the State to administer certain tax credit
9 assistance to small businesses; and generally relating to the Maryland Health
10 Benefit Exchange and a small business tax credit subsidy.

11 BY repealing and reenacting, without amendments,
12 Article – Insurance
13 Section 31–102(a) and (c)(3) and 31–107(a), (b)(1)(i), and (f)(1)
14 Annotated Code of Maryland
15 (2017 Replacement Volume and 2018 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Insurance
18 Section 31–107(e)
19 Annotated Code of Maryland
20 (2017 Replacement Volume and 2018 Supplement)

21 BY adding to
22 Article – Insurance
23 Section 31–121
24 Annotated Code of Maryland
25 (2017 Replacement Volume and 2018 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Insurance

1

2 31–102.

3 (a) There is a Maryland Health Benefit Exchange.

4 (c) The purposes of the Exchange are to:

5 (3) assist qualified employers in the State in facilitating the enrollment of
6 their employees in qualified health plans in the small group market in the State and in
7 accessing small business tax credits;

8 31–107.

9 (a) There is a Maryland Health Benefit Exchange Fund.

10 (b) (1) The purpose of the Fund is to:

11 (i) provide funding for the operation and administration of the
12 Exchange in carrying out the purposes of the Exchange under this title; and

13 (e) The Fund consists of:

14 (1) any user fees or other assessments collected by the Exchange;

15 (2) all revenue deposited into the Fund that is received from the
16 distribution of the premium tax under § 6–103.2 of this article;

17 (3) income from investments made on behalf of the Fund;

18 (4) interest on deposits or investments of money in the Fund;

19 (5) money collected by the Board as a result of legal or other actions taken
20 by the Board on behalf of the Exchange or the Fund;

21 (6) money donated to the Fund;

22 (7) money awarded to the Fund through grants;

23 (8) any pass-through funds received from the federal government under a
24 waiver approved under § 1332 of the Affordable Care Act;25 (9) any funds designated by the federal government to provide reinsurance
26 to carriers that offer individual health benefit plans in the State;

27 (10) any funds designated by the State to provide reinsurance to carriers

1 that offer individual health benefit plans in the State; [and]

2 **(11) ANY FUNDS DESIGNATED FOR THE STATE-BASED SUBSIDY FOR**
3 **THE SMALL BUSINESS TAX CREDIT; AND**

4 **[(11)] (12)** any other money from any other source accepted for the benefit
5 of the Fund.

6 (f) The Fund may be used only:

7 (1) for the operation and administration of the Exchange in carrying out
8 the purposes authorized under this title; and

9 **31-121.**

10 **AS SOON AS PRACTICABLE BUT NOT LATER THAN JANUARY 1, 2020, THE**
11 **EXCHANGE, IN CONSULTATION WITH THE COMMISSIONER AND AS APPROVED BY**
12 **THE BOARD, SHALL SUBMIT A STATE INNOVATION WAIVER APPLICATION UNDER §**
13 **1332 OF THE AFFORDABLE CARE ACT TO ALLOW THE STATE TO ADMINISTER**
14 **STATE-BASED TAX CREDIT ASSISTANCE TO SMALL BUSINESSES FOR MONTHLY**
15 **PREMIUM PAYMENTS.**

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
17 1, 2019.