

SB0638/186087/1

BY: Health and Government Operations Committee

AMENDMENTS TO SENATE BILL 638
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 7, after “organization;” insert “prohibiting a certain administrative services organization from using certain funds or otherwise passing certain expenses onto the State;”; in line 12, after “examinations;” insert “prohibiting the Commissioner from requiring the payment of certain interest or imposing certain fines if a certain determination is made; requiring the Commissioner to turn over certain findings to the Maryland Department of Health; requiring the Commissioner to submit certain reports to certain committees of the General Assembly; providing for the termination of this Act;”; and in line 22, after “2-108” insert “, 2-208.”

AMENDMENT NO. 2

On page 2, after line 30, insert:

“2-208.

(A) [The] SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE expense incurred in an examination made under § 2-205 of this subtitle, § 2-206 of this subtitle for surplus lines brokers and insurance holding corporations, § 23-207 of this article for premium finance companies, § 15-10B-19 of this article for private review agents, § 15-10B-20 of this article, or § 14-610 of this article for discount medical plan organizations and discount drug plan organizations shall be paid by the person examined in the following manner:

(1) the person examined shall pay to the Commissioner the travel expenses, a living expense allowance, and a per diem as compensation for examiners, actuaries, and typists:

- (i) to the extent incurred for the examination; and
- (ii) at reasonable rates set by the Commissioner;

(Over)

SB0638/186087/1 Health and Government Operations Committee
Amendments to SB 638
Page 2 of 3

(2) the Commissioner may present a detailed account of expenses incurred to the person examined periodically during the examination or at the end of the examination, as the Commissioner considers proper; and

(3) a person may not pay and an examiner may not accept any compensation for an examination in addition to the compensation under paragraph (1) of this section.

(B) IF THE COMMISSIONER CONDUCTS AN EXAMINATION OF AN ADMINISTRATIVE SERVICES ORGANIZATION THAT ADMINISTERS THE DELIVERY SYSTEM FOR SPECIALTY MENTAL HEALTH SERVICES ESTABLISHED UNDER § 15-103(B)(21) OF THE HEALTH – GENERAL ARTICLE, THE ADMINISTRATIVE SERVICES ORGANIZATION MAY NOT USE STATE FUNDS OR OTHERWISE PASS ONTO THE STATE THE EXPENSES DESCRIBED IN SUBSECTION (A) OF THIS SECTION.”.

AMENDMENT NO. 3

On page 3, after line 29, insert:

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

(a) When determining whether or not to require the payment of interest or impose a fine or other monetary penalty on an administrative services organization that administers the delivery system for specialty mental health services established under § 15-103(b)(21) of the Health – General Article in accordance with the authorization provided in § 15-1005(j) of the Insurance Article, as enacted by Section 1 of this Act, the Maryland Insurance Commissioner:

(1) shall consider whether the administrative services organization will use State funds or otherwise pass on the cost of the penalty to the State; and

(2) may not require the payment of interest or impose a fine or other monetary penalty if the Commissioner determines that the administrative services

SB0638/186087/1 Health and Government Operations Committee
Amendments to SB 638
Page 3 of 3

organization will use State funds or otherwise pass on the cost of the interest or penalty to the State.

(b) If the Maryland Insurance Commissioner investigates a complaint that an administrative services organization that administers the delivery system for specialty mental health services established under § 15–103(b)(21) of the Health – General Article violated § 15–103(b)(21)(vi) of the Health – General Article, the Commissioner shall turn over any findings of the investigation to the Maryland Department of Health.

(c) If the Maryland Insurance Commissioner conducts an examination of an administrative services organization that administers the delivery system for specialty mental health services established under § 15–103(b)(21) of the Health – General Article in accordance with the authorization provided under § 15–1005(j) of the Insurance Article, as enacted by Section 1 of this Act, the Commissioner shall submit the examination report to the Senate Finance Committee, the Senate Budget and Taxation Committee, the House Health and Government Operations Committee, and the House Appropriations Committee, in accordance with § 2-1257 of the State Government Article.”;

in line 30, strike “2.” and substitute “3.”; and in line 34, after “enacted.” insert “It shall remain effective for a period of 2 years from the date it is enacted and, at the end of the 2–year period, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.”.