By: Delegates Lopez, Allen, Alston, Amprey, Atterbeary, Bagnall, Bartlett, Bhandari, Boafo, Boyce, Cardin, Chang, Charkoudian, Clippinger, Conaway, Crosby, Crutchfield, Cullison, Davis, Ebersole, Edelson, Embry, Fair, Feldmark, Fennell, Foley, Forbes, Fraser-Hidalgo, Guyton, Guzzone, Hill, Ivey, A. Johnson, S. Johnson, D. Jones, Kaiser, Kaufman, Kerr, Korman, Lehman, R. Lewis, J. Long, Martinez, McCaskill, Mireku-North, Palakovich Carr, Pasteur, Patterson, Pena-Melnyk, Phillips, Pruski, Queen, Roberson, Rogers, Rosenberg, Ruff, Ruth, Shetty, Simmons, Simpson, Smith, Solomon, Spiegel, Stein, Stewart, Taveras, Terrasa, Toles, Valderrama, Vogel, Watson, Wells, White Holland, Wilkins, Williams, Wilson, Wims, Wolek, Woods, Woorman, Wu, Young, and Ziegler Ziegler, and <u>Ross</u>

Introduced and read first time: January 31, 2025 Assigned to: Health and Government Operations

Committee Report: Favorable with amendments House action: Adopted Read second time: March 2, 2025

CHAPTER _____

- 1 AN ACT concerning
- $\mathbf{2}$

Public Health Abortion Grant Program – Establishment

- 3 FOR the purpose of establishing the Public Health Abortion Grant Program to provide 4 grants to improve access to abortion care clinical services for individuals in the State; establishing the Public Health Abortion Grant Program Fund as a special, $\mathbf{5}$ 6 nonlapsing fund to provide grants under the Public Health Abortion Grant Program; 7 requiring that certain premium funds collected by health insurance carriers be used 8 to provide certain coverage and to support improving access to abortion care clinical 9 services under certain circumstances; and generally relating to the Public Health 10 Abortion Grant Program and Fund.
- 11 BY adding to
- 12 Article Insurance
- 13 Section 15–147

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



$egin{array}{c} 1 \ 2 \end{array}$	Annotated Code of Maryland (2017 Replacement Volume and 2024 Supplement)				
3	BY adding to				
4	Article – Health – General				
5					
6	Health Abortion Grant Program"				
7	Annotated Code of Maryland				
8	(2023 Replacement Volume and 2024 Supplement)				
9	BY repealing and reenacting, without amendments,				
10	Article – State Finance and Procurement				
11	Section 6–226(a)(2)(i)				
12	Annotated Code of Maryland				
13	(2021 Replacement Volume and 2024 Supplement)				
14	BY repealing and reenacting, with amendments,				
15	Article – State Finance and Procurement				
16	Section 6–226(a)(2)(ii)204. and 205.				
17	Annotated Code of Maryland				
18	(2021 Replacement Volume and 2024 Supplement)				
19	BY adding to				
20	Article – State Finance and Procurement				
21	Section 6–226(a)(2)(ii)206.				
22	Annotated Code of Maryland				
23	(2021 Replacement Volume and 2024 Supplement)				
24	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,				
25	That the Laws of Maryland read as follows:				
26	Article – Insurance				
27	15–147.				
28	(A) THIS SECTION APPLIES TO:				
29	(1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT				
30	PROVIDE HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS				
31	ON AN EXPENSE-INCURRED BASIS UNDER HEALTH INSURANCE POLICIES OR				
32	CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE; AND				
33	(2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE				
34	HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS UNDER				
35	CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.				

 $\mathbf{2}$

1 (B) (1) ANY PREMIUM FUNDS COLLECTED BY AN ENTITY SUBJECT TO 2 THIS SECTION FOR ABORTION COVERAGE IN ACCORDANCE WITH § 1303(B)(2)(B) 3 AND (C) OF THE FEDERAL PATIENT PROTECTION AND AFFORDABLE CARE ACT 4 SHALL BE USED:

5 (I) TO PROVIDE COVERAGE FOR ABORTION CARE CLINICAL 6 SERVICES FOR INSUREDS OR ENROLLEES IN ACCORDANCE WITH § 15–857 OF THIS 7 TITLE; AND

8 (II) IN ACCORDANCE WITH PARAGRAPH (2) OF THIS 9 SUBSECTION.

10 (2) IF AFTER THE 12-MONTH PERIOD FOLLOWING THE END OF A PLAN 11 YEAR THE AMOUNT OF THE ENDING BALANCE OF A SEGREGATED ACCOUNT 12 ESTABLISHED FOR COVERAGE OF ABORTION CARE CLINICAL SERVICES EXCEEDS 13 DISBURSEMENTS, 90% OF THE ENDING BALANCE SHALL BE USED TO SUPPORT 14 COVERAGE OF ABORTION CARE CLINICAL SERVICES FOR WHICH THE USE OF 15 FEDERAL FUNDS IS PROHIBITED.

16 (C) ON OR BEFORE MARCH 1 EACH YEAR, AN ENTITY SUBJECT TO THIS 17 SECTION SHALL SUBMIT TO THE COMMISSIONER AN ACCOUNTING OF RECEIPTS, 18 DISBURSEMENTS, ACCRUED INTEREST, AND THE YEAR-END BALANCE FOR 19 SEGREGATED ACCOUNTS ESTABLISHED BY THE ENTITY UNDER § 1303(B)(2)(B) AND 20 (C) OF THE FEDERAL PATIENT PROTECTION AND AFFORDABLE CARE ACT:

21

(1) ON A FORM APPROVED BY THE COMMISSIONER; AND

22 (2) WITH ANY RELATED DOCUMENTATION REQUIRED BY THE 23 COMMISSIONER.

(D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE
COMMISSIONER SHALL ORDER THE TRANSFER OF FUNDS FROM EACH ENTITY'S
SEGREGATED ACCOUNT ESTABLISHED BY THE ENTITY FOR COVERAGE OF ABORTION
CARE CLINICAL SERVICES TO THE PUBLIC HEALTH ABORTION GRANT PROGRAM
FUND ESTABLISHED UNDER § 13–5503 OF THE HEALTH – GENERAL ARTICLE IN THE
FOLLOWING AMOUNTS:

30(I) ON OR BEFORE SEPTEMBER 1, 2025, 90% OF THE AMOUNT31OF THE ENDING BALANCE OF THE SEGREGATED ACCOUNT THAT EXCEEDS32DISBURSEMENTS FOR EACH OF PLAN YEARS 2014 THROUGH 2023; AND

33 (II) ON OR BEFORE JULY 1 EACH YEAR, BEGINNING IN 2026,
34 90% OF THE AMOUNT OF THE ENDING BALANCE OF A SEGREGATED ACCOUNT THAT

$\frac{1}{2}$	EXCEEDS DISBURSEMENTS AFTER THE 15–MONTH PERIOD FOLLOWING THE END OF A PLAN YEAR.					
3 4 5	(2) (I) THE AMOUNT ORDERED TO BE TRANSFERRED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION SHALL INCLUDE THE AMOUNT OF INTEREST ACCRUED TO THE SEGREGATED ACCOUNT AS OF DECEMBER 31, 2025 <u>2024</u> .					
6 7 8 9	(II) THE AMOUNT ORDERED TO BE TRANSFERRED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION SHALL INCLUDE THE AMOUNT OF INTEREST ACCRUED TO THE SEGREGATED ACCOUNT AS OF DECEMBER 31 OF THE IMMEDIATELY PRECEDING CALENDAR YEAR.					
$10 \\ 11 \\ 12$	(E) A PARTY AGGRIEVED BY AN ORDER OF THE COMMISSIONER UNDER THIS SECTION HAS THE RIGHT TO A HEARING AND THE RIGHT TO APPEAL FROM THE ORDER OF THE COMMISSIONER UNDER §§ 2–210 THROUGH 2–215 OF THIS ARTICLE.					
13	Article – Health – General					
14	SUBTITLE 55. PUBLIC HEALTH ABORTION GRANT PROGRAM.					
15	13-5501.					
$\begin{array}{c} 16 \\ 17 \end{array}$	(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.					
18	(B) "ELIGIBLE ORGANIZATION" MEANS AN ORGANIZATION THAT:					
19 20 21	(1) (I) 1. IS OWNED BY OR EMPLOYS HEALTH CARE PRACTITIONERS WHO ARE AUTHORIZED TO PRACTICE UNDER THE HEALTH OCCUPATIONS ARTICLE; AND					
$\begin{array}{c} 22\\ 23 \end{array}$	2. PROVIDES EQUITABLE ACCESS TO ABORTION CARE CLINICAL SERVICES FOR INDIVIDUALS WITHOUT SUFFICIENT RESOURCES; OR					
24 25 26	(II) ADMINISTERS A FUND TO PROVIDE EQUITABLE ACCESS TO ABORTION CARE CLINICAL SERVICES FOR INDIVIDUALS WITHOUT SUFFICIENT RESOURCES;					
$\begin{array}{c} 27\\ 28 \end{array}$	(2) IS IN GOOD STANDING IN THE STATE OR JURISDICTION IN WHICH THE ORGANIZATION IS REGISTERED OR INCORPORATED; AND					
29 30	(3) HAS POLICIES THAT DO NOT RESTRICT ACCESS TO ABORTION CARE AND ARE CONSISTENT WITH TITLE 20, SUBTITLE 2 OF THIS ARTICLE.					

4

1 (C) "FUND" MEANS THE PUBLIC HEALTH ABORTION GRANT PROGRAM 2 FUND.

3 (D) "INDIVIDUALS WITHOUT SUFFICIENT RESOURCES" MEANS INDIVIDUALS
4 WHO ARE:

5 (1) UNINSURED;

6 (2) UNDERINSURED, WITHOUT SUFFICIENT ABORTION COVERAGE; 7 OR

8 (3) UNABLE TO USE THEIR INSURANCE DUE TO THE RISKS POSED BY 9 COMMUNICATION FROM INSURANCE CARRIERS REGARDING COVERAGE.

10 (E) "PROGRAM" MEANS THE PUBLIC HEALTH ABORTION GRANT 11 PROGRAM.

12 **13–5502.**

13 (A) THERE IS A PUBLIC HEALTH ABORTION GRANT PROGRAM.

14(B)THE PURPOSE OF THE PROGRAM IS TO PROVIDE GRANTS TO IMPROVE15ACCESS TO ABORTION CARE CLINICAL SERVICES FOR INDIVIDUALS IN THE STATE.

16 (C) (1) THE SECRETARY SHALL PROVIDE OPERATING GRANTS TO 17 ELIGIBLE ORGANIZATIONS TO SUPPORT EQUITABLE ACCESS TO ABORTION CARE 18 CLINICAL SERVICES ACROSS THE STATE.

19 (2) GRANT FUNDS PROVIDED UNDER THE PROGRAM SHALL BE USED 20 TO SUPPORT ABORTION CARE CLINICAL SERVICES FOR WHICH FEDERAL FUNDING 21 IS PROHIBITED FOR INDIVIDUALS WITHOUT SUFFICIENT RESOURCES, INCLUDING 22 TO COVER REASONABLE ADMINISTRATIVE COSTS OF MANAGING SERVICES 23 PROVIDED UNDER THE GRANT.

24 (D) THE DEPARTMENT SHALL AWARD AT LEAST 90% OF THE FUNDS 25 APPROPRIATED FOR THE PROGRAM AS GRANTS TO ELIGIBLE ORGANIZATIONS.

26 (E) THE DEPARTMENT MAY NOT:

27 (1) RELEASE, PUBLISH, OR OTHERWISE DISCLOSE ANY IDENTIFYING 28 INFORMATION FOR:

1(I)THE STAFF OF AN ELIGIBLE ORGANIZATION THAT APPLIES2FOR OR RECEIVES A GRANT OR REIMBURSEMENT FROM GRANT FUNDING UNDER3THE PROGRAM; OR

4 (II) AN INDIVIDUAL HEALTH CARE PRACTITIONER OR STAFF 5 WHO PROVIDES ABORTION CARE CLINICAL SERVICES FOR AN ELIGIBLE 6 ORGANIZATION THAT RECEIVES A GRANT OR REIMBURSEMENT FROM GRANT 7 FUNDING UNDER THE PROGRAM; OR

8 (2) COLLECT IDENTIFYING INFORMATION FOR INDIVIDUALS WHO 9 REQUEST OR OBTAIN SUPPORT FOR ABORTION CARE CLINICAL SERVICES FROM AN 10 ELIGIBLE ORGANIZATION AWARDED A GRANT UNDER THE PROGRAM.

11 (F) THE DEPARTMENT MAY NOT:

12 (1) RESTRICT THE USE OF FUNDS GRANTED UNDER THE PROGRAM IN 13 A MANNER THAT IS INCONSISTENT WITH TITLE 20, SUBTITLE 2 OF THIS ARTICLE; OR

14 (2) ALLOW AN ELIGIBLE ORGANIZATION THAT IS AWARDED A GRANT 15 UNDER THE PROGRAM TO RESTRICT THE USE OF FUNDS IN A MANNER THAT IS 16 INCONSISTENT WITH TITLE 20, SUBTITLE 2 OF THIS ARTICLE.

17 (G) THE DEPARTMENT SHALL DEVELOP STANDARDS FOR THE GRANTS TO 18 ENSURE FUNDS ARE BEING USED IN ACCORDANCE WITH THE REQUIREMENTS OF 19 THIS SECTION.

20 **13–5503.**

21 (A) THERE IS A PUBLIC HEALTH ABORTION GRANT PROGRAM FUND.

22 (B) THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS UNDER THE 23 PROGRAM.

24 (C) THE SECRETARY SHALL ADMINISTER THE FUND.

25 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT 26 SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

27 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, 28 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

29 (E) THE FUND CONSISTS OF:

1 (1) MONEY TRANSFERRED TO THE FUND UNDER § 15–147 OF THE 2 INSURANCE ARTICLE;

- 3 (2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;
 - (3) INTEREST EARNINGS OF THE FUND; AND

5 (4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR 6 THE BENEFIT OF THE FUND.

7 (F) THE FUND MAY BE USED ONLY FOR THE PROGRAM.

8 (G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND 9 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

10(2)ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO11THE FUND.

12 (H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE 13 WITH THE STATE BUDGET.

14 (I) ON OR BEFORE OCTOBER 1, 2025, THE GOVERNOR SHALL ALLOCATE TO 15 THE PROGRAM BY BUDGET AMENDMENT \$2,000,000 IN FUNDING AS REQUIRED TO 16 BE TRANSFERRED TO THE FUND UNDER § 15–147(D)(1)(I) OF THE INSURANCE 17 ARTICLE.

18 (J) BEGINNING IN FISCAL YEAR 2027, THE GOVERNOR SHALL INCLUDE IN 19 THE ANNUAL BUDGET BILL AN APPROPRIATION FOR THE FUND THAT IS AT LEAST 20 EQUAL TO THE FUNDING REQUIRED TO BE TRANSFERRED TO THE FUND UNDER § 21 15–147(D)(1)(II) OF THE INSURANCE ARTICLE.

22

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Article – State Finance and Procurement

23 6-226.

24 (a) (2) (i) 1. This subparagraph does not apply in fiscal years 2024 25 through 2028.

26 2. Notwithstanding any other provision of law, and unless 27 inconsistent with a federal law, grant agreement, or other federal requirement or with the 28 terms of a gift or settlement agreement, net interest on all State money allocated by the 29 State Treasurer under this section to special funds or accounts, and otherwise entitled to 30 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General 31 Fund of the State.

$\frac{1}{2}$	(ii) to the following funds:	The p	rovisions of subparagraph (i) of this paragraph do not apply		
2 3 4	[and]	204.	the Victims of Domestic Violence Program Grant Fund;		
5	[unu]	205.	the Proposed Programs Collaborative Grant Fund ; AND		
$6 \\ 7$	Fund.	206.	THE PUBLIC HEALTH ABORTION GRANT PROGRAM		
8	SECTION 2. AND BE IT FURTHER ENACTED, That:				
9 10 11 12 13	(a) If, on or before June 30, 2031, the Centers for Medicare and Medicaid Services advises the Maryland Insurance Administration that the provisions of Section 1 of this Act violate § 1303 of the federal Patient Protection and Affordable Care Act, Section 1 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.				
$14\\15\\16$	(b) The Maryland Insurance Administration shall notify the Department of Legislative Services within 5 days after receiving notice that Section 1 of this Act violates § 1303 of the federal Patient Protection and Affordable Care Act.				
17	SECTION 3. AND	BE IT	FURTHER ENACTED, That this Act shall take effect July		

18 1, 2025.

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Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.