

HOUSE BILL 1104

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

Introduced and read first time: February 5, 2025

Assigned to: Health and Government Operations and Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Department of Health – AHEAD Model Implementation – Electronic**
3 **Health Care Transactions and Population Health Improvement Fund**

4 FOR the purpose of clarifying that electronic health care transactions information may be
5 used to support the participation of the State in the States Advancing All–Payer
6 Health Equity Approaches and Development (AHEAD) Model and any successor
7 models; establishing the Population Health Improvement Fund as a special,
8 nonlapsing fund to invest in population health improvements to support the
9 statewide population health targets under the AHEAD Model and any successor
10 models; requiring that interest earnings of the Fund be credited to the Fund;
11 authorizing the Health Services Cost Review Commission to assess a certain amount
12 in hospital rates to be credited to the Fund; and generally relating to the
13 implementation of the AHEAD Model.

14 BY repealing and reenacting, with amendments,
15 Article – Health – General
16 Section 4–302.3(f)(3)(i), (h)(1), and (j)(3)
17 Annotated Code of Maryland
18 (2023 Replacement Volume and 2024 Supplement)

19 BY adding to
20 Article – Health – General
21 Section 13–5501 and 13–5502 to be under the new subtitle “Subtitle 55. Population
22 Health Improvement Fund”
23 Annotated Code of Maryland
24 (2023 Replacement Volume and 2024 Supplement)

25 BY repealing and reenacting, without amendments,
26 Article – State Finance and Procurement
27 Section 6–226(a)(2)(i)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland
2 (2021 Replacement Volume and 2024 Supplement)

3 BY repealing and reenacting, with amendments,
4 Article – State Finance and Procurement
5 Section 6–226(a)(2)(ii)204. and 205.
6 Annotated Code of Maryland
7 (2021 Replacement Volume and 2024 Supplement)

8 BY adding to
9 Article – State Finance and Procurement
10 Section 6–226(a)(2)(ii)206.
11 Annotated Code of Maryland
12 (2021 Replacement Volume and 2024 Supplement)

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

15 **Article – Health – General**

16 4–302.3.

17 (f) (3) (i) If approved by the Maryland Health Care Commission, the
18 information submitted under paragraph (1) of this subsection may be combined with other
19 data maintained by the State–designated health information exchange to facilitate:

- 20 1. A State health improvement program;
- 21 2. Mitigation of a public health emergency; [and]
- 22 3. Improvement of patient safety; AND

23 **4. THE PARTICIPATION OF THE STATE IN THE CENTER**
24 **FOR MEDICARE AND MEDICAID INNOVATION’S STATES ADVANCING ALL–PAYER**
25 **HEALTH EQUITY APPROACHES AND DEVELOPMENT (AHEAD) MODEL AND ANY**
26 **SUCCESSOR MODELS.**

27 (h) (1) An electronic health network shall provide electronic health care
28 transactions to the State–designated health information exchange for the following public
29 health and clinical purposes:

- 30 (i) A State health improvement program;
- 31 (ii) Mitigation of a public health emergency; [and]
- 32 (iii) Improvement of patient safety; AND

1 (IV) THE PARTICIPATION OF THE STATE IN THE CENTER FOR
2 MEDICARE AND MEDICAID INNOVATION'S STATES ADVANCING ALL-PAYER
3 HEALTH EQUITY APPROACHES AND DEVELOPMENT (AHEAD) MODEL AND ANY
4 SUCCESSOR MODELS.

5 (j) (3) Regulations adopted under paragraph (1) of this subsection [shall]:

6 (i) [Limit] SHALL LIMIT redisclosure of financial information,
7 including billed or paid amounts available in electronic claims transactions;

8 (ii) MAY NOT RESTRICT THE STATE'S USE OF FINANCIAL
9 INFORMATION, INCLUDING BILLED OR PAID AMOUNTS AVAILABLE IN ELECTRONIC
10 CLAIMS TRANSACTIONS, FOR PUBLIC HEALTH PURPOSES RELATED TO THE
11 PARTICIPATION OF THE STATE IN THE CENTER FOR MEDICARE AND MEDICAID
12 INNOVATION'S STATES ADVANCING ALL-PAYER HEALTH EQUITY APPROACHES
13 AND DEVELOPMENT (AHEAD) MODEL AND ANY SUCCESSOR MODELS;

14 [(ii)] (iii) [Restrict] SHALL RESTRICT data of patients who have
15 opted out of records sharing through the State-designated health information exchange or
16 a health information exchange authorized by the Maryland Health Care Commission;

17 [(iii)] (iv) [Restrict] SHALL RESTRICT data from health care
18 providers that possess sensitive health care information; and

19 [(iv)] (v) [Restrict] SHALL RESTRICT data of patients who have
20 obtained legally protected health care.

21 **SUBTITLE 55. POPULATION HEALTH IMPROVEMENT FUND.**

22 **13-5501.**

23 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
24 INDICATED.

25 (B) "AHEAD MODEL" MEANS THE STATES ADVANCING ALL-PAYER
26 HEALTH EQUITY APPROACHES AND DEVELOPMENT MODEL ADMINISTERED BY THE
27 CENTER FOR MEDICARE AND MEDICAID INNOVATION.

28 (C) "FUND" MEANS THE POPULATION HEALTH IMPROVEMENT FUND.

29 (D) "STATEWIDE HEALTH EQUITY PLAN" MEANS THE EQUITY PLAN
30 REQUIRED UNDER THE AHEAD MODEL STATE AGREEMENT WITH THE CENTER
31 FOR MEDICARE AND MEDICAID SERVICES.

1 13-5502.

2 (A) THERE IS A POPULATION HEALTH IMPROVEMENT FUND.

3 (B) THE PURPOSE OF THE FUND IS TO INVEST IN POPULATION HEALTH
4 IMPROVEMENTS TO SUPPORT THE STATEWIDE POPULATION HEALTH TARGETS
5 UNDER THE AHEAD MODEL AND ANY SUCCESSOR MODELS.

6 (C) THE DEPARTMENT AND THE HEALTH SERVICES COST REVIEW
7 COMMISSION JOINTLY SHALL ADMINISTER THE FUND.

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

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

12 (E) THE FUND CONSISTS OF:

13 (1) THE REVENUES FROM THE UNIFORM, BROAD-BASED
14 ASSESSMENT MADE UNDER SUBSECTION (K) OF THIS SECTION;

15 (2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

16 (3) INTEREST EARNINGS; AND

17 (4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
18 THE BENEFIT OF THE FUND.

19 (F) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE FUND
20 MAY BE USED ONLY FOR EXPENSES ASSOCIATED WITH STATEWIDE POPULATION
21 HEALTH IMPROVEMENT INITIATIVES IN ALIGNMENT WITH THE STATEWIDE HEALTH
22 EQUITY PLAN AS DIRECTED BY THE SECRETARY.

23 (2) ACTIVITIES PAID FOR BY THE FUND MUST SUPPORT THE GOAL OF
24 MEETING THE STATEWIDE POPULATION HEALTH TARGETS OUTLINED IN THE
25 AHEAD MODEL STATE AGREEMENT WITH THE CENTER FOR MEDICARE AND
26 MEDICAID SERVICES AND HAVE AT LEAST ONE OF THE FOLLOWING FUNCTIONS:

27 (I) REDUCING RATES OF COMMON PREVENTABLE HEALTH
28 CONDITIONS;

1 (II) ADDRESSING HEALTH-RELATED SOCIAL NEEDS; OR

2 (III) REDUCING OR ELIMINATING HEALTH DISPARITIES.

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

5 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO
6 THE FUND.

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

9 (I) MONEY EXPENDED FROM THE FUND IS SUPPLEMENTAL TO AND IS NOT
10 INTENDED TO TAKE THE PLACE OF FUNDING THAT WOULD OTHERWISE BE
11 APPROPRIATED FOR THE MARYLAND MEDICAL ASSISTANCE PROGRAM.

12 (J) THE FUND IS SUBJECT TO AUDIT BY THE OFFICE OF LEGISLATIVE
13 AUDITS AS PROVIDED IN § 2-1220 OF THE STATE GOVERNMENT ARTICLE.

14 (K) (1) EACH YEAR, THE HEALTH SERVICES COST REVIEW COMMISSION
15 MAY ASSESS A UNIFORM, BROAD-BASED, AND REASONABLE AMOUNT IN HOSPITAL
16 RATES TO BE CREDITED TO THE FUND.

17 (2) FUNDS GENERATED FROM THE ASSESSMENT UNDER PARAGRAPH
18 (1) OF THIS SUBSECTION MAY BE USED ONLY FOR THE EXPENSES DESCRIBED IN
19 SUBSECTION (F) OF THIS SECTION.

20 **Article – State Finance and Procurement**

21 6-226.

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

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

30 (ii) The provisions of subparagraph (i) of this paragraph do not apply
31 to the following funds:

