J1, J5, J4

5lr2767 CF HB 930

By: Senator Guzzone

Introduced and read first time: January 28, 2025 Assigned to: Finance and Budget and Taxation

Committee Report: Favorable with amendments Senate action: Adopted Read second time: February 27, 2025

CHAPTER _____

1 AN ACT concerning

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Public Health Abortion Grant Program – Establishment

- 3 FOR the purpose of establishing the Public Health Abortion Grant Program to provide grants to improve access to abortion care clinical services for individuals in the State; 4 $\mathbf{5}$ establishing the Public Health Abortion Grant Program Fund as a special, 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 to provide certain coverage and to support improving access to abortion care clinical 8 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
- 14 Annotated Code of Maryland
- 15 (2017 Replacement Volume and 2024 Supplement)
- 16 BY adding to
- 17 Article Health General
- 18 Section 13–5501 through 13–5503 to be under the new subtitle "Subtitle 55. Public
 19 Health Abortion Grant Program"
- 20 Annotated Code of Maryland
- 21 (2023 Replacement Volume and 2024 Supplement)
- 22 BY repealing and reenacting, without amendments,

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.



- 1 Article State Finance and Procurement
- 2 Section 6–226(a)(2)(i)
- 3 Annotated Code of Maryland
- 4 (2021 Replacement Volume and 2024 Supplement)
- 5 BY repealing and reenacting, with amendments,
- 6 Article State Finance and Procurement
- 7 Section 6–226(a)(2)(ii)204. and 205.
- 8 Annotated Code of Maryland
- 9 (2021 Replacement Volume and 2024 Supplement)
- 10 BY adding to
- 11 Article State Finance and Procurement
- 12 Section 6–226(a)(2)(ii)206.
- 13 Annotated Code of Maryland
- 14 (2021 Replacement Volume and 2024 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 **15–147.**
- 19 (A) THIS SECTION APPLIES TO:

20 (1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT 21 PROVIDE HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS 22 ON AN EXPENSE–INCURRED BASIS UNDER HEALTH INSURANCE POLICIES OR 23 CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE; AND

24(2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE25HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS UNDER26CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.

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

31(I) TO PROVIDE COVERAGE FOR ABORTION CARE CLINICAL32SERVICES FOR INSUREDS OR ENROLLEES IN ACCORDANCE WITH § 15–857 OF THIS33TITLE; AND

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

3 (2) IF AFTER THE 12-MONTH PERIOD FOLLOWING THE END OF A PLAN 4 YEAR THE AMOUNT OF THE ENDING BALANCE OF A SEGREGATED ACCOUNT 5 ESTABLISHED FOR COVERAGE OF ABORTION CARE CLINICAL SERVICES EXCEEDS 6 DISBURSEMENTS, 90% OF THE ENDING BALANCE SHALL BE USED TO SUPPORT 7 COVERAGE OF ABORTION CARE CLINICAL SERVICES FOR WHICH THE USE OF 8 FEDERAL FUNDS IS PROHIBITED.

9 (C) ON OR BEFORE MARCH 1 EACH YEAR, AN ENTITY SUBJECT TO THIS 10 SECTION SHALL SUBMIT TO THE COMMISSIONER AN ACCOUNTING OF RECEIPTS, 11 DISBURSEMENTS, ACCRUED INTEREST, AND THE YEAR-END BALANCE FOR 12 SEGREGATED ACCOUNTS ESTABLISHED BY THE ENTITY UNDER § 1303(B)(2)(B) AND 13 (C) OF THE FEDERAL PATIENT PROTECTION AND AFFORDABLE CARE ACT:

- 14
- (1) ON A FORM APPROVED BY THE COMMISSIONER; AND

15 (2) WITH ANY RELATED DOCUMENTATION REQUIRED BY THE 16 COMMISSIONER.

17 (D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE 18 COMMISSIONER SHALL ORDER THE TRANSFER OF FUNDS FROM EACH ENTITY'S 19 SEGREGATED ACCOUNT ESTABLISHED BY THE ENTITY FOR COVERAGE OF ABORTION 20 CARE CLINICAL SERVICES TO THE PUBLIC HEALTH ABORTION GRANT PROGRAM 21 FUND ESTABLISHED UNDER § 13–5503 OF THE HEALTH – GENERAL ARTICLE IN THE 22 FOLLOWING AMOUNTS:

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

(II) ON OR BEFORE JULY 1 EACH YEAR, BEGINNING IN 2026,
90% OF THE AMOUNT OF THE ENDING BALANCE OF A SEGREGATED ACCOUNT THAT
EXCEEDS DISBURSEMENTS AFTER THE 15–MONTH PERIOD FOLLOWING THE END OF
A PLAN YEAR.

30 (2) (I) THE AMOUNT ORDERED TO BE TRANSFERRED UNDER
 31 PARAGRAPH (1)(I) OF THIS SUBSECTION SHALL INCLUDE THE AMOUNT OF INTEREST
 32 ACCRUED TO THE SEGREGATED ACCOUNT AS OF DECEMBER 31, 2025 <u>2024</u>.

33 (II) THE AMOUNT ORDERED TO BE TRANSFERRED UNDER 34 PARAGRAPH (1)(II) OF THIS SUBSECTION SHALL INCLUDE THE AMOUNT OF

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1 2	INTEREST ACCRUED TO THE SEGREGATED ACCOUNT AS OF DECEMBER 31 OF THE IMMEDIATELY PRECEDING CALENDAR YEAR.
$3 \\ 4 \\ 5$	(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.
6	Article – Health – General
7	SUBTITLE 55. PUBLIC HEALTH ABORTION GRANT PROGRAM.
8	13-5501.
9 10	(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
11	(B) "ELIGIBLE ORGANIZATION" MEANS AN ORGANIZATION THAT:
12 13 14	(1) (I) 1. IS OWNED BY OR EMPLOYS HEALTH CARE PRACTITIONERS WHO ARE AUTHORIZED TO PRACTICE UNDER THE HEALTH OCCUPATIONS ARTICLE; AND
$\begin{array}{c} 15\\ 16 \end{array}$	2. PROVIDES EQUITABLE ACCESS TO ABORTION CARE CLINICAL SERVICES FOR INDIVIDUALS WITHOUT SUFFICIENT RESOURCES; OR
17 18 19	(II) ADMINISTERS A FUND TO PROVIDE EQUITABLE ACCESS TO ABORTION CARE CLINICAL SERVICES FOR INDIVIDUALS WITHOUT SUFFICIENT RESOURCES;
$\begin{array}{c} 20\\ 21 \end{array}$	(2) IS IN GOOD STANDING IN THE STATE OR JURISDICTION IN WHICH THE ORGANIZATION IS REGISTERED OR INCORPORATED; AND
$\begin{array}{c} 22\\ 23 \end{array}$	(3) HAS POLICIES THAT DO NOT RESTRICT ACCESS TO ABORTION CARE AND ARE CONSISTENT WITH TITLE 20, SUBTITLE 2 OF THIS ARTICLE.
$\begin{array}{c} 24 \\ 25 \end{array}$	(C) "FUND" MEANS THE PUBLIC HEALTH ABORTION GRANT PROGRAM FUND.
$\frac{26}{27}$	(D) "INDIVIDUALS WITHOUT SUFFICIENT RESOURCES" MEANS INDIVIDUALS WHO ARE:
28	(1) UNINSURED;
29 30	(2) UNDERINSURED, WITHOUT SUFFICIENT ABORTION COVERAGE; OR

1(3)UNABLE TO USE THEIR INSURANCE DUE TO THE RISKS POSED BY2COMMUNICATION FROM INSURANCE CARRIERS REGARDING COVERAGE.

3 (E) "PROGRAM" MEANS THE PUBLIC HEALTH ABORTION GRANT 4 PROGRAM.

5 **13–5502.**

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

7 (B) THE PURPOSE OF THE PROGRAM IS TO PROVIDE GRANTS TO IMPROVE 8 ACCESS TO ABORTION CARE CLINICAL SERVICES FOR INDIVIDUALS IN THE STATE.

9 (C) (1) THE SECRETARY SHALL PROVIDE OPERATING GRANTS TO 10 ELIGIBLE ORGANIZATIONS TO SUPPORT EQUITABLE ACCESS TO ABORTION CARE 11 CLINICAL SERVICES ACROSS THE STATE.

12 (2) GRANT FUNDS PROVIDED UNDER THE PROGRAM SHALL BE USED 13 TO SUPPORT ABORTION CARE CLINICAL SERVICES FOR WHICH FEDERAL FUNDING 14 IS PROHIBITED FOR INDIVIDUALS WITHOUT SUFFICIENT RESOURCES, INCLUDING 15 TO COVER REASONABLE ADMINISTRATIVE COSTS OF MANAGING SERVICES 16 PROVIDED UNDER THE GRANT.

17 (D) THE DEPARTMENT SHALL AWARD AT LEAST 90% OF THE FUNDS 18 APPROPRIATED FOR THE PROGRAM AS GRANTS TO ELIGIBLE ORGANIZATIONS.

19 (E) THE DEPARTMENT MAY NOT:

20 (1) RELEASE, PUBLISH, OR OTHERWISE DISCLOSE ANY IDENTIFYING 21 INFORMATION FOR:

(I) THE STAFF OF AN ELIGIBLE ORGANIZATION THAT APPLIES
 FOR OR RECEIVES A GRANT OR REIMBURSEMENT FROM GRANT FUNDING UNDER
 THE PROGRAM; OR

25 (II) AN INDIVIDUAL HEALTH CARE PRACTITIONER OR STAFF 26 WHO PROVIDES ABORTION CARE CLINICAL SERVICES FOR AN ELIGIBLE 27 ORGANIZATION THAT RECEIVES A GRANT OR REIMBURSEMENT FROM GRANT 28 FUNDING UNDER THE PROGRAM; OR

29 (2) COLLECT IDENTIFYING INFORMATION FOR INDIVIDUALS WHO 30 REQUEST OR OBTAIN SUPPORT FOR ABORTION CARE CLINICAL SERVICES FROM AN 31 ELIGIBLE ORGANIZATION AWARDED A GRANT UNDER THE PROGRAM.

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THE DEPARTMENT MAY NOT: 1 **(F)** $\mathbf{2}$ **RESTRICT THE USE OF FUNDS GRANTED UNDER THE PROGRAM IN** (1) A MANNER THAT IS INCONSISTENT WITH TITLE 20, SUBTITLE 2 OF THIS ARTICLE; OR 3 ALLOW AN ELIGIBLE ORGANIZATION THAT IS AWARDED A GRANT 4 (2) UNDER THE PROGRAM TO RESTRICT THE USE OF FUNDS IN A MANNER THAT IS $\mathbf{5}$ 6 **INCONSISTENT WITH TITLE 20, SUBTITLE 2 OF THIS ARTICLE.** 7 THE DEPARTMENT SHALL DEVELOP STANDARDS FOR THE GRANTS TO (G) 8 ENSURE FUNDS ARE BEING USED IN ACCORDANCE WITH THE REQUIREMENTS OF 9 THIS SECTION. 10 13 - 5503.THERE IS A PUBLIC HEALTH ABORTION GRANT PROGRAM FUND. 11 (A) 12THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS UNDER THE **(B) PROGRAM.** 13 THE SECRETARY SHALL ADMINISTER THE FUND. 14**(C)** THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT 15**(**D**)** (1) SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE. 16 17(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, 18 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND. 19 **(E)** THE FUND CONSISTS OF: 20MONEY TRANSFERRED TO THE FUND UNDER § 15–147 OF THE (1) **INSURANCE ARTICLE;** 2122(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND; 23(3) INTEREST EARNINGS OF THE FUND; AND 24(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND. 25THE FUND MAY BE USED ONLY FOR THE PROGRAM. 26**(F)** 27(1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND (G) IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED. 28

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

3 (H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE 4 WITH THE STATE BUDGET.

5 (I) ON OR BEFORE OCTOBER 1, 2025, THE GOVERNOR SHALL ALLOCATE TO 6 THE PROGRAM BY BUDGET AMENDMENT \$2,000,000 IN FUNDING AS REQUIRED TO 7 BE TRANSFERRED TO THE FUND UNDER § 15–147(D)(1)(I) OF THE INSURANCE 8 ARTICLE.

9 (J) BEGINNING IN FISCAL YEAR 2027, THE GOVERNOR SHALL INCLUDE IN 10 THE ANNUAL BUDGET BILL AN APPROPRIATION FOR THE FUND THAT IS AT LEAST 11 EQUAL TO THE FUNDING REQUIRED TO BE TRANSFERRED TO THE FUND UNDER § 12 15–147(D)(1)(II) OF THE INSURANCE ARTICLE.

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Article – State Finance and Procurement

14 6-226.

15 (a) (2) (i) 1. This subparagraph does not apply in fiscal years 2024 16 through 2028.

17 2. Notwithstanding any other provision of law, and unless 18 inconsistent with a federal law, grant agreement, or other federal requirement or with the 19 terms of a gift or settlement agreement, net interest on all State money allocated by the 20 State Treasurer under this section to special funds or accounts, and otherwise entitled to 21 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General 22 Fund of the State.

23The provisions of subparagraph (i) of this paragraph do not apply (ii) to the following funds: 2425204.the Victims of Domestic Violence Program Grant Fund; [and] 2627205.the Proposed Programs Collaborative Grant Fund; AND 206. THE PUBLIC HEALTH ABORTION GRANT PROGRAM 28FUND. 29

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

(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.

4 (b) The Maryland Insurance Administration shall notify the Department of 5 Legislative Services within 5 days after receiving notice that Section 1 of this Act violates 6 § 1303 of the federal Patient Protection and Affordable Care Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July
 1, 2025.

Approved:

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Governor.

President of the Senate.

Speaker of the House of Delegates.