

Chapter 435

(House Bill 930)

AN ACT concerning

Public Health Abortion Grant Program – Establishment

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; establishing the Public Health Abortion Grant Program Fund as a special, nonlapsing fund to provide grants under the Public Health Abortion Grant Program; 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 services under certain circumstances; and generally relating to the Public Health Abortion Grant Program and Fund.

BY adding to

Article – Insurance

Section 15–147

Annotated Code of Maryland

(2017 Replacement Volume and 2024 Supplement)

BY adding to

Article – Health – General

Section 13–5501 through 13–5503 to be under the new subtitle “Subtitle 55. Public Health Abortion Grant Program”

Annotated Code of Maryland

(2023 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(i)

Annotated Code of Maryland

(2021 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)204. and 205.

Annotated Code of Maryland

(2021 Replacement Volume and 2024 Supplement)

BY adding to

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)206.

Annotated Code of Maryland

(2021 Replacement Volume and 2024 Supplement)

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

Article – Insurance

15–147.

(A) THIS SECTION APPLIES TO:

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

(2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS UNDER CONTRACTS 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:

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

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

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

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

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

(2) WITH ANY RELATED DOCUMENTATION REQUIRED BY THE 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:

(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.

(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~~ 2024.

(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.

(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.

Article – Health – General

SUBTITLE 55. PUBLIC HEALTH ABORTION GRANT PROGRAM.

13-5501.

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

(B) “ELIGIBLE ORGANIZATION” MEANS AN ORGANIZATION THAT:

(1) (I) 1. IS OWNED BY OR EMPLOYS HEALTH CARE PRACTITIONERS WHO ARE AUTHORIZED TO PRACTICE UNDER THE HEALTH OCCUPATIONS ARTICLE; AND

2. PROVIDES EQUITABLE ACCESS TO ABORTION CARE CLINICAL SERVICES FOR INDIVIDUALS WITHOUT SUFFICIENT RESOURCES; OR

(II) ADMINISTERS A FUND TO PROVIDE EQUITABLE ACCESS TO ABORTION CARE CLINICAL SERVICES FOR INDIVIDUALS WITHOUT SUFFICIENT RESOURCES;

(2) IS IN GOOD STANDING IN THE STATE OR JURISDICTION IN WHICH THE ORGANIZATION IS REGISTERED OR INCORPORATED; AND

(3) HAS POLICIES THAT DO NOT RESTRICT ACCESS TO ABORTION CARE AND ARE CONSISTENT WITH TITLE 20, SUBTITLE 2 OF THIS ARTICLE.

(C) “FUND” MEANS THE PUBLIC HEALTH ABORTION GRANT PROGRAM FUND.

(D) “INDIVIDUALS WITHOUT SUFFICIENT RESOURCES” MEANS INDIVIDUALS WHO ARE:

(1) UNINSURED;

(2) UNDERINSURED, WITHOUT SUFFICIENT ABORTION COVERAGE;

OR

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

(E) “PROGRAM” MEANS THE PUBLIC HEALTH ABORTION GRANT PROGRAM.

13-5502.

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

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

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

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

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

(E) THE DEPARTMENT MAY NOT:

(1) RELEASE, PUBLISH, OR OTHERWISE DISCLOSE ANY IDENTIFYING 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

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

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

(F) THE DEPARTMENT MAY NOT:

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

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

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

13-5503.

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

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

(C) THE SECRETARY SHALL ADMINISTER THE FUND.

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

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

(E) THE FUND CONSISTS OF:

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

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

(3) INTEREST EARNINGS OF THE FUND; AND

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

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

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

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

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

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

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

Article – State Finance and Procurement

6-226.

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

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

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

204. the Victims of Domestic Violence Program Grant Fund;
[and]

205. the Proposed Programs Collaborative Grant Fund; AND

206. THE PUBLIC HEALTH ABORTION GRANT PROGRAM FUND.

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.

(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.

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

Approved by the Governor, May 13, 2025.