

HB0258/746281/1

BY: Health and Government Operations Committee

AMENDMENTS TO HOUSE BILL 258

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and Pendergrass” and substitute “Pendergrass, Barron, Charles, Cullison, Kelly, R. Lewis, Rosenberg, Sample-Hughes, and K. Young”; in line 3, after the first “of” insert “clarifying that certain provisions of law apply to managed care organizations; requiring a managed care organization to pay a certain fee on a certain basis in certain calendar years;”; in line 6, strike “for” and substitute “in”; strike beginning with “in” in line 7 down through “law;” in line 9 and substitute “; clarifying that certain assessments are for insurance products that are subject to a certain provision of federal law and may be subject to an assessment by the State; requiring that the calculation of the assessment be made without regard to certain threshold limits or a certain partial exclusion of net premiums; making a conforming change; providing for the application of certain provisions of law; requiring the Maryland Health Insurance Coverage Protection Commission to study a certain matter; providing that certain provisions of this Act apply to stand-alone dental plan carriers and stand-alone vision plan carriers; providing for the termination of a certain provision of this Act, subject to a certain contingency; requiring the Maryland Insurance Commissioner to forward a copy of a certain notice to the Department of Legislative Services within a certain period of time and notify certain carriers; making a certain provision of this Act subject to a certain contingency;”; after line 10, insert:

“BY adding to

Article - Health - General

Section 15-102.3(g)

Annotated Code of Maryland

(2015 Replacement Volume and 2018 Supplement)”;

and after line 15, insert:

(Over)

HB0258/746281/1 Health and Government Operations Committee
Amendments to HB 258
Page 2 of 7

“BY repealing and reenacting, without amendments,
Chapter 17 of the Acts of the General Assembly of 2017, as amended by Chapters
37 and 38 of the Acts of the General Assembly of 2018
Section 1(b)

BY repealing and reenacting, with amendments,
Chapter 17 of the Acts of the General Assembly of 2017, as amended by Chapters
37 and 38 of the Acts of the General Assembly of 2018
Section 1(h)(1)

BY repealing and reenacting, with amendments,
Article - Insurance
Section 6-102.1(a)
Annotated Code of Maryland
(2017 Replacement Volume and 2018 Supplement)”.

AMENDMENT NO. 2

On page 1, after line 17, insert:

“Article – Health – General

15-102.3.

(G) (1) THE PROVISIONS OF § 6-102.1 OF THE INSURANCE ARTICLE
APPLY TO MANAGED CARE ORGANIZATIONS.

(2) FOR EACH CALENDAR YEAR THAT THE INSURANCE
COMMISSIONER ASSESSES A HEALTH INSURANCE PROVIDER FEE UNDER § 6-
102.1 OF THE INSURANCE ARTICLE, A MANAGED CARE ORGANIZATION SHALL

PAY THE FEE ON A QUARTERLY BASIS IN ACCORDANCE WITH A SCHEDULE ADOPTED BY THE INSURANCE COMMISSIONER.”.

AMENDMENT NO. 3

On page 1, in line 24, strike “the fee under”.

On page 2, strike beginning with “year” in line 8 down through “**THEREAFTER**” in line 9 and substitute “**YEARS 2019 THROUGH 2023, BOTH INCLUSIVE,**”; in lines 11 and 17, in each instance, strike the bracket; in line 11, strike “**FOR A**”; strike beginning with “**IN**” in line 11 down through “**ACT**” in line 13; in line 16, strike “**THE IMMEDIATELY PRECEDING**”; strike beginning with “**FOR**” in line 18 down through “**ACT**” in line 19 and substitute “**IN CALENDAR YEARS 2020 THROUGH 2023, BOTH INCLUSIVE**”; after line 24, insert:

“(3) THE ASSESSMENTS REQUIRED IN PARAGRAPHS (1) AND (2) OF THIS SUBSECTION ARE FOR PRODUCTS THAT:

(I) ARE SUBJECT TO § 9010 OF THE AFFORDABLE CARE ACT; AND

(II) MAY BE SUBJECT TO AN ASSESSMENT BY THE STATE.

(4) THE CALCULATION OF THE ASSESSMENTS REQUIRED UNDER PARAGRAPHS (1) AND (2) OF THIS SUBSECTION SHALL BE MADE WITHOUT REGARD TO:

(I) THE THRESHOLD LIMITS ESTABLISHED IN § 9010(B)(2)(A) OF THE AFFORDABLE CARE ACT; OR

(II) THE PARTIAL EXCLUSION OF NET PREMIUMS PROVIDED FOR IN § 9010(B)(2)(B) OF THE AFFORDABLE CARE ACT.”;

after line 27, insert:

“Chapter 17 of the Acts of 2017, as amended by Chapters 37 and 38 of the Acts of 2018

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

(b) There is a Maryland Health Insurance Coverage Protection Commission.

(h) (1) The Commission shall study and make recommendations for individual and group health insurance market stability, including:

(i) the components of one or more waivers under § 1332 of the Affordable Care Act to ensure market stability that may be submitted by the State;

(ii) whether to pursue a standard plan design that limits cost sharing;

(iii) whether to merge the individual and small group health insurance markets in the State for rating purposes;

(iv) whether to pursue a Basic Health Program;

(v) whether to pursue a Medicaid buy-in program for the individual market;

(vi) whether to provide subsidies that supplement premium tax credits or cost-sharing reductions described in § 1402(c) of the Affordable Care Act; [and]

HB0258/746281/1 Health and Government Operations Committee
Amendments to HB 258
Page 5 of 7

(vii) whether to adopt a State-based individual health insurance mandate and how to use payments collected from individuals who do not maintain minimum essential coverage, including use of the payments to assist individuals in purchasing health insurance; AND

(VIII) WHETHER THE STATE REINSURANCE PROGRAM SHOULD BE EXTENDED AFTER CALENDAR YEAR 2023 AND, IF SO, HOW IT WILL BE FUNDED.

AMENDMENT NO. 4

On page 2, before line 28, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Insurance

6-102.1.

(a) (1) This section applies to:

[(1)] (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, an insurer, a nonprofit health service plan, a health maintenance organization, a dental plan organization, a fraternal benefit organization, and any other person subject to regulation by the State that provides a product that:

[(i)] 1. is subject to the fee under § 9010 of the Affordable Care Act; and

[(ii)] 2. may be subject to an assessment by the State; and

(Over)

HB0258/746281/1 Health and Government Operations Committee
Amendments to HB 258
Page 6 of 7

[(2)] (II) a managed care organization authorized under Title 15, Subtitle 1 of the Health – General Article.

(2) THIS SECTION DOES NOT APPLY TO A STAND-ALONE DENTAL PLAN CARRIER OR A STAND-ALONE VISION PLAN CARRIER.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) The assessment established under § 6-102.1 of the Insurance Article, as enacted by Section 2 of this Act, shall apply to stand-alone dental plan carriers and stand-alone vision plan carriers.

(b) If the federal government confirms that under the rules that implement § 1903 of the Social Security Act, which requires health care related taxes to be broad-based and uniform in order to apply to Medicaid providers, such as managed care organizations, that the State can impose a 1% assessment on Medicaid managed care organizations if it is imposing that fee on all commercial health insurance plans except dental and vision, subsection (a) of this section, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

(c) If the Maryland Insurance Commissioner receives notice of the confirmation described in subsection (b) of this section, within 5 days after receiving notice of the confirmation, the Commissioner shall:

(1) forward a copy of the notice to the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401; and

(2) notify each stand-alone dental plan carrier and stand-alone vision plan carrier.

HB0258/746281/1 Health and Government Operations Committee
Amendments to HB 258
Page 7 of 7

SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect contingent on the termination of Section 3(a) of this Act.”;

in line 28, strike “2.” and substitute “5.”; and in the same line, after “That” insert “, subject to Section 4 of this Act,”.