

## **Legislative Update – February 5, 2014**

### **Budget Reconciliation Act of 2014 – SB 172/HB 162**

The bills reduce the MHIP assessment from 1% of hospital net patient revenue (in HSCRC regulations) to .5% starting on October 1, 2014. Current statute sets a floor on the MHIP assessment at .8182% of NPR. The bills also provide funding (\$30 million in FY15 and \$40 million thereafter) for a community partnership assistance program through hospital rates. Community partnership is defined as partnership with a corporate, business, provider, or citizen organization to develop methodologies to improve the health and well-being of the community. The commission shall take action on proposals that are recommended jointly by HSCRC staff and DHMH. Preference shall be given to a multihospital, statewide, or regional community partnership plan or collaboration that improves the health and well-being of the community, and supports the achievement of the goals established in the new all-payer model.

*No Hearing Scheduled*

### **Health Services Cost Review Commission - Powers and Duties, Regulation of Facilities, and Maryland All-Payer Model Contract – HB 298/SB 335**

This Administration bill conforms the HSCRC statute with the provisions of the new All-payer waiver model. Specifically, the bill changes references to the federal law where the current waiver is codified – Section 1814(b)(3) of the federal Social Security Act and instead refers to the contract with CMMI. The bill permits the HSCRC to set rate levels and rate increases and to promote alternative methods of rate determination and payment consistent with that contract. The bill also would increase the HSCRC's user fee cap from \$7 million to \$12 million since managing under a new all-payer model design will require additional expenditure for data, analysis, staffing, and consulting services. Finally, the bill includes a provision to require hospitals to notify the Commission if a financial transaction, contract or agreement results in more than 50% of all corporate voting rights or governance being transferred.

*Hearing Scheduled for February 6, 2014 in Senate and House Committees.*

### **Maryland Intrastate Hospital Assistance Compact - HB 534**

The bill establishes a Maryland Intrastate Hospital Assistance Compact for the purpose of providing mutual assistance among the hospitals entering into the compact to manage a significant occurrence. The compact also shall provide for mutual cooperation in significant occurrence-related exercises, testing, or other training activities using equipment or personnel simulating performance of any aspect of the giving and receiving of aid by compact hospitals during emergencies. A significant occurrence is defined as an incident or a situation that affects a hospital's ability to operate at full capacity, or provide care to its patients in a safe manner while utilizing solely the hospital's own resources.

*No hearing has been scheduled*

### **Health Care Malpractice Claims – Definition of Health Care Provider - HB 395/SB 702**

The bills update the list of health care providers that are protected under the malpractice statute. They expand the existing protections to physician assistants and other providers that will be on the front lines under Health care reform. The list of providers has not been updated since the 1970's.

*HB 395 being heard on 2/5*

### **Maryland Health Insurance Plan - Access for Bridge Eligible Individuals – SB134/HB119**

The emergency Administration bill expands the purpose of the Maryland Health Insurance Plan (MHIP) to include providing access to affordable, comprehensive health benefits for “bridge eligible individuals,” as needed, on a retroactive and prospective basis and expresses the intent of the General Assembly that MHIP be used to subsidize health insurance coverage for such individuals. A “bridge eligible individual” is eligible for enrollment in the Maryland Health Benefit Exchange (MHBE) and can provide evidence that the individual has attempted to obtain insurance through MHBE but was unsuccessful in enrolling. “Bridge eligible individual” includes dependents but does not include those eligible for Medicare, Medicaid, the Maryland Children’s Health Program, or an employer-sponsored group health insurance plan that includes comparable benefits.

*The emergency bill passed and is currently law.*

### **Maryland No-Fault Birth Injury Fund – SB 798**

The bill establishes a Fund and adjudication system for birth- related neurological injury. The Maryland birth injury fund provides an exclusive “no-fault” remedy to claimants with an injury that falls within the statutory eligibility criteria for the birth injury program. The birth injury fund program provides notification to patients and their families through Maryland hospitals regarding participation in the program, benefits, eligibility, rights under the program, and ways in which the program provides exclusive remedy. Moneys in the fund will derive from premiums/subsidies on hospitals, obstetrical physicians and medical malpractice insurers.

*No Hearing has been scheduled*