

SENATE BILL 228

J1, C3

0lr1345

By: **Senator Pinsky**

Introduced and read first time: January 17, 2020

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Public Health – Commission on Universal Health Care**

3 FOR the purpose of establishing the Commission on Universal Health Care; providing for
4 the composition, chair, and staffing of the Commission; providing that the appointing
5 authority must ensure that the appointee has certain expertise and consider certain
6 information when making appointments to the Commission; establishing certain
7 requirements and prohibitions for Commission members regarding conflicts of
8 interest; prohibiting a member of the Commission from receiving certain
9 compensation, but authorizing the payment of a certain per diem and the
10 reimbursement of certain expenses; requiring a member of the Commission to
11 perform certain duties in a certain manner; requiring a member of the Commission
12 to be subject to certain laws and disclose certain information; prohibiting a member
13 of the Commission from being held personally liable for certain actions taken as a
14 member; authorizing the removal of a member of the Commission under certain
15 circumstances; requiring the Commission to develop a plan for the State to establish,
16 on or before a certain date, a universal health care program to provide health benefits
17 to all residents of the State through a single-payer system; requiring that the health
18 care program be designed to meet certain specifications; requiring that the plan
19 include certain information and certain recommendations; authorizing the
20 Commission, the Maryland Health Benefit Exchange, and the Maryland Department
21 of Health to apply for certain waivers; requiring the Commission, on or before certain
22 dates, to submit to the Governor and certain committees of the General Assembly a
23 certain report and a certain plan to establish a certain health care program; defining
24 certain terms; providing for the termination of this Act; and generally relating to the
25 Commission on Universal Health Care.

26 BY adding to

27 Article – Health – General

28 Section 13–4101 through 13–4103 to be under the new subtitle “Subtitle 41.

29 Commission on Universal Health Care”

30 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2019 Replacement Volume)

Preamble

WHEREAS, § 1332 of the federal Patient Protection and Affordable Care Act (ACA) allows states to request waivers of key provisions of health care reform, including the requirement to set up a health benefit exchange and provisions relating to premium credits and reduced cost sharing; and

WHEREAS, Under § 1332 of the ACA, a waiver for state innovation may be granted if it covers at least as many people as would be covered under the ACA and provides coverage that is at least as comprehensive and affordable, at no greater cost to the federal government; and

WHEREAS, If an approved waiver does not provide individuals or small businesses with premium tax credits or cost-sharing reductions, a state may receive the federal funding it would have received for these purposes to help implement its approved plan; and

WHEREAS, Maryland should seek to establish a health care program to contain costs and to provide comprehensive, affordable, and high-quality publicly financed health care coverage for all Maryland residents in a seamless manner regardless of income, assets, health status, or availability of other health care coverage; now, therefore,

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

Article – Health – General

SUBTITLE 41. COMMISSION ON UNIVERSAL HEALTH CARE.

13-4101.

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

(B) “AFFILIATION” MEANS:

(1) A FINANCIAL INTEREST;

(2) A POSITION OF GOVERNANCE, INCLUDING MEMBERSHIP ON A BOARD OF DIRECTORS, REGARDLESS OF COMPENSATION;

(3) A RELATIONSHIP THROUGH WHICH COMPENSATION IS RECEIVED;

OR

1 (4) A RELATIONSHIP FOR THE PROVISION OF SERVICES AS A
2 REGULATED LOBBYIST.

3 (C) "COMMISSION" MEANS THE COMMISSION ON UNIVERSAL HEALTH
4 CARE ESTABLISHED UNDER § 13-4102 OF THIS SUBTITLE.

5 (D) "COMPENSATION" HAS THE MEANING STATED IN § 5-101 OF THE
6 GENERAL PROVISIONS ARTICLE.

7 (E) (1) "EXCHANGE" MEANS THE MARYLAND HEALTH BENEFIT
8 EXCHANGE, ESTABLISHED AS A PUBLIC CORPORATION UNDER § 31-102 OF THE
9 INSURANCE ARTICLE.

10 (2) "EXCHANGE" INCLUDES:

11 (I) THE INDIVIDUAL EXCHANGE; AND

12 (II) THE SMALL BUSINESS HEALTH OPTIONS PROGRAM
13 (SHOP EXCHANGE).

14 (F) "FINANCIAL INTEREST" HAS THE MEANING STATED IN §
15 5-101 OF THE GENERAL PROVISIONS ARTICLE.

16 (G) "REGULATED LOBBYIST" HAS THE MEANING STATED IN §
17 5-101 OF THE GENERAL PROVISIONS ARTICLE.

18 13-4102.

19 (A) THERE IS A COMMISSION ON UNIVERSAL HEALTH CARE.

20 (B) THE COMMISSION CONSISTS OF THE FOLLOWING MEMBERS:

21 (1) THE SECRETARY, OR THE SECRETARY'S DESIGNEE, AS AN EX
22 OFFICIO MEMBER OF THE COMMISSION;

23 (2) FOUR MEMBERS APPOINTED BY THE GOVERNOR, WITH THE
24 ADVICE AND CONSENT OF THE SENATE;

25 (3) THREE MEMBERS APPOINTED BY THE PRESIDENT OF THE
26 SENATE; AND

27 (4) THREE MEMBERS APPOINTED BY THE SPEAKER OF THE HOUSE.

1 **(C) FROM AMONG ITS MEMBERS, THE COMMISSION SHALL ELECT A CHAIR**
2 **AND VICE CHAIR.**

3 **(D) THE DEPARTMENT SHALL PROVIDE STAFF FOR THE COMMISSION.**

4 **(E) IN APPOINTING MEMBERS UNDER SUBSECTION (B) OF THIS SECTION,**
5 **THE APPOINTING AUTHORITY SHALL:**

6 **(1) ENSURE THAT THE APPOINTEE HAS DEMONSTRATED AND**
7 **ACKNOWLEDGED EXPERTISE IN HEALTH CARE;**

8 **(2) CONSIDER THE EXPERTISE OF THE OTHER MEMBERS OF THE**
9 **COMMISSION AND ATTEMPT TO MAKE APPOINTMENTS SO THAT THE COMMISSION'S**
10 **COMPOSITION REFLECTS A DIVERSITY OF EXPERTISE IN VARIOUS ASPECTS OF**
11 **HEALTH CARE; AND**

12 **(3) CONSIDER THE CULTURAL, ETHNIC, AND GEOGRAPHICAL**
13 **DIVERSITY OF THE STATE SO THAT THE COMMISSION'S COMPOSITION REFLECTS**
14 **THE COMMUNITIES OF THE STATE.**

15 **(F) (1) A MEMBER OF THE COMMISSION, WITHIN THE 2-YEAR PERIOD**
16 **IMMEDIATELY PRECEDING THE MEMBER'S APPOINTMENT AND WHILE SERVING ON**
17 **THE COMMISSION, MAY NOT BE EMPLOYED, OR HAVE BEEN EMPLOYED, IN ANY**
18 **CAPACITY BY A CONSULTANT TO A MEMBER OF THE BOARD OF DIRECTORS OF, HAVE**
19 **AN AFFILIATION WITH, OR OTHERWISE BE A REPRESENTATIVE OF:**

20 **(I) A HEALTH CARE PROVIDER;**

21 **(II) A HEALTH CARE FACILITY;**

22 **(III) A HEALTH CLINIC;**

23 **(IV) A PHARMACEUTICAL COMPANY;**

24 **(V) A MEDICAL EQUIPMENT COMPANY; OR**

25 **(VI) A CARRIER, AN INSURANCE PRODUCER, A THIRD-PARTY**
26 **ADMINISTRATOR, A MANAGED CARE ORGANIZATION, OR ANY OTHER PERSON**
27 **CONTRACTING DIRECTLY WITH THOSE PERSONS.**

28 **(2) A MEMBER OF THE COMMISSION MAY NOT BE A MEMBER, A BOARD**
29 **MEMBER, OR AN EMPLOYEE OF A TRADE ASSOCIATION OF HEALTH CARE FACILITIES,**
30 **HEALTH CLINICS, HEALTH CARE PROVIDERS, CARRIERS, INSURANCE PRODUCERS,**

1 THIRD-PARTY ADMINISTRATORS, MANAGED CARE ORGANIZATIONS, OR ANY OTHER
2 ASSOCIATION OF ENTITIES IN A POSITION TO CONTRACT DIRECTLY WITH THE
3 COMMISSION UNLESS THE MEMBER OF THE COMMISSION:

4 (I) RECEIVES NO COMPENSATION FOR RENDERING SERVICES
5 AS A HEALTH CARE PROVIDER; AND

6 (II) DOES NOT HAVE AN OWNERSHIP INTEREST IN A HEALTH
7 CARE PRACTICE.

8 (G) (1) THE COMMISSION SHALL DETERMINE THE TIMES, PLACES, AND
9 FREQUENCY OF ITS MEETINGS.

10 (2) FIVE MEMBERS OF THE COMMISSION CONSTITUTE A QUORUM.

11 (3) ACTION BY THE COMMISSION REQUIRES THE AFFIRMATIVE VOTE
12 OF AT LEAST FIVE MEMBERS.

13 (H) A MEMBER OF THE COMMISSION:

14 (1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE
15 COMMISSION; BUT

16 (2) IS ENTITLED TO:

17 (I) A PER DIEM RATE AS PROVIDED IN THE STATE BUDGET FOR
18 ATTENDING SCHEDULED MEETINGS OF THE COMMISSION; AND

19 (II) REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD
20 STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

21 (I) A MEMBER OF THE COMMISSION SHALL PERFORM THE MEMBER'S
22 DUTIES:

23 (1) IN GOOD FAITH;

24 (2) IN THE MANNER THE MEMBER REASONABLY BELIEVES TO BE IN
25 THE BEST INTEREST OF THE STATE; AND

26 (3) WITHOUT INTENTIONAL OR RECKLESS DISREGARD OF THE CARE
27 AN ORDINARILY PRUDENT PERSON IN A LIKE POSITION WOULD EXERCISE UNDER
28 SIMILAR CIRCUMSTANCES.

1 **(J) (1) (I) A MEMBER OF THE COMMISSION SHALL BE SUBJECT TO**
2 **TITLE 5, SUBTITLES 1 THROUGH 7 OF THE GENERAL PROVISIONS ARTICLE.**

3 **(II) IN ADDITION TO THE DISCLOSURE REQUIRED UNDER TITLE**
4 **5, SUBTITLE 6 OF THE GENERAL PROVISIONS ARTICLE, A MEMBER OF THE**
5 **COMMISSION SHALL DISCLOSE TO THE COMMISSION AND TO THE PUBLIC ANY**
6 **RELATIONSHIP NOT ADDRESSED IN THE REQUIRED FINANCIAL DISCLOSURE THAT**
7 **THE MEMBER HAS WITH A HEALTH CARE PROVIDER, A HEALTH CLINIC, A**
8 **PHARMACEUTICAL COMPANY, A MEDICAL EQUIPMENT COMPANY, A CARRIER, AN**
9 **INSURANCE PRODUCER, A THIRD-PARTY ADMINISTRATOR, A MANAGED CARE**
10 **ORGANIZATION, OR ANY OTHER ENTITY IN AN INDUSTRY INVOLVED IN MATTERS**
11 **LIKELY TO COME BEFORE THE COMMISSION.**

12 **(2) ON ALL MATTERS THAT COME BEFORE THE COMMISSION, THE**
13 **MEMBER SHALL:**

14 **(I) ADHERE STRICTLY TO THE CONFLICT OF INTEREST**
15 **PROVISIONS UNDER TITLE 5, SUBTITLE 5 OF THE GENERAL PROVISIONS ARTICLE**
16 **RELATING TO RESTRICTIONS ON PARTICIPATION, EMPLOYMENT, AND FINANCIAL**
17 **INTERESTS; AND**

18 **(II) PROVIDE FULL DISCLOSURE TO THE COMMISSION AND THE**
19 **PUBLIC ON:**

20 **1. ANY MATTER THAT GIVES RISE TO A POTENTIAL**
21 **CONFLICT OF INTEREST; AND**

22 **2. THE MANNER IN WHICH THE MEMBER WILL COMPLY**
23 **WITH THE PROVISIONS OF TITLE 5, SUBTITLE 5 OF THE GENERAL PROVISIONS**
24 **ARTICLE TO AVOID ANY CONFLICT OF INTEREST OR APPEARANCE OF A CONFLICT**
25 **OF INTEREST.**

26 **(K) A MEMBER OF THE COMMISSION WHO PERFORMS THE MEMBER'S**
27 **DUTIES IN ACCORDANCE WITH THE STANDARD ESTABLISHED UNDER SUBSECTION**
28 **(I) OF THIS SECTION MAY NOT BE PERSONALLY LIABLE FOR ACTIONS TAKEN AS A**
29 **MEMBER IF DONE IN GOOD FAITH, WITHOUT INTENT TO DEFRAUD, AND IN**
30 **CONNECTION WITH THE ADMINISTRATION, MANAGEMENT, OR CONDUCT RELATED**
31 **TO THIS SUBTITLE.**

32 **(L) A MEMBER OF THE COMMISSION MAY BE REMOVED FOR**
33 **INCOMPETENCE, MISCONDUCT, OR FAILURE TO PERFORM THE DUTIES OF THE**
34 **POSITION.**

1 13-4103.

2 (A) THE COMMISSION SHALL DEVELOP A PLAN FOR THE STATE TO
3 ESTABLISH, ON OR BEFORE JANUARY 1, 2023, A UNIVERSAL HEALTH CARE
4 PROGRAM TO PROVIDE HEALTH BENEFITS TO ALL RESIDENTS OF THE STATE
5 THROUGH A SINGLE-PAYER SYSTEM.

6 (B) THE HEALTH CARE PROGRAM SHALL BE DESIGNED TO:

7 (1) PROVIDE COMPREHENSIVE, AFFORDABLE, AND HIGH-QUALITY
8 PUBLICLY FINANCED HEALTH CARE COVERAGE FOR ALL RESIDENTS OF THE STATE
9 IN A SEAMLESS AND EQUITABLE MANNER, REGARDLESS OF INCOME, ASSETS,
10 HEALTH STATUS, OR AVAILABILITY OF OTHER HEALTH CARE COVERAGE;

11 (2) INCLUDE A BENEFIT PACKAGE COVERING PRIMARY CARE,
12 PREVENTIVE CARE, CHRONIC CARE, ACUTE EPISODIC CARE, AND HOSPITAL
13 SERVICES;

14 (3) TO THE MAXIMUM EXTENT ALLOWABLE UNDER FEDERAL LAW
15 AND WAIVERS FROM FEDERAL LAW:

16 (I) ENSURE THAT ALL FEDERAL PAYMENTS PROVIDED IN THE
17 STATE FOR HEALTH CARE SERVICES ARE PAID DIRECTLY TO THE HEALTH CARE
18 PROGRAM; AND

19 (II) ASSUME RESPONSIBILITY FOR THE BENEFITS AND
20 SERVICES CURRENTLY PAID FOR AND PROVIDED UNDER STATE AND FEDERAL
21 PROGRAMS, INCLUDING THE EXCHANGE, MEDICAID, AND MEDICARE;

22 (4) INCLUDE HEALTH CARE COVERAGE PROVIDED:

23 (I) BY EMPLOYERS THAT CHOOSE TO PARTICIPATE; AND

24 (II) TO STATE, COUNTY, AND MUNICIPAL EMPLOYEES; AND

25 (5) CONTAIN COSTS BY:

26 (I) PROVIDING INCENTIVES TO RESIDENTS TO AVOID
27 PREVENTABLE HEALTH CONDITIONS, PROMOTE HEALTH, AND AVOID UNNECESSARY
28 EMERGENCY ROOM VISITS;

29 (II) ESTABLISHING INNOVATIVE PAYMENT MECHANISMS TO
30 HEALTH CARE PROFESSIONALS, SUCH AS GLOBAL PAYMENTS; AND

1 (III) REDUCING UNNECESSARY ADMINISTRATIVE
2 EXPENDITURES.

3 (C) THE PLAN SHALL INCLUDE:

4 (1) A TIMELINE FOR THE ESTABLISHMENT OF THE HEALTH CARE
5 PROGRAM;

6 (2) PLANS FOR TRANSITION TO THE HEALTH CARE PROGRAM,
7 INCLUDING:

8 (I) SUSPENDING OPERATIONS OF THE EXCHANGE TO ENABLE
9 THE STATE TO RECEIVE THE APPROPRIATE FEDERAL FUND CONTRIBUTION IN LIEU
10 OF THE FEDERAL PREMIUM TAX CREDITS, COST-SHARING SUBSIDIES, AND SMALL
11 BUSINESS TAX CREDITS PROVIDED IN THE AFFORDABLE CARE ACT; AND

12 (II) HOW TO FULLY INTEGRATE OR ALIGN MEDICAID,
13 MEDICARE, PRIVATE INSURANCE, AND STATE, COUNTY, AND MUNICIPAL
14 EMPLOYEES INTO OR WITH THE HEALTH CARE PROGRAM;

15 (3) A PROPOSED OPERATING STRUCTURE FOR THE HEALTH CARE
16 PROGRAM;

17 (4) COST PROJECTIONS FOR THE HEALTH CARE PROGRAM AND
18 RECOMMENDATIONS FOR THE AMOUNTS AND MECHANISMS NECESSARY TO FINANCE
19 THE HEALTH CARE PROGRAM;

20 (5) (I) A PROPOSED HEALTH BENEFIT PACKAGE TO BE OFFERED IN
21 THE HEALTH CARE PROGRAM; AND

22 (II) AN ANALYSIS OF WHETHER THE HEALTH CARE PROGRAM
23 SHOULD INCLUDE DENTAL, VISION, HEARING, AND LONG-TERM CARE BENEFITS;
24 AND

25 (6) RECOMMENDATIONS FOR LEGISLATION REQUIRED TO ESTABLISH
26 THE HEALTH CARE PROGRAM.

27 (D) THE COMMISSION, THE EXCHANGE, AND THE DEPARTMENT MAY APPLY
28 FOR WAIVERS OF REQUIREMENTS OF HEALTH CARE PROGRAMS UNDER FEDERAL
29 LAW THAT ARE NECESSARY TO ESTABLISH THE HEALTH CARE PROGRAM,
30 INCLUDING:

1 **(1) WAIVERS OF REQUIREMENTS OF HEALTH CARE PROGRAMS**
2 **ESTABLISHED UNDER TITLES XVIII AND XIX OF THE SOCIAL SECURITY ACT; AND**

3 **(2) A WAIVER FOR STATE INNOVATION UNDER § 1332 OF THE**
4 **AFFORDABLE CARE ACT.**

5 **(E) THE COMMISSION SHALL SUBMIT TO THE GOVERNOR AND, IN**
6 **ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE SENATE**
7 **FINANCE COMMITTEE AND THE HOUSE HEALTH AND GOVERNMENT OPERATIONS**
8 **COMMITTEE:**

9 **(1) ON OR BEFORE OCTOBER 1, 2020, AN INTERIM PROGRESS**
10 **REPORT ON THE DEVELOPMENT OF A PLAN TO ESTABLISH THE HEALTH CARE**
11 **PROGRAM; AND**

12 **(2) ON OR BEFORE OCTOBER 1, 2021, THE PLAN TO ESTABLISH THE**
13 **HEALTH CARE PROGRAM.**

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
15 1, 2020. It shall remain effective for a period of 4 years and 1 month and, at the end of June
16 30, 2024, this Act, with no further action required by the General Assembly, shall be
17 abrogated and of no further force and effect.