

# SENATE BILL 49

C3

9lr0078

(PRE-FILED)

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By: **Chair, Finance Committee (By Request – Departmental – Maryland Insurance Administration)**

Requested: October 15, 2018

Introduced and read first time: January 9, 2019

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Task Force to Study Cooperative Purchasing for Health Insurance –**  
3 **Membership and Staffing**

4 FOR the purpose of removing the Maryland Insurance Commissioner, or the  
5 Commissioner's designee, from the membership of the Task Force to Study  
6 Cooperative Purchasing for Health Insurance; removing the requirement that the  
7 Maryland Insurance Administration provide staff for the Task Force; and generally  
8 relating to the Task Force to Study Cooperative Purchasing for Health Insurance.

9 BY repealing and reenacting, with amendments,  
10 Chapter 307 of the Acts of the General Assembly of 2018  
11 Section 2

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

### 14 **Chapter 307 of the Acts of 2018**

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

16 (a) There is a Task Force to Study Cooperative Purchasing for Health Insurance.

17 (b) The Task Force consists of the following members:

18 (1) the Secretary of Budget and Management, or the Secretary's designee;

19 [(2) the Maryland Insurance Commissioner, or the Commissioner's  
20 designee;]

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1            **[(3)] (2)**        the Procurement Advisor;

2            **[(4)] (3)**        the following members, appointed by the Governor:

3                    (i)        one representative of the Maryland Association of Counties;

4                    (ii)       one representative of the Maryland Association of Boards of  
5 Education;

6                    (iii)      one representative of the Maryland Municipal League;

7                    (iv)      one representative of the Maryland Public Purchasing  
8 Association;

9                    (v)        one representative of the supplemental benefits industry;

10                   (vi)      one representative of the Maryland Retired School Personnel  
11 Association; and

12                   (vii)     one representative of Maryland Nonprofits;

13                   **[(5)] (4)**        one representative of the American Federation for State, County,  
14 and Municipal Employees, appointed by the President of the American Federation for  
15 State, County, and Municipal Employees Council 3;

16                   **[(6)] (5)**        one representative of the Maryland State Education Association,  
17 appointed by the President of the Association;

18                   **[(7)] (6)**        one representative of the American Federation for State, County,  
19 and Municipal Employees, appointed by the President of the American Federation for  
20 State, County, and Municipal Employees Council 67;

21                   **[(8)] (7)**        one representative of the Maryland State and D.C. AFL–CIO,  
22 appointed by the President of the Maryland State and D.C. AFL–CIO; and

23                   **[(9)] (8)**        one representative of the AFT–Maryland, appointed by the  
24 President of AFT–Maryland.

25            (c)        The Procurement Advisor shall be the chair of the Task Force.

26            (d)        The Department of Budget and Management [and the Maryland Insurance  
27 Administration] shall provide staff for the Task Force.

28            (e)        A member of the Task Force:

1 (1) may not receive compensation as a member of the Task Force; but

2 (2) is entitled to reimbursement for expenses under the Standard State  
3 Travel Regulations, as provided in the State budget.

4 (f) In order to pool public employee health care purchasing by the State, counties,  
5 municipal corporations, and county boards to maximize value while maintaining a broad  
6 package of benefits and reasonable premiums, the Task Force shall:

7 (1) study models of cooperative purchasing of health insurance;

8 (2) recommend the health insurance benefit options that should be offered  
9 to:

10 (i) nonprofit organizations that qualify and elect to participate in  
11 the State health plan;

12 (ii) county, municipal corporation, and county board employees;

13 (iii) a surviving spouse, child, or dependent parent of a county,  
14 municipal corporation, or county board employee who died while employed by the State;  
15 and

16 (iv) a retired county, municipal corporation, or county board  
17 employee;

18 (3) recommend ways to:

19 (i) minimize and combine administrative costs; and

20 (ii) transition the State, counties, municipal corporations, and  
21 county boards to new plans, as applicable, without adversely affecting the health benefits  
22 of any employee;

23 (4) recommend whether the State should limit the number of nonprofit  
24 organizations that may participate in the State health plan; and

25 (5) make any other recommendations to control health costs and offer a  
26 variety of health benefit plan choices.

27 (g) On or before January 1, 2020, the Task Force shall report its findings and  
28 recommendations to the Governor and, in accordance with § 2-1246 of the State  
29 Government Article, the General Assembly.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
31 1, 2019.