

HOUSE BILL 1376

J1

5lr2654

By: **Delegate Pena–Melnik**

Introduced and read first time: February 7, 2025

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Department of Health – Provision of Health Care Services – Study**

3 FOR the purpose of requiring the Maryland Department of Health to include in a certain
4 contract a requirement that the independent consultant study the current provision
5 of health care services in the State in a certain manner; and generally relating to a
6 study of the provision of health care services in the State.

7 BY repealing and reenacting, with amendments,
8 Chapter 794 of the Acts of the General Assembly of 2024
9 Section 1

10 BY repealing and reenacting, with amendments,
11 Chapter 795 of the Acts of the General Assembly of 2024
12 Section 1

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

15 **Chapter 794 of the Acts of 2024**

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

18 (a) The Maryland Department of Health shall contract with an independent
19 consultant to study the Health Services Cost Review Commission (HSCRC), the Maryland
20 Health Care Commission (MHCC), the Maryland Community Health Resources
21 Commission (MCHRC), and the Maryland Insurance Administration (MIA).

22 (b) In conducting the study required under subsection (a) of this section, the
23 independent contractor shall:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(1) examine overlap of the statutory and regulatory duties performed by HSCRC, MHCC, MCHRC, and MIA;

(2) identify statutory or regulatory duties performed by HSCRC, MHCC, MCHRC, and MIA that may be more appropriately performed by the Department or another commission or agency;

(3) identify whether and how HSCRC, MHCC, MCHRC, and MIA could be streamlined to reduce overlap of duties;

(4) identify whether and how the functions of HSCRC, MHCC, MCHRC, and MIA could be better aligned to improve effectiveness and efficiency;

(5) examine the alignment of the statutory or regulatory duties performed by HSCRC, MHCC, MCHRC, and MIA with the Maryland Total Cost of Care model and the State's participation in the Advancing All-Payer Health Equity Approaches and Development (AHEAD) model; and

(6) recommend any changes in HSCRC, MHCC, MCHRC, and MIA administrative structure that may improve the effectiveness and efficiency of the commission or agency.

(c) The independent consultant hired under subsection (a) of this section shall seek input from the Department, HSCRC, MHCC, MCHRC, and MIA in conducting the study.

(d) (1) THE DEPARTMENT SHALL INCLUDE IN THE CONTRACT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION A REQUIREMENT THAT THE INDEPENDENT CONSULTANT STUDY THE CURRENT PROVISION OF HEALTH CARE SERVICES IN THE STATE, INCLUDING PROGRAMS AND PAYORS, AND MAKE RECOMMENDATIONS TO CONSOLIDATE PAYORS AND PROGRAMS IN THE STATE TO MAXIMIZE HEALTH CARE COVERAGE FOR RESIDENTS OF THE STATE IN CONJUNCTION WITH THE STUDY CONDUCTED UNDER SUBSECTION (A) OF THIS SECTION.

(2) IF THE CONTRACT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION HAS BEEN ENTERED INTO BEFORE JUNE 1, 2025, THE DEPARTMENT SHALL AMEND THE CONTRACT TO REQUIRE THE STUDY DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.

(E) (1) On or before January 1, 2026, the Department shall report to the Governor and, in accordance with § 2-1257 of the State Government Article, the Senate Finance Committee and the House Health and Government Operations Committee on the results of the study conducted under [subsection] **SUBSECTIONS (a) AND (D)** of this section.

(2) THE REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE:

(I) A COMPREHENSIVE SYNTHESIS OF COMPLETED ANALYSES OF THE STATE'S EXISTING HEALTH CARE FINANCE AND DELIVERY SYSTEM, INCLUDING COST, QUALITY, WORKFORCE, AND PROVIDER CONSOLIDATION TRENDS AND THE IMPACT ON THE STATE'S ABILITY TO PROVIDE ALL MARYLANDERS WITH TIMELY ACCESS TO HIGH-QUALITY, AFFORDABLE HEALTH CARE;

(II) A REVIEW OF STRATEGIES IMPLEMENTED IN OTHER STATES TO ENSURE UNIVERSAL ACCESS TO HEALTH CARE, INCLUDING COVERAGE EXPANSIONS, COST CONTAINMENT, AND AFFORDABILITY EFFORTS, PROVIDER REIMBURSEMENT POLICIES, AND DATA AND REPORTING TO MONITOR HEALTH CARE DELIVERY SYSTEM PERFORMANCE; AND

(III) RECOMMENDATIONS FOR STRATEGIES THE STATE SHOULD CONSIDER TO ENSURE COVERAGE AND TIMELY ACCESS TO HIGH QUALITY, AFFORDABLE HEALTH CARE FOR ALL MARYLANDERS, AS WELL AS POTENTIAL FUNDING OPTIONS TO IMPLEMENT THE RECOMMENDED STRATEGIES.

Chapter 795 of the Acts of 2024

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

(a) The Maryland Department of Health shall contract with an independent consultant to study the Health Services Cost Review Commission (HSCRC), the Maryland Health Care Commission (MHCC), the Maryland Community Health Resources Commission (MCHRC), and the Maryland Insurance Administration (MIA).

(b) In conducting the study required under subsection (a) of this section, the independent contractor shall:

(1) examine overlap of the statutory and regulatory duties performed by HSCRC, MHCC, MCHRC, and MIA;

(2) identify statutory or regulatory duties performed by HSCRC, MHCC, MCHRC, and MIA that may be more appropriately performed by the Department or another commission or agency;

(3) identify whether and how HSCRC, MHCC, MCHRC, and MIA could be streamlined to reduce overlap of duties;

(4) identify whether and how the functions of HSCRC, MHCC, MCHRC, and MIA could be better aligned to improve effectiveness and efficiency;

(5) examine the alignment of the statutory or regulatory duties performed by HSCRC, MHCC, MCHRC, and MIA with the Maryland Total Cost of Care model and the State's participation in the Advancing All-Payer Health Equity Approaches and Development (AHEAD) model; and

(6) recommend any changes in HSCRC, MHCC, MCHRC, and MIA administrative structure that may improve the effectiveness and efficiency of the commission or agency.

(c) The independent consultant hired under subsection (a) of this section shall seek input from the Department, HSCRC, MHCC, MCHRC, and MIA in conducting the study.

(d) (1) THE DEPARTMENT SHALL INCLUDE IN THE CONTRACT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION A REQUIREMENT THAT THE INDEPENDENT CONSULTANT STUDY THE CURRENT PROVISION OF HEALTH CARE SERVICES IN THE STATE, INCLUDING PROGRAMS AND PAYORS, AND MAKE RECOMMENDATIONS TO CONSOLIDATE PAYORS AND PROGRAMS IN THE STATE TO MAXIMIZE HEALTH CARE COVERAGE FOR RESIDENTS OF THE STATE IN CONJUNCTION WITH THE STUDY CONDUCTED UNDER SUBSECTION (A) OF THIS SECTION.

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(E) (1) On or before January 1, 2026, the Department shall report to the Governor and, in accordance with § 2-1257 of the State Government Article, the Senate Finance Committee and the House Health and Government Operations Committee on the results of the study conducted under [subsection] **SUBSECTIONS (a) AND (D)** of this section.

(2) THE REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE:

(i) A COMPREHENSIVE SYNTHESIS OF COMPLETED ANALYSES OF THE STATE'S EXISTING HEALTH CARE FINANCE AND DELIVERY SYSTEM, INCLUDING COST, QUALITY, WORKFORCE, AND PROVIDER CONSOLIDATION TRENDS AND THE IMPACT ON THE STATE'S ABILITY TO PROVIDE ALL MARYLANDERS WITH TIMELY ACCESS TO HIGH-QUALITY, AFFORDABLE HEALTH CARE;

(ii) A REVIEW OF STRATEGIES IMPLEMENTED IN OTHER STATES TO ENSURE UNIVERSAL ACCESS TO HEALTH CARE, INCLUDING COVERAGE EXPANSIONS, COST CONTAINMENT, AND AFFORDABILITY EFFORTS, PROVIDER

1 REIMBURSEMENT POLICIES, AND DATA AND REPORTING TO MONITOR HEALTH CARE
2 DELIVERY SYSTEM PERFORMANCE; AND

3 (III) RECOMMENDATIONS FOR STRATEGIES THE STATE SHOULD
4 CONSIDER TO ENSURE COVERAGE AND TIMELY ACCESS TO HIGH-QUALITY,
5 AFFORDABLE HEALTH CARE FOR ALL MARYLANDERS, AS WELL AS POTENTIAL
6 FUNDING OPTIONS TO IMPLEMENT THE RECOMMENDED STRATEGIES.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
8 1, 2025.