

Axx-xxx

10 AN ACT CONCERNING

20 **Health Care – MaryCare**

30 FOR the purpose of establishing MaryCare;

40 BY adding to

50 Article – Health – General

60 Title 9 – Maryland Public Charter School Program

70 Section §9–102, §9–104, §9–106, §9–110

80 Annotated Code of Maryland

90 **SECTION 1.** BE IT ENACTED BY THE MARYLAND STUDENT LEGISLATURE, That the laws  
100 of Maryland read as follows:

110 **Article – Health – General**

120 **TITLE 25. MaryCare.**

130 **SUBTITLE 1. DEFINITIONS.**

140 §25–101.

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

160 (I) “MARYCARE” MEANS THE NEWLY CREATED MARYLAND HEALTH CARE SYSTEM;  
170 AND

180 (II) “BOARD” MEANS THE MARYCARE BOARD OF DIRECTORS; AND

190 (III) “FUND” MEANS THE MARYCARE TRUST FUND; AND

200 (IV) “HEALTH CARE PROVIDER” MEANS ANY HOSPITAL, MEDICAL CLINIC, LICENSED  
210 DOCTOR, LICENSED NURSE OR ANY OTHER LICENSED MEDICAL PROVIDER; AND

220 (V) “GLOBAL BUDGET” MEANS THE CUMULATIVE BUDGET FOR ALL HEALTH CARE  
230 SPENDING; AND

240 (VI) “SERVICE” MEANS HEALTH CARE SERVICES INCLUDING BUT NOT LIMITED TO  
250 PREVENTATIVE CARE SERVICES, DOCTORS VISITS, SURGERIES AND PRESCRIPTION  
260 DRUGS.

270 **SUBTITLE 2. MARYCARE ESTABLISHED.**

280 §25–201.

290 (A) MARYCARE IS HEREBY ESTABLISHED.

300 (B) THE PURPOSES OF MARYCARE ARE TO:

310 (1) PROVIDE:

320 (I) A PUBLICLY FINANCED HEALTH CARE SYSTEM;

330 (II) QUALITY HEALTH CARE TO ALL RESIDENCES OF THE STATE OF  
340 MARYLAND; AND

350 (III) CHOICE OF HEALTH CARE PROVIDER TO ALL RESIDENCES OF THE  
360 STATE OF MARYLAND;

370 (2) REMOVE THE BURDEN OF PROVIDING HEALTH CARE FROM CORPORATIONS OF  
380 MARYLAND; AND

380 (3) ENSURE MARYLANDS LONG-TERM FISCAL SOLVENCY BY LOWERING HEALTH  
390 CARE COSTS.

400 (C) SHOULD A NATIONAL HEALTH CARE SYSTEM BE CREATED, MARYCARE WILL  
410 BECOME A PART OF THAT SYSTEM.

420 §25–202.

430 (A) ALL RESIDENTS OF THE STATE OF MARYLAND ARE:  
440 (I) ENTITLED TO ALL HEALTH CARE BENEFITS UNDER MARYCARE; AND  
450 (II) MAY NOT BE DENIED QUALIFYING HEALTH CARE UNDER ANY  
460 CIRCUMSTANCE, SUCH AS BUT NOT LIMITED TO, PRE-EXISTING MEDICAL  
470 CONDITIONS, CRIMINAL ACCUSATIONS, BANKRUPTCY, OR FAILURE TO PAY  
480 STATE TAXES.

490 (B) HEALTH CARE PROVIDERS IN THE STATE OF MARYLAND:  
500 (I) ARE NOT REQUIRED TO ACCEPT MARYCARE; AND  
510 (II) MAY NOT REFUSE HEALTH CARE SERVICES ON THE BASIS OF RACE, COLOR,  
520 INCOME LEVEL, NATIONAL ORIGIN, RELIGION, GENDER, HEALTH CONDITION,  
530 AGE, LANGUAGE, SEXUAL ORIENTATION, FAMILY STATUS, OR GEOGRAPHY.

540 **SUBTITLE 3. THE MARYCARE BOARD OF DIRECTORS.**

550 §25–301.

560 (A) THE MARYCARE BOARD OF DIRECTORS IS HEREBY ESTABLISHED.

570  
580 (B) THE BOARD SHALL CONSIST OF 15 MEMBERS:  
590 (I) 10 MEMBERS SHALL BE APPOINTED BY THE GOVERNOR AND CONFIRMED BY  
600 3/5S OF THE SENATE USING THE FOLLOWING CRITERIA:  
610 (1) EACH APPOINTED MEMBER MUST HAVE AT LEAST 10 YEARS OF  
620 EXPERIENCE IN THE HEALTH CARE INDUSTRY; AND  
630 (2) HAVE REACHED THE AGE OF 35; AND  
640 (3) HAVE NOT COMMITTED A CRIME IN ANY STATE; AND  
650 (4) THE APPOINTEES MUST REPRESENT AT LEAST ONE OF THE FOLLOWING  
660 GROUPS:  
670 (I) DOCTORS AND NURSES; AND  
680 (II) HOSPITAL ADMINISTRATORS; AND  
690 (III) THE MARYLAND CHAMBER OF COMMERCE; AND  
700 (IV) A STATE-WIDE LABOR ORGANIZATION OR UNION;  
710 (5) NO APPOINTEE MAY BE EMPLOYED OR HAVE BEEN EMPLOYED IN THE 3  
720 YEARS BEFORE AND AFTER THEIR TERM(S) BY:  
730 (I) A PHARMACEUTICAL COMPANY; OR  
740 (II) AN INSURANCE COMPANY; OR  
750 (III) A MEDICAL SUPPLY COMPANY;  
760 (II) THE COMPTROLLER SHALL BE A MEMBER; AND  
770 (III) THE SECRETARY OF HEALTH AND MENTAL HYGIENE SHALL BE A MEMBER;  
780 AND  
790 (IV) THE PRESIDENT OF THE SENATE OR MEMBER OF THE SENATE APPOINTED BY  
800 THE PRESIDENT OF THE SENATE SHALL BE A MEMBER; AND  
810 (V) THE SPEAKER OF THE HOUSE OR MEMBER OF THE HOUSE APPOINTED BY THE  
820 SPEAKER OF THE HOUSE SHALL BE A MEMBER; AND  
830 (VI) THE GOVERNOR SHALL BE A NON-VOTING MEMBER.

840 (C) EACH MEMBER SHALL SERVE ON THE BOARD FOR NO MORE THAN 8 YEARS:

850 (I) APPOINTED MEMBERS SHALL SERVE NO MORE THAN TWO FOUR YEAR TERMS;  
860 AND  
870 (II) THE COMPTROLLER, SECRETARY OF HEALTH AND MENTAL HYGIENE,  
880 PRESIDENT OF THE SENATE, SPEAKER OF THE HOUSE AND THE GOVERNOR SHALL  
890 SERVE ON THE BOARD SO LONG AS THEY REMAIN IN SAID OFFICES.

900 (D) THE BOARD SHALL SUBMIT A CHARTER TO THE GENERAL ASSEMBLY NO LATER  
910 THAN DECEMBER 1<sup>ST</sup>, 2010:

920 (I) THE CHARTER WILL BE BINDING AND GIVEN THE FULL WEIGHT OF THE  
930 GENERAL ASSEMBLY; AND

940 (II) AMENDMENTS TO THE CHARTER MUST BE SUBMITTED TO AND CONFIRMED  
950 BY THE SENATE BY A 3/5S VOTE AFTER BEING APPROVED BY A MAJORITY OF THE  
960 BOARD; AND

970 (III) THE CHARTER MUST REQUIRE THE BOARD TO COMPLY WITH ALL OPEN  
980 MEETING LAWS IN THE STATE OF MARYLAND; AND

990 (IV) THE CHARTER SHALL INCLUDE:

1000 (1) OFFICIAL MEETING RULES; AND

1010 (2) THE DUTIES AND RESPONSIBILITIES OF THE FOLLOWING OFFICERS:

1020 (I) CHAIRMAN; AND

1030 (II) VICE CHAIRMAN; AND

1040 (III) TREASURER; AND

1050 (IV) SECRETARY;

1060 (3) THE SELECTION PROCESS OF OFFICERS, WHICH MUST INCLUDE THE  
1070 CONSENT OF A MAJORITY OF THE BOARD.

1080 (E) DUTIES AND RESPONSIBILITIES OF THE BOARD:

1090 (I) CREATE AND OVERSEE A STATE-WIDE HEALTH INSURANCE PLAN THAT  
1100 COVERS:

1110 (1) EMERGENCY HEALTH SERVICES; AND

1120 (2) CATASTROPHIC HEALTH SERVICES; AND

1130 (3) PREVENTATIVE HEALTH SERVICES; AND

1140 (4) DENTAL SERVICES; AND

1150 (5) PRESCRIPTION DRUGS; AND

1160 (6) SUBSTANCE ABUSE SERVICES; AND

1170 (7) ANY OTHER HEALTH SERVICE THE MAJORITY OF THE BOARD  
1180 APPROVES.

1190 (II) CREATE POLICIES IN REGARD TO THE COORDINATION OF CARE FOR  
1200 PARTICIPATING HEALTH PROVIDERS TO ABIDE BY; AND

1210 (III) CREATE AND OVERSEE A TREATMENT RESEARCH BOARD THAT WILL:

1220 (1) REPORT THE MOST EFFECTIVE TREATMENTS TO THE BOARD; AND

1230 (2) BE COMPRISED OF 10 INDIVIDUALS APPOINTED BY THE GOVERNOR  
1240 AND CONFIRMED BY THE SENATE THAT MUST HAVE A MEDICAL DEGREE FROM A  
1250 ACCREDITED COLLEGE OR UNIVERSITY AND BE IN GOOD STANDING WITH THE  
1260 AMERICAN MEDICAL ASSOCIATION; AND

1270 (3) PUBLISH ALL FINDINGS; AND

1280 (4) NOT ASSUME ANY BINDING OR LEGAL AUTHORITY IN THE MARYCARE  
1290 SYSTEM;

1300 (IV) BASED ON THE RESEARCH OF THE ORGANIZATION ESTABLISHED IN TITLE §25,  
1310 SECTION 202, SUBSECTION E, SUB SECTION III, ESTABLISH GUIDELINES FOR  
1320 HEALTH CARE PROVIDERS TO USE WHEN CHOOSING TREATMENTS; AND

1330 (V) DEVELOP A REIMBURSEMENT SYSTEM FOR HEALTH CARE PROVIDERS THAT:

1340 (1) REWARDS COOPERATION AND COORDINATION OF CARE; AND

1350 (2) REIMBURSES HEALTH CARE PROVIDERS BASED ON A PATIENT'S  
1360 HEALTH OUTCOME, NOT BASED ON SERVICES RENDERED; AND

1370 (3) DOES NOT ENCOURAGE PROVIDERS TO MARKET TO PARTICULAR  
1380 POPULATIONS OR ILLNESSES; AND

1390 (4) DOES NOT REQUIRE COINSURANCE, DEDUCTIBLES OR CO-PAYMENTS;  
1400 AND  
1410 (5) REIMBURSES OUT OF STATE HEALTH CARE PROVIDERS AT THE  
1420 AVERAGE RATE OF HEALTH CARE INSURANCE COMPANIES IN THAT STATE IF THE  
1430 SERVICE IS COVERED BY MARYCARE.  
1440 (VI) DEVELOP A GLOBAL MARYCARE BUDGET THAT INCLUDES:  
1450 (1) ALL COSTS ASSOCIATED WITH MARYCARE; AND  
1460 (2) INDIVIDUAL OPERATING BUDGETS FOR EACH PARTICIPATING HEALTH  
1470 CARE FACILITY; AND  
1480 (3) A CAPITAL BUDGET FOR HEALTH CARE FACILITIES CONSTRUCTION  
1490 AND RENOVATION; AND  
1500 (4) A REIMBURSEMENT FUND FOR CLAIMS MADE BY HEALTH CARE  
1510 PROVIDERS; AND  
1520 (5) AN UNCOMPENSATED CARE FUND FOR ALL CARE PROVIDED THAT IS  
1530 UNPAID FOR BY PRIVATE INSURANCE OR MARYCARE; AND  
1540 (6) AN ADMINISTRATIVE BUDGET, NOT TO EXCEED 5% OF THE TOTAL  
1550 GLOBAL MARYCARE BUDGET; AND  
1560 (7) A BUDGET TO TRANSITION TO THE MARYCARE SYSTEM THAT SHALL  
1570 NOT BE INCLUDED IN THE ADMINISTRATIVE BUDGET UNTIL 2015;  
1580 (VII) DEVELOP AN ELECTRONIC CLAIM AND PAYMENT SYSTEM; AND  
1590 (VIII) OVERSEE THE LICENSING OF ALL DOCTORS, NURSES, NURSE  
1600 PRACTITIONERS, OR OTHER HEALTH STAFF IN THE STATE OF MARYLAND; AND  
1610 (IX) ADAPT POLICIES TO ADHERE TO THE RECOMMENDATIONS OF THE PATIENT'S  
1620 RIGHTS BOARD ESTABLISHED IN §25-401; AND  
1630 (X) ESTABLISH ANY COMMISSION, AGENCY OR BOARD NECESSARY TO  
1640 IMPLEMENT THE GOALS OF MARYCARE WITH THE APPROVAL OF THE MAJORITY  
1650 OF THE HOUSE AND THE SENATE.

1660 **SUBTITLE 4. THE PATIENT'S RIGHTS BOARD.**

1670 §25-401.

1680 (A) THE PATIENT'S RIGHTS BOARD IS HEREBY ESTABLISHED.

1690 (B) THE BOARD SHALL CONSIST OF 10 MEMBERS:

1700 (I) ALL 10 MEMBERS SHALL BE APPOINTED BY THE GOVERNOR AND CONFIRMED  
1710 BY 3/5S OF THE SENATE USING THE FOLLOWING CRITERIA:

1720 (1) EACH APPOINTED MEMBER MUST HAVE AT LEAST 10 YEARS OF  
1730 EXPERIENCE IN THE HEALTH CARE INDUSTRY; AND

1740 (2) HAVE REACHED THE AGE OF 35; AND

1750 (3) HAVE NOT COMMITTED A CRIME IN ANY STATE; AND

1760 (4) THE APPOINTEES MUST REPRESENT AT LEAST ONE OF THE FOLLOWING  
1770 GROUPS:

1780 (I) DOCTORS AND NURSES; AND

1790 (II) HOSPITAL ADMINISTRATORS; AND

1800 (III) THE MARYLAND CHAMBER OF COMMERCE; AND

1810 (IV) A STATE-WIDE LABOR ORGANIZATION OR UNION;

1820 (5) NO APPOINTEE MAY BE EMPLOYED OR HAVE BEEN EMPLOYED IN THE 3  
1830 YEARS BEFORE AND AFTER THEIR TERM(S) BY:

1840 (I) A PHARMACEUTICAL COMPANY; OR

1850 (II) AN INSURANCE COMPANY; OR

1860 (III) A MEDICAL SUPPLY COMPANY;

1870 (6) NO APPOINTEE MAY SERVE OR HAVE SERVED ON THE MARYCARE  
1880 BOARD OF DIRECTORS.

1890 (C) THE DUTIES AND RESPONSIBILITIES OF THE PATIENTS BOARD SHALL BE:

- 1900 (I) TO ESTABLISH AN OUTREACH PROGRAM TO EDUCATE MARYLAND RESIDENTS  
1910 ABOUT BENEFITS AND RIGHTS UNDER MARYCARE, INCLUDING:  
1920 (1) A WEBSITE; AND  
1930 (2) TOLL-FREE HOTLINE, OPERATED 24 HOURS A DAY, 7 DAYS A WEEK;  
1940 AND  
1950 (3) ESTABLISH OFFICES IN EACH COUNTY; AND  
1960 (4) DEVELOP PROGRAMS TO REACH LOW-INCOME AND AT RISK  
1970 POPULATIONS;  
1980 (II) IN CONJUNCTION WITH PARAGRAPH (C) (I) OF THIS SUBSECTION, THE  
1990 PATIENT'S BOARD SHALL ALSO EDUCATE THE PUBLIC ABOUT GENERAL HEALTH  
2000 RISKS AND THE APPROPRIATE TREATMENT OF COMMON ILLNESSES;  
2010 (III) THE PATIENT'S BOARD SHALL ESTABLISH AND OVERSEE A MEDIATION  
2020 COUNCIL TO HEAR CASES OF MEDICAL MALPRACTICE:  
2030 (1) THE MEDIATION COUNCIL SHALL HEAR ALL MEDICAL MALPRACTICE  
2040 CASES IN THE STATE OF MARYLAND; AND  
2050 (2) DETERMINE IF THE CASE SHOULD GO TO COURT; AND  
2060 (3) MEMBERS OF THE COUNCIL SHALL BE APPOINTED BY THE GOVERNOR  
2070 AND CONFIRMED BY THE SENATE FOR A SINGLE 10 YEAR TERM; AND  
2080 (4) SHALL HAVE NO LEGAL AUTHORITY BEYOND THAT OF NEGOTIATION A  
2090 SETTLEMENT CONTRACT BETWEEN TWO PARTIES IF THE COUNCIL DETERMINES  
2100 THE CASE SHOULD NOT GO TO COURT.
- 2110 (D) THE PATIENTS BOARD SHALL RECEIVE NO LESS THAN 1% OF THE GLOBAL  
2120 HEALTH BUDGET.

2130 **SUBTITLE 5. THE MARYCARE TRUST FUND.**

2140 §25-501.

- 2150 (A) THE MARYCARE TRUST FUND IS HEREBY ESTABLISHED.
- 2160 (B) THE MARYCARE BOARD OF TRUSTEES SHALL HAVE COMPLETE AUTHORITY OVER  
2170 THE TRUST FUND;  
2180 (I) THE COMPTROLLER SHALL OVERSEE THE TRUST FUND'S DAY TO DAY  
2190 MANAGEMENT AT THE DIRECTION OF THE BOARD.
- 2200 (C) THE MARYLAND LEGISLATURE SHALL ADD INCOME TAX EQUAL TO 10% OF THE  
2210 COMBINE INCOME OF ALL MARYLAND RESIDENTS UNDER §10-105 THAT SHALL:  
2220 (I) PROGRESSIVELY DISTRIBUTED OVER ALL TAX BRACKETS; AND  
2230 (II) NOT CREATE ANY NEW TAX BRACKETS; AND  
2240 (III) NOT REDUCE EXISTING TAX RATES; AND  
2250 (IV) SHALL BE USED FOR THE SOLE PURPOSE OF THE MARYCARE TRUST FUND.
- 2260 (D) THE GOVERNOR, BOARD OF PUBLIC WORKS AND COMPTROLLER DO NOT HAVE  
2270 THE AUTHORITY TO USE THE DEDICATED REVENUES PUT IN THE TRUST FUND  
2280 FOR ANY PURPOSE OTHER THAN HEALTH RELATED ACTIVITIES APPROVED BY  
2290 THE MARYCARE BOARD OF DIRECTORS.

2300 **SUBTITLE 5. MISCELLANEOUS.**

2310 §25-601.

- 2320 (A) THIS TITLE DOES NOT PROHIBIT PRIVATE INSURANCE COMPANIES FROM  
2330 OPERATING IN THE STATE OF MARYLAND.

2340 (B) PRIVATE INSURANCE COMPANIES OPERATING IN THE STATE OF MARYLAND MAY  
2350 NOT:

2360 (I) OFFER INSURANCE PLANS TO RESIDENCE OF THE STATE OF MARYLAND THAT  
2370 COVER ANY BENEFITS COVERED BY THE MARYCARE SYSTEM; AND

2380 (II) DENY ANY PERSON INSURANCE COVERAGE OF ANY KIND ON THE BASIS OF  
2390 RACE, COLOR, INCOME LEVEL, NATIONAL ORIGIN, RELIGION, GENDER, HEALTH  
2400 CONDITION, AGE, LANGUAGE, SEXUAL ORIENTATION, FAMILY STATUS, OR  
2410 GEOGRAPHY.

2420 (C) HEALTH CARE PROVIDERS MAY NOT ACCEPT PAYMENT FOR ANY SERVICE  
2430 COVERED BY THE MARYCARE SYSTEM FROM ANY PRIVATE INSURANCE  
2440 COMPANY.

2450 (D) HEALTH CARE PROVIDERS MAY NOT OFFER SERVICES COVERED BY THE  
2460 MARYCARE SYSTEM FOR CASH, PROPERTY OR ANY OTHER KIND OF PAYMENT.

2470 **MANDATES:** Martin O'Malley, Governor  
2480 Michael Busch, Speaker of the House  
2490 Thomas V. Mike Miller, President of the Senate  
2500 Kumar Barve, House Majority Leader  
2510 Anthony O'Donnell, House Minority Leader  
2520 Edward Kasemeyer, Senate Majority Leader  
2530 David Brinkley, Senate Minority Leader

**SPONSOR:**

David Chase, St. Mary's College of Maryland

**CO-SPONSORS:**

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