



MARYLAND HEALTH CARE COMMISSION

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Friday, February 10, 2011

Minutes

Chair Moon called the public meeting to order, via teleconference, at 8:00 a.m. to discuss bills to be heard the following week.

Commissioners present: Conway, Falcone, Fleig, Jefferson, Kan, Krumm, Lyles, Olsen, Petty, and Weinstein.

Item 1.

• **SB182/HB166- Maryland Health Benefit Exchange Act**

SB 182/HB 166 is the Administration's Health Benefit Exchange bill that establishes an independent government agency, sets forth its governance, and gives it special procurement and personnel authorities, grants authorities from the Affordable Care Act, and sets out a series of items for study by the agency with a report back to the General Assembly before the next session. Staff recommended that the Commission support the Administration's position by testifying on the Administration's panel in support of the bill, focusing on the small group market, without filing a position paper. Several Commissioners expressed support for the agency concept, believing that the independent Commission model provided a good match with the responsibilities of the exchange. Several other Commissioners expressed concerns about establishing a government agency, preferring a non-profit set forth in SB107 that would, however, be transparent and accountable. The vote was six in support of testimony in support of the bill, and five opposed.

Item 2.

• **SB107/HB516- Health Benefit Exchanges – Establishment and Operations**

SB 107/HB 516 would establish the health benefit exchange as a nonprofit and prohibit the exchange from soliciting individuals and businesses already insured. Staff recommended the adoption of the Oppose position outlined in the position paper previously distributed to the Commissioners. Several Commissioners had expressed support for the not-for-profit, but thought that the restriction on marketing was contrary to the principles of a free market and proposed a Support with Amendment. The vote was eight agreeing to Oppose the bill, and three voting for a Support with Amendment position.

Item 3.

- **SB 312- Health Insurance Habilitative Services – Required Coverage**

SB 312 would require coverage of habilitative services for individuals under the age of 25. Dr. Cowdry conveyed staff's recommendation that the Commission send a letter of information based on the Commission's mandate review of the bill, setting forth the cost of the mandate and expressing concern about whether this benefit would be included in the federally defined essential benefits package. He noted that the essential benefits package issue is interesting because habilitative services are specifically mentioned in the Affordable Care Act, but are not included in the usual employer-sponsored plan. Commissioners agreed with the staff recommendation by voice vote.

- **SB 724 – Health Insurance – Exchange Option for Small Business**

Staff recommended that the Commission oppose this bill which would require early expansion of the small group market to 100. Dr. Cowdry stated that, because of risk selection problems, staff preferred that the issue be addressed as planned in the study required by the Administration's exchange bill. Following some discussion of the risk selection, Commissioners agreed with the staff recommendation by voice vote.

The meeting was adjourned at 8:55 a.m.