

(ii) is satisfied that there will be a reduction in hospital uncompensated care commensurate with the investment of Maryland Health Insurance Plan Fund money in the proposed computerized eligibility system;

(iii) obtains approval of the proposed computerized eligibility system from the Chief of Information Technology; and

(iv) votes affirmatively for the Department to proceed to implement the proposed computerized eligibility system.

(d) This section shall be contingent on the approval by the Centers for Medicare and Medicaid Services, in accordance with the terms of the federal waiver granted to the State of Maryland under § 1814(b) of the Social Security Act, of the use of Medicare funds for the design and development of the eligibility system in accordance with this Section. The Department of Health and Mental Hygiene, within 5 days after receiving the decision of the Centers for Medicare and Medicaid Services, shall forward a copy of the decision to the Department of Legislative Services, 90 State Circle, Annapolis, Maryland, 21401. If the Centers for Medicare and Medicaid Services do not approve the use of Medicare funds for the design and development of the eligibility system on or before June 30, 2006, this section shall be null and void without the necessity of any further action by the General Assembly.

SECTION 9. AND BE IT FURTHER ENACTED, That the exemption from the insurance premium tax for nonprofit health maintenance organizations under § 6-101(b)(7) of the Insurance Article, as enacted by Section 4 of this Act, shall be applicable to all subscription charges or other amounts paid to a nonprofit health maintenance organization on or after January 1, 2005. Notwithstanding any other provision of law, on or before August 1, 2005, the Maryland Insurance Commissioner shall refund any premium tax paid before the effective date of this Act by a nonprofit health maintenance organization that is exempt from the premium tax under § 6-101(b)(7) of the Insurance Article, as enacted by Section 4 of this Act.

SECTION 10. AND BE IT FURTHER ENACTED, That the Department of Health and Mental Hygiene shall apply to the federal Department of Health and Human Services for any waivers required under 42 CFR § 433.68 to effect the changes to § 19-727 of the Health - General Article, as enacted by Section 2 of this Act, and §§ 6-101 and 6-121 of the Insurance Article, as enacted by Section 4 of this Act. The Department of Health and Mental Hygiene, within 5 days after receiving the decision of the Department of Health and Human Services, shall forward a copy of the decision to the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401. If a waiver is not approved, the changes to § 19-727 of the Health - General Article, as enacted by Section 2 of this Act, and § 6-101 and 6-121 of the Insurance Article, as enacted by Section 4 of this Act, shall be null and void without the necessity of any further action by the General Assembly.

SECTION 11. AND BE IT FURTHER ENACTED, That:

(a) For the calendar year prior to the report date under subsection (b) of this section, the Department of Health and Mental Hygiene shall review the rates paid to providers under the federal Medicare fee schedule and compare the rates under the