

SECTION 5. AND BE IT FURTHER ENACTED, That managed care organizations participating in the Maryland Medical Assistance Program shall reimburse hospitals in accordance with rates established by the Health Services Cost Review Commission.

SECTION 6. AND BE IT FURTHER ENACTED, That the Department of Health and Mental Hygiene and the Maryland Insurance Administration shall propose regulations establishing solvency requirements for Medicaid managed care organizations no later than July 1, 1996.

SECTION 5. AND BE IT FURTHER ENACTED, That by July 1, 1996, the Secretary of Health and Mental Hygiene and the Insurance Commissioner shall enter into a memorandum of understanding under which the Commissioner shall assist in the development of, and shall review in a timely manner, the establishment of the level of capitation payments to a managed care organization.

SECTION 7. 6. AND BE IT FURTHER ENACTED, That the Department of Health and Mental Hygiene and the Maryland Insurance Administration shall establish an approval process that takes no longer than 60 days for organizations applying to be Medicaid managed care organizations. The standards and requirements for Medicaid managed care organization applications shall be available to the public no later than 60 days before the program takes effect.

SECTION 8. 7. AND BE IT FURTHER ENACTED, That:

(a) The Health Resources Planning Commission, in consultation with the Department of Health and Mental Hygiene and the Health Services Cost Review Commission, shall study the existing impact on existing community health centers and other primary care providers of the laws, regulations, the grant of a federal waiver, and other governmental actions that authorize or require the enrollment of Maryland Medical Assistance Program recipients into managed care plans or organizations.

(b) The study shall include:

(1) an assessment of the current availability and accessibility of primary care services necessary to serve the Medicaid population and the uninsured, and the ability of education programs in primary care specialties, including medical residences, to provide clinical training sites; and

(2) an examination of the utilization and reimbursement levels between managed care organizations and ancillary providers of health care services to determine the impact on access to quality medical care.

(c) On or before November 1, 1996, the Health Resources Planning Commission shall submit a report on the results of its investigation and study, together with any resulting policy recommendations, to the Governor, the Secretary of Health and Mental Hygiene, and, subject to § 2-1312 of the State Government Article, the General Assembly.

SECTION 9. 8. AND BE IT FURTHER ENACTED, That: