consultation with certain other groups, to undertake a certain study and submit a certain report to certain persons by a certain date; making certain provisions of this Act subject to a certain contingency; and generally relating to federally qualified health centers under the State Medical Assistance Program.

BY repealing and reenacting, with amendments,

Article - Health - General

Section 15-103(e)

Annotated Code of Maryland

(1994 Replacement Volume and 1998 Supplement)

BY repealing and reenacting, with amendments,

Article - Health - General

Section 15-103(e)(2)(i)

Annotated Code of Maryland

(1994 Replacement Volume and 1998 Supplement)

(As enacted by Section 1 of this Act)

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

Article - Health - General

15-103.

- (e) (1) At least quarterly, the Department shall pay to a federally qualified health center the difference between the payment received by the center from a managed care organization for services provided to enrollees of the managed care organization and, AS DETERMINED IN ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION, the reasonable cost to the center DETERMINED IN ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION in providing those services.
- (2) (I) The reasonable cost to a federally qualified health center in providing services to enrollees shall be determined in accordance with § 1902(a)(13)(C)(i) of the Social Security Act, as amended by the Balanced Budget Act of 1997, and any applicable regulations.
- (II) BEFORE THE END OF EACH FISCAL YEAR, THE DEPARTMENT SHALL WORK IN CONJUNCTION WITH EACH FEDERALLY QUALIFIED HEALTH CENTER TO DETERMINE FOR THE CENTER THE REASONABLE COST OF PROVIDING SERVICES TO ENROLLEES FOR THE NEXT FISCAL YEAR.
- (III) THE REASONABLE COST OF PROVIDING SERVICES TO ENROLLEES SHALL BE CALCULATED ON A FEE FOR SERVICE AND CAPITATED PER MEMBER PER MONTH BASIS AND PROVIDED TO EACH FEDERALLY QUALIFIED HEALTH CENTER BEFORE THE BEGINNING OF THE FISCAL YEAR.
- (IV) (<u>II</u>) EACH FEDERALLY QUALIFIED HEALTH CENTER SHALL PROVIDE THE DEPARTMENT WITH ITS ENROLLMENT DATA, ENCOUNTER DATA, AND COST REPORTS TO ASSIST THE DEPARTMENT IN CALCULATING: