

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2000.

[(e) (1) In this subsection, "family contribution" means the portion of the premium cost paid by an eligible individual to enroll and participate in the Children and Families Health Care Program.

(2) On or before July 1, 2000 and in addition to any other requirements of this subtitle, as a requirement to enroll and maintain participation in the Children and Families Health Care Program, an individual's parent or guardian shall agree to pay an annual family contribution amount determined by the Department in accordance with paragraph (3) of this subsection.

(3) (i) For eligible individuals whose family income is at or above 185 percent of the federal poverty level, the Department shall develop an annual family contribution amount payment system such that the cost of the family contribution is at least 1 percent of the annual family income but does not exceed 2 percent of the annual family income.

(ii) The Department shall determine by regulation the schedules and the method of collection for the family contribution amount under subparagraph (i) of this paragraph.

(iii) Before collecting a family contribution from any individual, the Department shall provide the individual with notice of the requirements of the family contribution amount and the options available to the individual to make premium payments.]

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Health - General

15-101.

(f) "Managed care organization" means:

(1) A certified health maintenance organization that is authorized to receive medical assistance prepaid capitation payments; or

(2) A corporation that:

(i) Is a managed care system that is authorized to receive medical assistance prepaid capitation payments;

(ii) Enrolls only program recipients or individuals or families served under the [Children and Families Health Care Program] MARYLAND CHILDREN'S HEALTH PROGRAM; and

(iii) Is subject to the requirements of § 15-102.4 of this title.

15-103.

(a) (2) The Program: