

15-103.3.

(A) THERE IS A HEALTHCHOICE PERFORMANCE INCENTIVE FUND ESTABLISHED IN THE DEPARTMENT.

(B) (1) THE DEPARTMENT SHALL PAY ALL FINES COLLECTED UNDER § 15-103(B)(12)(V) OF THIS SUBTITLE TO THE COMPTROLLER OF THE STATE.

(2) THE COMPTROLLER SHALL DISTRIBUTE THE FINES TO THE FUND.

(C) (1) THE FUND SHALL BE USED EXCLUSIVELY FOR THE MARYLAND MEDICAL ASSISTANCE PROGRAM PROVIDER REIMBURSEMENT BUDGET UNDER THE HEALTHCHOICE PROGRAM, INCLUDING PROVIDING FINANCIAL AWARDS INCENTIVES DESIGNED TO IMPROVE THE QUALITY OF CARE TO MANAGED CARE ORGANIZATIONS THAT EXCEED PERFORMANCE TARGETS.

(2) THE FUND IS A CONTINUING NONLAPSING FUND NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(3) EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, ANY UNSPENT PORTIONS OF THE FUND MAY NOT BE TRANSFERRED OR REVERT TO THE GENERAL FUND OF THE STATE, BUT SHALL REMAIN IN THE FUND TO BE USED FOR THE PURPOSES SPECIFIED IN THIS SECTION.

(4) AT THE END OF EACH FISCAL YEAR, ANY AMOUNT IN EXCESS OF \$3 MILLION SHALL REVERT TO THE GENERAL FUND.

(D) (1) THE SECRETARY OR THE SECRETARY'S DESIGNEE SHALL ADMINISTER THE FUND.

(2) THE SECRETARY SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION, INCLUDING THE DISTRIBUTION OF MONIES FROM THE FUND TO MANAGED CARE ORGANIZATIONS.

(E) THE LEGISLATIVE AUDITOR SHALL AUDIT THE ACCOUNTS AND TRANSACTIONS OF THE FUND AS PROVIDED IN § 2-1220 OF THE STATE GOVERNMENT ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That any fines imposed on managed care organizations by the Department of Health and Mental Hygiene in calendar year 1999 and calendar year 2000 shall be subject to the process established under § 15-103.3 of the Health - General Article, as added by Section 1 of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That the Department of Health and Mental Hygiene shall report to the House Environmental Matters Committee, the House Ways and Means Committee, the Senate Finance Committee, and the Senate Budget and Taxation Committee of the General Assembly on or before December 31, 2003, in accordance with § 2-1246 of the State Government Article, on the uses of the HealthChoice Performance Incentive Fund.

SECTION 4. AND BE IT FURTHER ENACTED, That the Department of Health and Mental Hygiene shall report to the House Environmental Matters Committee, the House Ways and Means Committee, the Senate Finance Committee,