

of the citizens of the State is one of our goals, this bill will increase the costs on the most affordable plans with the likely result that more people will decide to go without health care coverage because they cannot afford it.

The Maryland Health Care Commission supports this conclusion. The commission notes that studies by the Lewin Group and the Congressional Budget Office reached the unsurprising conclusion that increases in premiums lead to reductions in the numbers of people with health insurance since the price increase would lead some people to drop their coverage. This means that the 1.2 million Marylanders with health coverage through HMOs will have to choose between paying higher premiums or possibly reducing or dropping coverage. This certainly is not a desirable result.

The Maryland Health Care Commission has also expressed concerns with this tax and its effect on the Comprehensive Standard Health Benefit Plan. You were instrumental in having this plan enacted and in fact were the prime sponsor of the crossfile of the bill that was eventually enacted in the 2003 session. The commission states that this tax will force it to review the cost of the plan and possibly adjust the plan either by reducing benefits or increasing costs in order to stay within the plan's statutory requirements. In other words, the 260,000 Maryland citizens in the small group market who have HMO coverage may be subject to a double penalty of paying more while the commission is forced to reduce their coverage benefits. The HMO tax is poor public policy.

Miscellaneous Issues

Cancellation of Medical Professional Liability Insurance - Section 27-501 of the Insurance Article has been amended to allow a medical professional liability insurer to cancel or refuse to renew an insured who has been licensed as a health care provider in the State for more than three years without having to justify the action based on "standards that are reasonably related to the insurer's economic and business purposes." This means that a malpractice insurer may for any reason or for no reason cancel a physician or other provider who has been licensed in the State for more than three years. I cannot fathom the public policy argument that would justify this result. I can only think that this again reflects the haste with which this bill was drafted.

Expert Witnesses- I also note that many of the provisions dealing with expert witnesses have either been removed or watered down. These provisions were designed to prevent the prevalent use of "hired gun" experts who do not practice medicine but instead have become experts for hire. Even the provision codifying the D'Angelo decision of the Court of Special Appeals, which held that the plaintiff must file a certificate of qualified expert for each defendant, has been stricken. This was designed to ensure that plaintiffs know their cases when they file them and do not sue 29 doctors without having good reason, as was the case in D'Angelo. The addition of this requirement in the supplemental certificate of qualified expert does not achieve the desired result, as this occurs only many months into the process after discovery is completed.