

(ii) Is licensed by the Department of Health and Mental Hygiene, the Department of Human Resources, or the Department of Juvenile Justice.

(b) (1) On or before September 1, 1998, the agencies, in consultation with the Office of Children, Youth, and Families, shall redesign the rate setting structure for private residential or nonresidential child care programs and nonpublic general education schools licensed or approved by the agencies, subject to the State's allowable cost policy, to achieve equitable treatment for all providers, whether new or existing.

(2) On or before October 1, 1998, the agencies, in consultation with the Office of Children, Youth, and Families, shall submit to the budget committees for review and comment a plan for implementing the redesigned rate setting structure.

(3) The Department of Education, as the fiscal agent of the Subcabinet Fund for Children, Youth, and Families, shall be the lead agency in redesigning the rate setting structure and developing an implementation plan.

(4) The redesigned rate setting structure shall be used by the agencies in preparing the State budget for Fiscal Year 2000.

~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1998.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health and safety, has been passed by a ye and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Approved May 21, 1998.

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## CHAPTER 610

(Senate Bill 435)

AN ACT concerning

### Health - Utilization Review

~~FOR the purpose of altering the time frame when a private review agent must authorize or certify an extended stay in a health care facility or additional health care services; altering the contents of a utilization review plan; altering a certain definition; altering the circumstances under which a private review agent may retrospectively render an adverse decision regarding the preauthorized or approved services delivered to a patient; altering the penalties for certain violations; and generally relating to utilization review.~~

FOR the purpose of requiring the Insurance Commissioner, in consultation with the Maryland Hospital Association, the Maryland Association of Health