

Delegate Addie Eckardt's Legislative Wrap Up February 25, 2010

Annapolis, MD - The House Republican Caucus presented an alternate budget vision to the House Appropriations Committee and the Senate Budget and Tax Committees this week. The fiscal vision presented includes a smaller, less intrusive government enterprise, reduced tax burden on Maryland citizens, state government that operates within its means, and a state financial system that escapes the chronic budget crisis. The plan proposes to achieve a balanced General Fund budget that is structurally balanced over the next five years without raising taxes, gradually reducing the tax burden on Maryland citizens. Specific items that further reduce the Governor's budget by \$700million were included and will be deliberated in the budget committees.

[SB 285/HB 475](#), reestablishes the Heritage Structure Rehabilitation Tax Credit Program as the Sustainable Communities Tax Credit Program. The bills transform the program into a traditional tax credit program not subject to an annual appropriation, increase funding for the program by authorizing the Maryland Historical Trust to award \$50 million in credits in fiscal 2011 through 2013, and alter eligibility requirements for the program. Additionally, the legislation expands and alters eligibility requirements for the program including allowing nonhistoric properties to qualify for the credit. The bill also makes several changes to other State programs, including the Community Legacy and Designated Neighborhood Programs.

[HB147](#) has been introduced and prohibits insurance carriers from refusing to honor an assignment of benefits to a health care provider. "Assignment of benefits" means the transfer of health care coverage reimbursement benefits or other rights under a health benefit plan by an insured, subscriber, or enrollee to a health care provider. Under the bill, the only health care providers affected are physicians.

This bill will require the insurance carrier to provide the opportunity for an insured person to direct the insurer to pay the physician directly under certain circumstances. (Assigned Benefit) Currently payment goes to the insured who may not be aware of the existence of outstanding unpaid doctor's bills. The individual may then cash and spend the check only to receive an outstanding bill months later.

The legislation also imposes billing, disclosure, and payment rate requirements for physicians in cases where they are considered out-of-network by a health insurance carrier. Penalties apply in some cases. In addition, the bill requires a study of the impact of the bill and submission of a final report to the General Assembly by October 2014.

During the 2009 legislative session, legislation was introduced to require carriers to honor an assignment of benefits. Although neither bill became law, a legislative committee studied the benefits, costs, and other policy issues associated with the assignment of benefits and developed a proposal for assignment of benefits.