

TO: The Honorable Thomas M. Middleton, Chairman
Members, Senate Finance Committee

FROM: Joseph A. Schwartz, III
Pamela Metz Kasemeyer
J. Steven Wise

DATE: February 23, 2011

RE: **SUPPORT** – Senate Bill 416 – *Health Officers – Authority to Enter into Contracts or Agreements for Delivery of Health Care Services*

On behalf of MedChi, the Maryland State Medical Society and the Maryland Chapter of the American Academy of Pediatrics, we support Senate Bill 416.

Senate Bill 416 will enable local health departments to contract with insurers and other private payers for the delivery of health care services. Local health department budgets have been under increasing constraint as budgetary challenges have resulted in significant reductions in resources and programs. Despite these challenges, local health departments often are the only source of care for Maryland residents who live in areas where access to care is significantly restricted.

Insured persons, in addition to uninsured person are often the recipients of direct services provided by local health departments, either by health department employees or through contracts with community providers. However, local health departments currently are unable to bill for these services when an individual is covered by insurance. Passage of Senate Bill 416 offers the potential to reimburse local health departments for covered services they deliver and thus provide much needed revenues to supplement their constrained budgets. MedChi and MDAAP urge support of Senate Bill 416.

For more information call:

Joseph A. Schwartz, III
Pamela Metz Kasemeyer
J. Steven Wise
(410) 269 - 1618