

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 WITH AMENDMENT** – Senate Bill 514 – *Maryland  
Community Health Resources Commission – Health Care Reform – Safety  
Net Providers*

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On behalf of MedChi, the Maryland State Medical Society and the Maryland Chapter of the American Academy of Pediatrics, we support Senate Bill 514 with amendments.

Senate Bill 514 authorizes the Community Health Resources Commission (CHRC) to assist safety net providers with the implementation of the Affordable Care Act. It emanates from recommendations made by the Governor's Health Care Reform Coordinating Council. Specifically, Recommendation Five which states: "Encourage active participation of safety net providers in health reform and the new insurance options."

Implementation of the Affordable Care Act provides significant challenges for safety net providers. Many of these providers do not have existing relationships with third-party payers. They may not have billing and other administrative support functions necessary to successfully respond to the changes in the health care marketplace that will result from the implementation of federal health reform. While reform, when fully implemented, will dramatically decrease the number of uninsured, there will nonetheless remain those that are uninsured or underinsured. Safety net providers, to remain viable, must be able to serve their constituents whether insured or uninsured. They are vital to ensuring access to those who cycle on and off of coverage or are not able to receive coverage. Passage of Senate Bill 514 will enable the State to be a partner with these providers in navigating the impact of reform.

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While both organizations strongly support this legislation, they wish to offer two amendments which they believe clarify and strengthen the legislation. The first broadens the charge of the Commission to look at all barriers to third-party contracting, not just reimbursement. The second clarifies that the plan developed by the Commission to assist safety net providers includes the broad range of issues that may arise, not solely reimbursement. It is the belief of these organizations that the amendments strengthen an important legislative initiative. We applaud the sponsors and the Governor's Health Reform Coordinating Council for their commitment to the providers who serve as Maryland's safety net.

**For more information call:**  
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## Amendments to Senate Bill 514

### Amendment 1:

On page 3, strike lines 6 and 7 in their entirety and substitute “barriers to safety net providers contracting with and billing third-party payers;”

### Amendment 2:

On page 3, beginning in line 13, strike “:” through “(ii)” in line 15; and after “sustaining” in line 15 insert “and enhancing”.