

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

*Codification  
District of  
Columbia  
Official Code*

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To amend, on a temporary basis, the Health Maintenance Organization Act of 1996 to require publicly funded health maintenance organizations and prepaid health plans to comply with the prevailing premium assessment on commercial health maintenance organizations, and to direct associated revenues to enhance and expand publicly funded health coverage; to amend the Hospital and Medical Services Corporation Regulatory Act of 1996 to rename the Healthy DC Fund the Healthy DC and Health Care Expansion Fund and to expand the purpose of the fund to provide increased funding to all public health-care programs administered by the Department of Health Care Finance; to amend the Insurance Regulatory Trust Fund Act of 1993 to exclude any policy or membership fee, net premium receipts, or consideration received from or paid by the Department of Health Care Finance from the definition of “direct gross receipts”; and to amend the Healthy DC Act of 2008 to make conforming amendments.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Medicaid Resource Maximization Temporary Amendment Act of 2010”.

Sec. 2. Section 4a of the Health Maintenance Organization Act of 1996, effective August 16, 2008 (D.C. Law 17-219; D.C. Official Code § 31-3403.01), is amended as follows:

Note,  
§ 31-3403.01

(a) Subsection (a) is amended by striking the phrase “the District Medicaid Program, the Healthy DC Program, the DC HealthCare Alliance,”.

(b) Subsection (d) is amended to read as follows:

“(d) Any revenues generated from this section arising from contracts for services under the District’s Medicaid program, DC HealthCare Alliance program, or Healthy DC program shall be deposited in the Healthy DC and Health Care Expansion Fund, established by section 15b of the Hospital and Medical Services Corporation Regulatory Act of 1996, effective March 2, 2007 (D.C. Law 16-192; D.C. Official Code § 31-3514.02).”.

(c) New subsections (e) and (f) are added to read as follows:

“(e) Of all other revenues generated pursuant to this section, 75% shall be deposited in the Healthy DC and Health Care Expansion Fund and 25% shall be deposited in the General Fund of the District of Columbia.

“(f) For the purposes of this section, the term, “health maintenance organization” shall include prepaid health plans.”.

Sec. 3. The Hospital and Medical Services Corporation Regulatory Act of 1996, effective April 9, 1997 (D.C. Law 11-245; D.C. Official Code § 31-3501 *et seq.*), is amended as follows:

(a) Section 2(3A) (D.C. Official Code § 31-3501(3A)) is amended by striking the phrase “Healthy DC Fund” both times it appears and inserting the phrase “Healthy DC and Health Care Expansion Fund” in its place.

Note,  
§ 31-3501

(b) Section 15(j)(2) (D.C. Official Code § 31-3514(j)(2)) is amended by striking the phrase “Healthy DC Fund” and inserting the phrase “Healthy DC and Health Care Expansion Fund” in its place.

Note,  
§ 31-3514

(c) Section 15b (D.C. Official Code § 31-3514.02) is amended as follows:

(1) The section heading is amended by striking the phrase “Healthy DC Fund” and inserting the phrase “Healthy DC and Health Care Expansion Fund” in its place.

Note,  
§ 31-3514.02

(2) Subsection (a) is amended as follows:

(A) Strike the phrase “Healthy DC Fund (“Fund”)” and insert the phrase “Healthy DC and Health Care Expansion Fund (“Fund”)” in its place.

(B) Strike the phrase “Title 4 without” and insert the phrase “Title 4, and other medical assistance programs administered by the Department of Health Care Finance, without” in its place.

(3) Subsection (b)(2) is amended to read as follows:

“(2) Any other local funds, including any fees, penalties, or other tax revenues required by District law, including the premium tax imposed on health maintenance organizations, as required by section 4a of the Health Maintenance Organization Act of 1996, effective August 16, 2008 (D.C. Law 17-219; D.C. Official Code § 31-3403.01).”.

Sec. 4. Section 2(2) of the Insurance Regulatory Trust Fund Act of 1993, effective October 21, 1993 (D.C. Law 10-40; D.C. Official Code § 31-1201(2)), is amended by adding the following sentence at the end:

Note,  
§ 31-1201

“Direct gross receipts shall not include any policy or membership fees, net premium receipts, or consideration received from or paid by the Department of Health Care Finance.”.

Sec. 5. The Healthy DC Act of 2008, effective August 16, 2008 (D.C. Law 17-219; D.C. Official Code § 4-631 *et seq.*), is amended as follows:

**ENROLLED ORIGINAL**

(a) Section 5042(c) (D.C. Official Code § 4-632(c)) is amended by striking the phrase “Healthy DC Fund” and inserting the phrase “Healthy DC and Health Care Expansion Fund” in its place.

**Note,  
§ 4-632**

(b) Section 5047 (D.C. Official Code § 4-637) is amended by striking the phrase “Healthy DC Fund” and inserting the phrase “Healthy DC and Health Care Expansion Fund” in its place.

**Note,  
§ 4-637**

**Sec. 6. Fiscal impact statement.**

The Council adopts the fiscal impact statement of the Chief Financial Officer as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

**Sec. 7. Effective date.**

(a) This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

(b) This act shall expire after 225 days of its having taken effect.

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Chairman  
Council of the District of Columbia

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Mayor  
District of Columbia