

HOUSE BILL 1161

C3

8lr2844
CF SB 719

By: **Delegates Bromwell, Elliott, Hubbard, Kach, Kipke, Kullen, Montgomery, Morhaim, Nathan-Pulliam, Pena-Melnyk, Tarrant, and Weldon**

Introduced and read first time: February 8, 2008

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Carrier Provider Panels – Standards for Availability of**
3 **Health Care Providers**

4 FOR the purpose of requiring certain standards, maintained by certain health
5 insurance carriers for certain availability of certain health care providers, to be
6 submitted to, and approved by, the Maryland Insurance Commissioner each
7 year; requiring the Commissioner to require certain health insurance carriers to
8 submit certain data to the Commissioner for review in making a certain
9 determination and a certain assessment about certain standards; and generally
10 relating to carrier provider panels under health insurance.

11 BY repealing and reenacting, without amendments,
12 Article – Insurance
13 Section 15–112(a)(1), (3), (5), (6), (7), and (8)
14 Annotated Code of Maryland
15 (2006 Replacement Volume and 2007 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Insurance
18 Section 15–112(b)
19 Annotated Code of Maryland
20 (2006 Replacement Volume and 2007 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article – Insurance**

24 15–112.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) (1) In this section the following words have the meanings indicated.

2 (3) (i) “Carrier” means:

3 1. an insurer;

4 2. a nonprofit health service plan;

5 3. a health maintenance organization;

6 4. a dental plan organization; or

7 5. any other person that provides health benefit plans
8 subject to regulation by the State.

9 (ii) “Carrier” includes an entity that arranges a provider panel
10 for a carrier.

11 (5) “Enrollee” means a person entitled to health care benefits from a
12 carrier.

13 (6) “Hospital” has the meaning stated in § 19–301 of the Health –
14 General Article.

15 (7) “Provider” means a health care practitioner or group of health care
16 practitioners licensed, certified, or otherwise authorized by law to provide health care
17 services.

18 (8) (i) “Provider panel” means the providers that contract either
19 directly or through a subcontracting entity with a carrier to provide health care
20 services to the carrier’s enrollees under the carrier’s health benefit plan.

21 (ii) “Provider panel” does not include an arrangement in which
22 any provider may participate solely by contracting with the carrier to provide health
23 care services at a discounted fee–for–service rate.

24 (b) (1) A carrier that uses a provider panel shall:

25 (i) 1. if the carrier is an insurer, nonprofit health service
26 plan, or dental plan organization, maintain standards in accordance with regulations
27 adopted by the Commissioner for availability of health care providers to meet the
28 health care needs of enrollees;

29 2. if the carrier is a health maintenance organization,
30 adhere to the standards for accessibility of covered services in accordance with
31 regulations adopted under § 19–705.1(b)(1)(ii) of the Health – General Article; and

32 3. if the carrier is an insurer or nonprofit health service
33 plan that offers a preferred provider insurance policy that conditions the payment of

1 benefits on the use of preferred providers, adhere to the standards for accessibility of
2 covered services in accordance with regulations adopted under § 19-705.1(b)(1)(ii) of
3 the Health – General Article and as enforced by the Secretary of Health and Mental
4 Hygiene; and

5 (ii) establish procedures to:

6 1. review applications for participation on the carrier's
7 provider panel in accordance with this section;

8 2. notify an enrollee of:

9 A. the termination from the carrier's provider panel of
10 the primary care provider that was furnishing health care services to the enrollee; and

11 B. the right of the enrollee, on request, to continue to
12 receive health care services from the enrollee's primary care provider for up to 90 days
13 after the date of the notice of termination of the enrollee's primary care provider from
14 the carrier's provider panel, if the termination was for reasons unrelated to fraud,
15 patient abuse, incompetency, or loss of licensure status;

16 3. notify primary care providers on the carrier's provider
17 panel of the termination of a specialty referral services provider;

18 4. verify with each provider on the carrier's provider
19 panel, at the time of credentialing and recredentialing, whether the provider is
20 accepting new patients and update the information on participating providers that the
21 carrier is required to provide under subsection (j) of this section; and

22 5. notify a provider at least 90 days before the date of
23 the termination of the provider from the carrier's provider panel, if the termination is
24 for reasons unrelated to fraud, patient abuse, incompetency, or loss of licensure status.

25 (2) The provisions of paragraph (1)(ii)4 of this subsection may not be
26 construed to require a carrier to allow a provider to refuse to accept new patients
27 covered by the carrier.

28 **(3) (I) THE STANDARDS MAINTAINED BY A CARRIER THAT IS**
29 **AN INSURER, NONPROFIT HEALTH SERVICE PLAN, OR DENTAL PLAN**
30 **ORGANIZATION FOR AVAILABILITY OF PROVIDERS TO MEET THE HEALTH CARE**
31 **NEEDS OF ENROLLEES SHALL BE SUBMITTED TO, AND APPROVED BY, THE**
32 **COMMISSIONER ANNUALLY.**

33 **(II) TO DETERMINE WHETHER THE STANDARDS OF THE**
34 **CARRIER ARE ADEQUATE AND TO ASSESS THE CARRIER'S PERFORMANCE IN**
35 **MEETING THE STANDARDS, THE COMMISSIONER SHALL REQUIRE THE CARRIER**

1 TO SUBMIT QUANTIFIABLE AND MEASURABLE DATA TO THE COMMISSIONER
2 FOR REVIEW, INCLUDING:

3 1. INFORMATION ON:

4 A. APPOINTMENT WAIT TIMES;

5 B. PROVIDER-ENROLLEE RATIOS BY SPECIALTY;

6 C. PRIMARY CARE PROVIDER-ENROLLEE RATIOS;

7 D. GEOGRAPHIC ACCESSIBILITY;

8 E. HOURS OF OPERATION;

9 F. THE PERCENTAGE OF ENROLLEES WHO WERE
10 PROVIDED SERVICES IN A HOSPITAL BY OUT-OF-NETWORK PROVIDERS; AND

11 G. THE PERCENTAGE OF ENROLLEES WHO WERE
12 PROVIDED SERVICES OUTSIDE OF A HOSPITAL BY OUT-OF-NETWORK
13 PROVIDERS; AND

14 2. ANY OTHER INFORMATION THAT THE
15 COMMISSIONER REQUIRES.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 October 1, 2008.