

SENATE BILL 625

C3

0lr1028

By: **Senator Frosh**

Introduced and read first time: February 5, 2010

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Payment and Fee Disclosure**

3 FOR the purpose of requiring certain health insurance carriers, on or before a certain
4 date, to establish and implement a procedure for providing to an enrollee or a
5 health care provider on behalf of an enrollee a certain estimate of certain
6 amounts payable for covered services; requiring the estimate to include certain
7 payments and comply with certain terms; requiring a carrier to provide a
8 certain explanation on its website; requiring an enrollee or a health care
9 provider on behalf of an enrollee to provide certain information to the carrier to
10 receive an estimate; requiring an estimate to be provided by certain means and
11 within a certain number of days; authorizing the Maryland Insurance
12 Commissioner to require an estimate through some other means; requiring a
13 health care provider, on or before a certain date, to make available to patients a
14 certain schedule of fees and to assist an enrollee to obtain certain information;
15 defining certain terms; making the provisions of this Act applicable to health
16 maintenance organizations; and generally relating to the provision of health
17 insurance payment estimates and health care provider fees.

18 BY adding to

19 Article – Health – General
20 Section 19–706(ccc)
21 Annotated Code of Maryland
22 (2009 Replacement Volume)

23 BY adding to

24 Article – Insurance
25 Section 15–134
26 Annotated Code of Maryland
27 (2006 Replacement Volume and 2009 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article – Health – General**

4 19–706.

5 (CCCC) THE PROVISIONS OF § 15–134 OF THE INSURANCE ARTICLE
6 APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

7 **Article – Insurance**

8 15–134.

9 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
10 MEANINGS INDICATED.

11 (2) “CARRIER” MEANS:

12 (I) AN INSURER;

13 (II) A NONPROFIT HEALTH SERVICE PLAN; OR

14 (III) A HEALTH MAINTENANCE ORGANIZATION.

15 (3) “ENROLLEE” MEANS AN INDIVIDUAL ENTITLED TO HEALTH
16 CARE BENEFITS UNDER A HEALTH INSURANCE POLICY OR CONTRACT ISSUED OR
17 DELIVERED IN THE STATE BY A CARRIER.

18 (4) “HEALTH CARE PROVIDER” MEANS AN INDIVIDUAL WHO IS
19 LICENSED, CERTIFIED, OR OTHERWISE AUTHORIZED UNDER THE HEALTH
20 OCCUPATIONS ARTICLE TO PROVIDE HEALTH CARE SERVICES.

21 (5) “PROVIDER PANEL” MEANS AN ARRANGEMENT IN WHICH
22 HEALTH CARE PROVIDERS CONTRACT, EITHER DIRECTLY OR THROUGH A
23 SUBCONTRACTING ENTITY, WITH A CARRIER TO PROVIDE HEALTH CARE
24 SERVICES TO THE CARRIER’S ENROLLEES UNDER A HEALTH INSURANCE POLICY
25 OR CONTRACT.

26 (B) ON OR BEFORE JULY 1, 2012, EACH CARRIER SHALL ESTABLISH
27 AND IMPLEMENT A PROCEDURE FOR PROVIDING TO AN ENROLLEE OR A HEALTH
28 CARE PROVIDER ON BEHALF OF AN ENROLLEE, IN ADVANCE OF THE RENDERING
29 OF A COVERED SERVICE, A REASONABLY ACCURATE ESTIMATE OF:

1 **(1) THE AMOUNT THE CARRIER WILL PAY FOR THE COVERED**
2 **SERVICE; AND**

3 **(2) THE AMOUNT THE ENROLLEE WILL BE REQUIRED TO PAY FOR**
4 **THE COVERED SERVICE, INCLUDING:**

5 **(I) COPAYMENTS;**

6 **(II) COINSURANCE;**

7 **(III) DEDUCTIBLES;**

8 **(IV) AMOUNTS EXCEEDING THE MAXIMUM BENEFITS UNDER**
9 **THE HEALTH INSURANCE POLICY OR CONTRACT; AND**

10 **(V) ANY OTHER AMOUNTS SPECIFIED BY THE**
11 **COMMISSIONER.**

12 **(C) THE ESTIMATE REQUIRED UNDER SUBSECTION (B) OF THIS**
13 **SECTION SHALL:**

14 **(1) INCLUDE PAYMENTS FOR ALL COSTS, INCLUDING ANY**
15 **FACILITY COSTS, ASSOCIATED WITH THE COVERED SERVICE; AND**

16 **(2) COMPLY WITH THE TERMS OF THE HEALTH INSURANCE**
17 **POLICY OR CONTRACT OF THE ENROLLEE AND THE CONTRACT, IF ANY,**
18 **BETWEEN THE CARRIER AND THE HEALTH CARE PROVIDER RENDERING THE**
19 **COVERED SERVICE.**

20 **(D) (1) THIS SUBSECTION APPLIES TO A CARRIER THAT USES A**
21 **PROVIDER PANEL TO PROVIDE COVERED SERVICES TO ENROLLEES.**

22 **(2) IF A HEALTH CARE PROVIDER RENDERING A COVERED**
23 **SERVICE TO AN ENROLLEE OF A CARRIER SUBJECT TO THIS SUBSECTION DOES**
24 **NOT PARTICIPATE IN THE CARRIER'S PROVIDER PANEL, THE ESTIMATE**
25 **REQUIRED UNDER SUBSECTION (B) OF THIS SECTION SHALL INCLUDE AN**
26 **ESTIMATE OF:**

27 **(I) THE AMOUNTS THE CARRIER AND THE ENROLLEE WILL**
28 **PAY FOR THE COVERED SERVICE RENDERED BY THE NONPARTICIPATING**
29 **HEALTH CARE PROVIDER; AND**

30 **(II) ON REQUEST OF THE ENROLLEE OR THE**
31 **NONPARTICIPATING HEALTH CARE PROVIDER ON BEHALF OF THE ENROLLEE,**

1 THE AMOUNTS THE CARRIER AND THE ENROLLEE WOULD PAY FOR THE
2 COVERED SERVICE IF RENDERED BY A HEALTH CARE PROVIDER WHO
3 PARTICIPATES IN THE CARRIER'S PROVIDER PANEL.

4 (3) A CARRIER SHALL PROVIDE ON ITS WEBSITE AN
5 EXPLANATION OF THE METHODOLOGY IT USES TO CALCULATE PAYMENTS TO
6 HEALTH CARE PROVIDERS WHO DO NOT PARTICIPATE IN THE CARRIER'S
7 PROVIDER PANEL.

8 (E) TO RECEIVE AN ESTIMATE UNDER THIS SECTION, AN ENROLLEE OR
9 A HEALTH CARE PROVIDER ON BEHALF OF AN ENROLLEE SHALL PROVIDE TO
10 THE CARRIER:

11 (1) THE TYPE OF COVERED SERVICE TO BE RENDERED;

12 (2) THE NAME OF THE HEALTH CARE PROVIDER WHO WILL
13 RENDER THE COVERED SERVICE;

14 (3) THE ENROLLEE'S MEMBER NUMBER;

15 (4) IF REQUESTED BY THE CARRIER, THE SITE WHERE THE
16 COVERED SERVICE WILL BE RENDERED;

17 (5) IF THE HEALTH CARE PROVIDER DOES NOT PARTICIPATE IN
18 THE CARRIER'S PROVIDER PANEL, THE HEALTH CARE PROVIDER'S CHARGE FOR
19 THE COVERED SERVICE; AND

20 (6) ANY OTHER INFORMATION REQUIRED BY THE
21 COMMISSIONER.

22 (F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
23 SUBSECTION, THE ESTIMATE REQUIRED UNDER SUBSECTION (B) OF THIS
24 SECTION SHALL BE PROVIDED BY FACSIMILE, ELECTRONIC MAIL, OR U.S. MAIL,
25 AS REQUESTED BY THE ENROLLEE OR THE HEALTH CARE PROVIDER ON
26 BEHALF OF THE ENROLLEE.

27 (2) THE COMMISSIONER MAY REQUIRE AN ESTIMATE TO BE
28 PROVIDED THROUGH OTHER MEANS, INCLUDING AN INTERACTIVE WEBSITE.

29 (3) AN ESTIMATE SHALL BE PROVIDED:

30 (I) WITHIN 5 WORKING DAYS AFTER RECEIPT OF THE
31 REQUEST; OR

1 **(II) AS OTHERWISE DIRECTED BY THE COMMISSIONER.**

2 **(G) ON OR BEFORE JULY 1, 2012, A HEALTH CARE PROVIDER SHALL:**

3 **(1) MAKE AVAILABLE TO PATIENTS A CURRENT SCHEDULE OF**
4 **FEEES FOR THE HEALTH CARE SERVICES THE HEALTH CARE PROVIDER RENDERS**
5 **TO PATIENTS; AND**

6 **(2) ASSIST AN ENROLLEE TO OBTAIN THE INFORMATION**
7 **REQUIRED UNDER SUBSECTION (E)(5) OF THIS SECTION.**

8 **(H) THE COMMISSIONER SHALL ADOPT REGULATIONS TO IMPLEMENT**
9 **THIS SECTION.**

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 2010.