Unofficial Copy C3 1999 Regular Session (9lr1586)

ENROLLED BILL

-- Economic Matters/Finance --

Introduced by **Delegates Goldwater and Gordon**

	Read and Examined by Proofreaders:	
		Proofreader.
Seale	ed with the Great Seal and presented to the Governor, for his approval thisday of at o'clock,M.	Proofreader.
		Speaker.
	CHAPTER	
1 /	AN ACT concerning	
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2	Health Insurance - Reimbursements to Health Care Practitioners - Costs of	
3	Oncology Drugs	
4 F		
5	FOR the purpose of including the cost of certain supplies and services used by health	
5 6		
	FOR the purpose of including the cost of certain supplies and services used by health care practitioners in treating patients under certain circumstances in the cost of oncology drugs that must be reimbursed by carriers; prohibiting certain health	
6	FOR the purpose of including the cost of certain supplies and services used by health care practitioners in treating patients under certain circumstances in the cost of	
6 7	FOR the purpose of including the cost of certain supplies and services used by health care practitioners in treating patients under certain circumstances in the cost of oncology drugs that must be reimbursed by carriers; prohibiting certain health insurance carriers from reimbursing a health care practitioner in an amount	
6 7 8	FOR the purpose of including the cost of certain supplies and services used by health care practitioners in treating patients under certain circumstances in the cost of oncology drugs that must be reimbursed by carriers; prohibiting certain health insurance carriers from reimbursing a health care practitioner in an amount that is less than the cost of certain supplies and administrative services;	
6 7 8 9	FOR the purpose of including the cost of certain supplies and services used by health care practitioners in treating patients under certain circumstances in the cost of oncology drugs that must be reimbursed by carriers; prohibiting certain health insurance carriers from reimbursing a health care practitioner in an amount that is less than the cost of certain supplies and administrative services; providing for a certain exception; prohibiting carriers from requiring health care practitioners to obtain oncology drugs from a particular source; repealing a provision that authorizes carriers to reimburse a health care practitioner in an	
6 7 8 9 10	FOR the purpose of including the cost of certain supplies and services used by health care practitioners in treating patients under certain circumstances in the cost of oncology drugs that must be reimbursed by carriers; prohibiting certain health insurance carriers from reimbursing a health care practitioner in an amount that is less than the cost of certain supplies and administrative services; providing for a certain exception; prohibiting carriers from requiring health care practitioners to obtain oncology drugs from a particular source; repealing a provision that authorizes carriers to reimburse a health care practitioner in an amount less than the practitioner's cost under certain circumstances; and	
6 7 8 9 10 11	FOR the purpose of including the cost of certain supplies and services used by health care practitioners in treating patients under certain circumstances in the cost of oncology drugs that must be reimbursed by carriers; prohibiting certain health insurance carriers from reimbursing a health care practitioner in an amount that is less than the cost of certain supplies and administrative services; providing for a certain exception; prohibiting carriers from requiring health care practitioners to obtain oncology drugs from a particular source; repealing a provision that authorizes carriers to reimburse a health care practitioner in an amount less than the practitioner's cost under certain circumstances; and generally repealing certain provisions of law relating to reimbursement of	
6 7 8 9 10 11 12	FOR the purpose of including the cost of certain supplies and services used by health care practitioners in treating patients under certain circumstances in the cost of oncology drugs that must be reimbursed by carriers; prohibiting certain health insurance carriers from reimbursing a health care practitioner in an amount that is less than the cost of certain supplies and administrative services; providing for a certain exception; prohibiting carriers from requiring health care practitioners to obtain oncology drugs from a particular source; repealing a provision that authorizes carriers to reimburse a health care practitioner in an amount less than the practitioner's cost under certain circumstances; and	
6 7 8 9 10 11 12 13 14	FOR the purpose of including the cost of certain supplies and services used by health care practitioners in treating patients under certain circumstances in the cost of oncology drugs that must be reimbursed by carriers; prohibiting certain health insurance carriers from reimbursing a health care practitioner in an amount that is less than the cost of certain supplies and administrative services; providing for a certain exception; prohibiting carriers from requiring health care practitioners to obtain oncology drugs from a particular source; repealing a provision that authorizes carriers to reimburse a health care practitioner in an amount less than the practitioner's cost under certain circumstances; and generally repealing certain provisions of law relating to reimbursement of	

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1 2 3	Section 15-113 Annotated Code of Maryland (1997 Volume and 1998 Supplement)							
4 5 6 7 8	Section 19-706(i) Annotated Code of Maryland							
9 10	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:							
11	Article - Insurance							
12	15-113.							
13	(a)	(1)	In this s	ection the following words have the meanings indicated.				
14		(2)	"Carrier	" means:				
15			(i)	an insurer;				
16			(ii)	a nonprofit health service plan;				
17			(iii)	a health maintenance organization;				
18			(iv)	a dental plan organization; or				
19 20	regulation b	y the Sta	(v) te.	any other person that provides health benefit plans subject to				
	(3) "Health care practitioner" means an individual who is licensed, certified, or otherwise authorized under the Health Occupations Article to provide health care services.							
	4 (b) A carrier may not reimburse a health care practitioner in an amount less 5 than the sum or rate negotiated in the carrier's provider contract with the health care 6 practitioner.							
	(c) This section does not prohibit a carrier from providing bonuses or other incentive-based compensation to a health care practitioner if the bonus or other incentive-based compensation does not:							
30		(1)	violate	§ 19-705.1 of the Health - General Article; or				

deter the delivery of medically appropriate care to an enrollee.

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1	(d) (1) Except as provided in paragraph(2) (3) of this subsection, a carrier
2	may not reimburse a health care practitioner in an amount that is less than the cost
3	to the health care practitioner for the cost of an oncology drug, AND SUPPLIES AND
4	ADMINISTRATIVE SERVICES THAT ARE MEDICALLY NECESSARY FOR USE WITH THE
5	ONCOLOGY DRUG, covered under the patient's health benefit policy, plan, or
6	certificate used by the health care practitioner in treating a patient in the office of the
7	health care practitioner.
8	(2) A carrier may reimburse a health care practitioner an amount that is
	less than the cost to the health care practitioner for the cost of an oncology drug used
	by the health care practitioner in treating a patient in the office of the health care
	practitioner if the carrier provides an alternative mechanism or program for the
12	health care practitioner to use to obtain the oncology drug.
13	(3) FOR PURPOSES OF THIS SUBSECTION, THE COST OF AN ONCOLOGY
_	DRUG ALSO INCLUDES THE COST OF SUPPLIES AND SERVICES THAT ARE MEDICALLY
	NECESSARY FOR USE WITH THE ONCOLOGY DRUG IN TREATING A PATIENT IN THE
_	OFFICE OF THE HEALTH CARE PRACTITIONER.
10	OFFICE OF THE HEALTH CARE TRACTITIONER.
17	(4) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBSECTION, A
	CARRIER MAY NOT REQUIRE A HEALTH CARE PRACTITIONER TO OBTAIN FROM A
	PARTICULAR SOURCE ANY ONCOLOGY DRUG USED BY THE HEALTH CARE
	PRACTITIONER IN TREATING A PATIENT IN THE OFFICE OF THE HEALTH CARE
	PRACTITIONER.
22	(3) NOTHING IN THIS SUBSECTION SHALL PROHIBIT A HEALTH CARE
23	PRACTITIONER AND A CARRIER FROM NEGOTIATING A REIMBURSEMENT RATE IN
24	THE CARRIER'S PROVIDER CONTRACT FOR ONCOLOGY DRUGS, SUPPLIES, AND
25	ADMINISTRATIVE SERVICES THAT IS LESS THAN THE AMOUNT REQUIRED UNDER
26	PARAGRAPH (1) OF THIS SUBSECTION.
27	(a) (D) (1) A common that common sates health come prostition are whally or
27	(e) (D) (1) A carrier that compensates health care practitioners wholly or partly on a capitated basis may not retain any capitated fee attributable to an
	enrollee or covered person during an enrollee's or covered person's contract year.
<i>_</i>	enronee of covered person during an enronee's of covered person's contract year.
30	(2) A carrier is in compliance with paragraph (1) of this subsection if,
	within 45 days after an enrollee or covered person chooses or obtains health care from
	a health care practitioner, the carrier pays to the health care practitioner all accrued
	but unpaid capitated fees attributable to that enrollee or person that the health care
	practitioner would have received had the enrollee or person chosen the health care
	practitioner at the beginning of the enrollee's or covered person's contract year.
36	Article - Health - General
27	10.706
3/	19-706.
38	(i) The provisions of §§ 15-105, 15-112, 15-113, 15-804, 15-812, 15-826, and
	15-828 of the Insurance Article shall apply to health maintenance organizations.
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- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October <u>June</u> 1, 1999.