

Article - Insurance

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§15–127.

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

(2) (i) “Behavioral health care administrative expenses” means any expenses that are for administrative functions including:

1. billing and collection expenses;
2. accounting and financial reporting expenses;
3. quality assurance and utilization management program or activity expenses;
4. promotion and marketing expenses;
5. taxes, fees, and assessments;
6. legal expenses;
7. salary expenses for employees that are not related to the delivery of behavioral health care services to patients;
8. computer expenses;
9. provider credentialing;
10. collection and administrative review of treatment plans;
11. auditing the financial report submitted to the Commissioner under this section;
12. debt payment and debt service; and
13. other general and administrative expenses.

(ii) “Behavioral health care administrative expenses” does not include expenses incurred for behavioral health care services.

(3) (i) “Behavioral health care services” means procedures or services rendered by a health care provider for the treatment of mental illness, emotional disorders, drug abuse, or alcohol abuse.

(ii) “Behavioral health care services” includes any quality assurance or utilization management activities or treatment plan reviews that are clinical in nature.

(iii) “Behavioral health care services” does not include administrative functions.

(4) “Carrier” means:

- (i) a health insurer;
- (ii) a nonprofit health service plan;
- (iii) a health maintenance organization;
- (iv) a preferred provider organization;
- (v) a third party administrator; or

(vi) except for a managed care organization as defined in Title 15, Subtitle 1 of the Health - General Article, any other person that provides health benefit plans subject to regulation by the State.

(5) “Direct behavioral health care expenses” means any payment to a health care provider by a managed behavioral health care organization for the provision of behavioral health care services to a member.

(6) “Direct payments” means the money that a carrier disburses to a managed behavioral health care organization for the provision of behavioral health care services to a member.

(7) “Managed behavioral health care organization” means a company, organization, private review agent, or subsidiary that:

(i) contracts with a carrier to provide, undertake to arrange, or administer behavioral health care services to members; or

(ii) otherwise makes behavioral health care services available to members through contracts with health care providers.

(8) (i) “Member” means an individual entitled to behavioral health care services from a carrier or a managed behavioral health care organization under a policy or plan issued or delivered in the State.

(ii) “Member” includes a subscriber.

(9) “Provider” means a person licensed, certified, or otherwise authorized under the Health Occupations Article or the Health - General Article to provide health care services.

(b) This section does not apply to a person that, for an administrative fee only, solely arranges a provider panel for a carrier for the provision of behavioral health care services on a discounted fee-for-service basis.

(c) (1) A carrier that owns or contracts with a managed behavioral health care organization shall distribute to its members at the time of enrollment an explanation of:

(i) the specific behavioral health care services covered and the specific exclusions under the member's contract;

(ii) the member's responsibilities for obtaining behavioral health care services;

(iii) the reimbursement methodology that the carrier and managed behavioral health care organization use to reimburse providers for behavioral health care services; and

(iv) the procedure that a member must utilize when attempting to obtain behavioral health care services outside the network of providers used by the carrier or managed behavioral health care organization.

(2) The explanation that a carrier is required to distribute under paragraph (1)(iii) of this subsection shall be consistent with § 15-121(c) of this subtitle.

(3) A carrier that owns or contracts with a managed behavioral health care organization shall:

(i) include information on behavioral health care providers in the list of providers on the carrier's provider panel required under § 15-112(j) of this subtitle; and

(ii) provide the same information on behavioral health care providers that is required for other providers under § 15-112(j) of this subtitle.

(4) (i) A carrier that contracts with a managed behavioral health care organization shall require the managed behavioral health care organization to provide to the carrier on an annual basis a report on the direct behavioral health care expenses of the managed behavioral health care organization.

(ii) The report required under subparagraph (i) of this paragraph shall be made publicly available by the carrier.

(d) (1) Each carrier that provides behavioral health care services through a company owned wholly or in part by the carrier or through a contract with a managed behavioral health care organization shall complete and maintain a form developed by the Commissioner that includes the following information:

(i) the carrier's direct payments for the preceding calendar year;

(ii) the information required to be collected by a carrier under subsection (c)(4) of this section; and

(iii) reported separately from the information required under item (ii) of this paragraph, the carrier's total expenses for quality assurance and utilization management activities and treatment plan reviews that are clinical in nature.

(2) The Commissioner shall develop a form to implement the requirements of this subsection.

(e) (1) Each carrier required under subsection (d) of this section to complete and maintain the form developed by the Commissioner shall make copies of the form publicly available to an individual, enrollee, or member, upon request.

(2) A carrier that is required to make a form publicly available to an individual, enrollee, or member under paragraph (1) of this subsection may charge:

(i) a reasonable preparation fee not to exceed \$15 for each form requested; and

(ii) the actual cost for any postage and handling required to provide copies of the requested forms.

(f) The Commissioner may adopt regulations to carry out the provisions of this section.

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