

# HOUSE BILL 716

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EMERGENCY BILL

3lr2733  
CF SB 474

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By: ~~Delegate Guzzone~~ Delegates Guzzone, Pena-Melnyk, Cullison, Alston, Bagnall, Bhandari, Chisholm, Hill, S. Johnson, Kaiser, Kerr, R. Lewis, Lopez, Martinez, M. Morgan, Reilly, Rosenberg, Szeliga, Taveras, White, and Woods

Introduced and read first time: February 7, 2023

Assigned to: Health and Government Operations

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 5, 2023

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Managed Care Organizations – ~~Acknowledgment of Responsibility for Payment~~**  
3 **~~of a Retroactive Denial of Reimbursement – Repeal of Applicability Information~~**  
4 **in Written Statement**

5 FOR the purpose of ~~providing that a managed care organization that retroactively denies~~  
6 ~~reimbursement to a health care provider is not required to provide certain~~  
7 ~~information regarding the entity acknowledging responsibility for payment of the~~  
8 ~~denied claim~~ altering the information that must be included in a written statement  
9 provided by a managed care organization to a health care provider when  
10 retroactively denying reimbursement as a result of coordination of benefits; and  
11 generally relating to managed care organization and retroactive denial of  
12 reimbursement.

13 BY repealing and reenacting, with amendments,  
14 Article – Health – General  
15 Section 15–102.3(c)  
16 Annotated Code of Maryland  
17 (2019 Replacement Volume and 2022 Supplement)

18 BY adding to  
19 Article – Health – General  
20 Section 15–102.3(k)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Annotated Code of Maryland  
 2 (2019 Replacement Volume and 2022 Supplement)

3 BY repealing and reenacting, ~~without~~ with amendments,  
 4 Article – Insurance  
 5 Section ~~15–1008(e)(2)(ii)~~ 15–1008(c)(2)  
 6 Annotated Code of Maryland  
 7 (2017 Replacement Volume and 2022 Supplement)

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

10 **Article – Health – General**

11 15–102.3.

12 (c) The provisions of §§ 4–311, 15–604, AND 15–605, and [15–1008] ~~15–1008(A),~~  
 13 ~~(B), (C)(1) AND (2)(I), (D), (E), AND (F)~~ of the Insurance Article shall apply to managed  
 14 care organizations in the same manner they apply to carriers.

15 **(K) (1) TO THE EXTENT AUTHORIZED UNDER FEDERAL LAW AND SUBJECT**  
 16 **TO PARAGRAPH (2) OF THIS SUBSECTION, THE PROVISIONS OF § 15–1008(A), (B),**  
 17 **(C)(1) AND (2)(I), (D), (E), AND (F) OF THE INSURANCE ARTICLE SHALL APPLY TO**  
 18 **MANAGED CARE ORGANIZATIONS IN THE SAME MANNER THEY APPLY TO CARRIERS.**

19 **(2) IF A RETROACTIVE DENIAL OF REIMBURSEMENT IS THE RESULT**  
 20 **OF COORDINATION OF BENEFITS, A WRITTEN STATEMENT PROVIDED BY A MANAGED**  
 21 **CARE ORGANIZATION TO A HEALTH CARE PROVIDER IN ACCORDANCE WITH §**  
 22 **15–1008(C)(2)(I) OF THE INSURANCE ARTICLE SHALL INCLUDE THE NAME AND**  
 23 **ADDRESS OF THE ENTITY IDENTIFIED BY THE MANAGED CARE ORGANIZATION AS**  
 24 **RESPONSIBLE FOR PAYMENT OF THE CLAIM.**

25 **Article – Insurance**

26 15–1008.

27 ~~(e) (2) (ii) If the retroactive denial of reimbursement results from~~  
 28 ~~coordination of benefits, the written statement shall provide the name and address of the~~  
 29 ~~entity acknowledging responsibility for payment of the denied claim.~~

30 (c) (2) (i) A carrier that retroactively denies reimbursement to a health  
 31 care provider under paragraph (1) of this subsection shall provide the health care provider  
 32 with a written statement specifying the basis for the retroactive denial.

33 (ii) If the retroactive denial of reimbursement results from  
 34 coordination of benefits BY A CARRIER THAT IS NOT A MANAGED CARE ORGANIZATION,

1 the written statement shall provide the name and address of the entity acknowledging  
2 responsibility for payment of the denied claim.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency  
4 measure, is necessary for the immediate preservation of the public health or safety, has  
5 been passed by a yea and nay vote supported by three-fifths of all the members elected to  
6 each of the two Houses of the General Assembly, and shall take effect from the date it is  
7 enacted.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.