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SB0203/153653/1

BY: Economic Matters Committee

AMENDMENTS TO SENATE BILL NO. 203
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with the first comma in line 3 down through "disclose" in line 4 and substitute "the Health Care Access and Cost Commission to include in a certain report"; in line 4, strike "carriers" and substitute "health maintenance organizations"; strike beginning with "in" in line 5 down through "providers" in line 6; in line 7, strike the first "carriers" and substitute "health maintenance organizations"; in the same line, after "disclose" insert "to the Health Care Access and Cost Commission for inclusion in the report"; strike beginning with "prohibiting" in line 7 down through the first "Commissioner;" in line 10; in line 10, strike "authorizing the Commissioner" and substitute "requiring the Health Care Access and Cost Commission"; in line 11, strike "defining certain terms;" and substitute "defining a certain term;"; and strike beginning with "and" in line 11 down through "circumstances" in line 13 and substitute "requiring the Health Care Access and Cost Commission to consult with the Insurance Commissioner regarding certain information; requiring health maintenance organizations to include certain information in marketing documents; requiring the Commission to report certain findings to certain persons by a certain date; and generally relating to the dissemination of certain information to consumers".

On page 1, in line 21, after "(i)", insert "and 19-714".

AMENDMENT NO. 2

On pages 2 through 8, strike in their entirety the lines beginning with line 2 on page 2 through line 21 on page 8, inclusive, and substitute:

"490FF.

(A) IN THIS SECTION, "COMMISSION" MEANS THE MARYLAND HEALTH CARE ACCESS AND COST COMMISSION.

(Over)

(B) THE COMMISSION SHALL INCLUDE IN ITS ANNUAL REPORT ON THE QUALITY OF CARE OUTCOMES AND PERFORMANCE MEASURES OF HEALTH MAINTENANCE ORGANIZATIONS REQUIRED UNDER § 19-1508(C) OF THE HEALTH - GENERAL ARTICLE INFORMATION REGARDING THE PRINCIPAL OPERATING PRACTICES OF HEALTH MAINTENANCE ORGANIZATIONS IN THE STATE.

(C) (1) THE SECTION OF THE REPORT ON PRINCIPAL OPERATING PRACTICES OF HEALTH MAINTENANCE ORGANIZATIONS SHALL INCLUDE:

(I) A GLOSSARY OF TERMS;

(II) AN EXECUTIVE SUMMARY;

(III) A SUMMARY DESCRIPTION OF THE PREDOMINANT REIMBURSEMENT METHODOLOGY THAT HEALTH MAINTENANCE ORGANIZATIONS USE TO PAY FOR HEALTH CARE SERVICES;

(IV) A SUMMARY DESCRIPTION OF THE GENERAL CLINICAL MANAGEMENT PRACTICES USED BY THE HEALTH MAINTENANCE ORGANIZATIONS;

(V) THE LOSS AND EXPENSE RATIO; AND

(VI) ANY ADDITIONAL INFORMATION THE COMMISSION MAY REQUIRE BY REGULATION.

(2) THE COMMISSION, IN CONSULTATION WITH THE COMMISSIONER, SHALL DEVELOP WAYS TO DISCLOSE THE INFORMATION REQUIRED TO BE DISCLOSED UNDER THIS SECTION IN LAYMAN'S LANGUAGE.

(3) THE REPORT MAY NOT INCLUDE ANY PROPRIETARY INFORMATION.

(D) EACH HEALTH MAINTENANCE ORGANIZATION SHALL SUBMIT THE FOLLOWING INFORMATION TO THE COMMISSION ON AN ANNUAL BASIS:

(1) A SUMMARY OF THE PREDOMINANT REIMBURSEMENT METHODOLOGY USED BY THE HEALTH MAINTENANCE ORGANIZATION TO PAY FOR HEALTH CARE SERVICES;

(2) A SUMMARY DESCRIPTION OF THE GENERAL CLINICAL MANAGEMENT PRACTICES USED BY THE HEALTH MAINTENANCE ORGANIZATION;

(3) THE LOSS AND EXPENSE RATIO; AND

(4) ANY OTHER ADDITIONAL INFORMATION REQUIRED BY THE COMMISSION BY REGULATION.

(E) (1) THE COMMISSION SHALL ADOPT REGULATIONS TO IMPLEMENT THE PROVISIONS OF THIS SECTION.

(2) THE COMMISSION SHALL REQUIRE HEALTH MAINTENANCE ORGANIZATIONS TO SUBMIT A SUMMARY OF THE PREDOMINANT REIMBURSEMENT METHODOLOGY AND GENERAL CLINICAL MANAGEMENT PRACTICES IN ACCORDANCE WITH THE SPECIFICATIONS SET FORTH IN THE HEALTH PLAN EMPLOYER DATA INFORMATION SET (HEDIS) DEVELOPED BY THE NATIONAL COMMITTEE FOR QUALITY ASSURANCE.

(3) TO THE EXTENT PRACTICABLE, THE COMMISSION SHALL OBTAIN THE LOSS AND EXPENSE RATIO FOR EACH HEALTH MAINTENANCE ORGANIZATION FROM THE ANNUAL STATEMENT THAT EACH HEALTH MAINTENANCE ORGANIZATION IS REQUIRED TO SUBMIT TO THE COMMISSIONER UNDER § 490S OF THIS ARTICLE.".

AMENDMENT NO. 3

On page 8, after line 25, insert:

"19-714.

Each marketing document that sets forth the health care services of a health maintenance

organization shall describe fully and clearly:

(1) The health care services under each benefit package and every other benefit to which a member is entitled;

(2) Where and how services may be obtained;

(3) Each exclusion or limitation on any service or other benefit that it provides;

(4) Each deductible feature;

(5) Each copayment provision;[and]

(6) All information required by Article 48A, § 703(c) of the Code;

(7) A DESCRIPTION OF THOSE HEALTH CARE SERVICES COVERED UNDER THE CONTRACT, INCLUDING THOSE HEALTH CARE SERVICES AVAILABLE IN- AND OUT-OF-NETWORK;

(8) A DESCRIPTION OF THE COMPLAINT AND GRIEVANCE PROCEDURES, INCLUDING HOW TO REQUEST A REVIEW OF A DENIAL OF A HEALTH CARE SERVICE;

(9) A DESCRIPTION OF THE PROCESS FOR ACCESSING EMERGENCY ROOM SERVICES; AND

(10) AN EXPLANATION OF COVERAGE FOR IN-NETWORK AND OUT-OF-NETWORK SERVICES.".

AMENDMENT NO. 4

On page 8, before line 26, insert:

"SECTION 2. AND BE IT FURTHER ENACTED, That the Health Care Access and Cost Commission, in consultation with the Insurance Commissioner, the Secretary of Health and Mental Hygiene, and the Secretary of Business and Economic Development, shall develop ways to assure that the annual report of the Health Care Access and Cost Commission on quality of care outcomes

and performance measurements required under § 19-1508(c) of the Health - General Article is generally available and widely distributed to consumers, employers, health care providers, and any other interested party and shall report its findings to the House Economic Matters Committee, House Environmental Matters Committee, and the Senate Finance Committee by July 1, 1997. As part of the annual report, the Health Care Access and Cost Commission shall include a preface that explains access to care choices (including the point of service option required under § 19-710.2 of the Health - General Article) as well as the various reimbursement methodologies used by all carriers, including health maintenance organizations, and describe the potential effect of those methodologies on coverage decisions and the considerations for consumers of choosing a health benefit plan that employs each particular methodology.";

in line 26, strike "2." and substitute "3."; and in line 27, strike "October" and substitute "July".