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**By: Delegates Love, Krysiak, Doory, Barve, Kirk, Harrison, Donoghue, Kach, V. Mitchell, Eckardt, Goldwater, Boston, Walkup, Frank, Pitkin, Crumlin, Kelly, Pendergrass, Exum, Nathan-Pulliam, and Conroy**

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Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 15, 1996

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CHAPTER \_\_\_\_

1 AN ACT concerning

**2 Health Maintenance Organizations - Reimbursement to Providers of Emergency Services**

3 FOR the purpose of requiring health maintenance organizations to reimburse emergency  
4 facilities and providers for certain services provided to members or subscribers  
5 under certain circumstances; prohibiting health maintenance organizations from  
6 requiring certain providers to obtain approval before rendering services in order to  
7 obtain reimbursement; requiring health maintenance organizations to reimburse  
8 certain providers under certain circumstances; allowing health maintenance  
9 organizations to collect payment from members or subscribers for certain services  
10 under certain conditions; repealing certain provisions that encourage health  
11 maintenance organizations to use noncontracting providers; altering certain  
12 requirements related to information health maintenance organizations provide to  
13 members related to emergency services; ~~requiring a certain study on the cost of a~~  
14 ~~certain emergency room screening~~; and generally relating to emergency services for  
15 members of health maintenance organizations.

16 BY repealing and reenacting, with amendments,  
17 Article - Health - General  
18 Section 19-705.1(b) and 19-716  
19 Annotated Code of Maryland  
20 (1990 Replacement Volume and 1995 Supplement)

21 BY repealing  
22 Article - Health - General  
23 Section 19-710(q)  
24 Annotated Code of Maryland

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1 (1990 Replacement Volume and 1995 Supplement)

2 BY adding to

3 Article - Health - General

4 Section 19-712.5

5 Annotated Code of Maryland

6 (1990 Replacement Volume and 1995 Supplement)

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

9 **Article - Health - General**

10 19-705.1.

11 (b) The standards of quality of care shall include:

12 (1) (i) A requirement that a health maintenance organization shall  
13 provide for regular hours during which a member may receive services, including  
14 providing for services to a member in a timely manner that takes into account the  
15 immediacy of need for services; and

16 (ii) Provisions for assuring that all covered services, including any  
17 services for which the health maintenance organization has contracted, are accessible to  
18 the enrollee with reasonable safeguards with respect to geographic locations.

19 (2) [(i)] A requirement that a health maintenance organization shall have a  
20 system for providing a member with 24-hour access to a physician in cases where there is  
21 an immediate need for medical services, including providing 24-hour access by telephone  
22 to a person who is able to appropriately respond to calls from members and providers  
23 concerning after-hours care;

24 [(ii)] To meet this requirement for off-hour services, the health  
25 maintenance organization may provide for access to a physician who doesnot have a  
26 contract with the health maintenance organization or a facility, such as a hospital  
27 emergency room; and

28 (iii) If a physician who does not have a contract with a health  
29 maintenance organization is used or a facility that is not connected with a health  
30 maintenance organization is used, the health maintenance organization shall:

31 1. Develop and publicize procedures to assure that the health  
32 maintenance organization is notified of the services and receives adequate documentation  
33 of the services;

34 2. Develop and provide informational materials to all  
35 subscribers and enrollees of the health maintenance organization that clearly describe  
36 and inform subscribers and enrollees of their potential responsibility for payment for  
37 services rendered by a health care provider, including a physician or hospital, that does  
38 not have a written contract with the health maintenance organization; and

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1                                   3. Develop and provide specific information to all subscribers  
2 and enrollees of the health maintenance organization that clearly describes the  
3 procedures to be followed for emergency services, including:

4                                   A. The appropriate use of hospital emergency rooms;

5                                   B. The appropriate use, location, and hours of operation of any  
6 urgent care facilities operated by the health maintenance organization;and

7                                   C. The potential responsibility of subscribers and enrollees for  
8 payment for emergency services or nonemergency services rendered in a hospital  
9 emergency facility pursuant to § 19-710(q) of this subtitle;]

10                               (3) A REQUIREMENT THAT A HEALTH MAINTENANCE ORGANIZATION  
11 HAVE PROCEDURES TO ASSURE THAT IT IS NOTIFIED OF SERVICES RENDERED TO A  
12 MEMBER BY A PROVIDER THAT DOES NOT HAVE A CONTRACT WITH THE HEALTH  
13 MAINTENANCE ORGANIZATION AND THAT IT OBTAINS ADEQUATE  
14 DOCUMENTATION OF THE MEDICAL COMPLAINT OF THE MEMBER AND THE  
15 SERVICES RENDERED;

16                               [(3)] (4) A requirement that a health maintenance organization shall have a  
17 physician available at all times to provide diagnostic and treatment services;

18                               [(4)] (5) A requirement that a health maintenance organization shall assure  
19 that:

20                                   (i) Each member who is seen for a medical complaint is evaluated  
21 under the direction of a physician; and

22                                   (ii) Each member who receives diagnostic evaluation or treatment is  
23 under the direct medical management of a health maintenance organization physician  
24 who provides continuing medical management; and

25                               [(5)] (6) A requirement that each member shall have an opportunity to  
26 select a primary physician from among those available to the health maintenance  
27 organization.

28 19-710.

29                               [(q) Notwithstanding any other provision of this section, a hospitalemergency  
30 facility may collect or attempt to collect payment from a subscriber or enrollee for health  
31 care services provided to that subscriber or enrollee for a medical condition that is  
32 determined not to be an emergency as defined in § 19-701 (d) of this subtitle.]

33 19-712.5.

34                               (A) A HEALTH MAINTENANCE ORGANIZATION SHALL REIMBURSE A  
35 HOSPITAL EMERGENCY FACILITY AND PROVIDER, LESS ANY APPLICABLE  
36 CO-PAYMENTS, FOR MEDICALLY NECESSARY SERVICES PROVIDED TO A MEMBER  
37 OR SUBSCRIBER OF THE HEALTH MAINTENANCE ORGANIZATION IF THE HEALTH  
38 MAINTENANCE ORGANIZATION AUTHORIZED, DIRECTED, REFERRED, OR  
39 OTHERWISE ALLOWED THE MEMBER OR SUBSCRIBER TO USE THE EMERGENCY  
40 FACILITY AND THE MEDICALLY NECESSARY SERVICES ARE RELATED TO THE

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1 CONDITION FOR WHICH THE MEMBER WAS ALLOWED TO USE THE EMERGENCY  
2 FACILITY.

3 (B) A HEALTH MAINTENANCE ORGANIZATION SHALL REIMBURSE A  
4 HOSPITAL EMERGENCY FACILITY AND PROVIDER, LESS ANY APPLICABLE  
5 CO-PAYMENTS, FOR MEDICALLY NECESSARY SERVICES THAT RELATE TO THE  
6 CONDITION PRESENTED AND THAT ARE PROVIDED BY THE PROVIDER IN THE  
7 EMERGENCY FACILITY TO A MEMBER OR SUBSCRIBER OF THE HEALTH  
8 MAINTENANCE ORGANIZATION IF THE HEALTH MAINTENANCE ORGANIZATION  
9 FAILS TO PROVIDE 24-HOUR ACCESS IN ACCORDANCE WITH THE STANDARDS OF  
10 QUALITY OF CARE REQUIRED UNDER § 19-705.1(B)(2) OF THIS SUBTITLE.

11 (C) A HEALTH MAINTENANCE ORGANIZATION SHALL REIMBURSE A  
12 HOSPITAL EMERGENCY FACILITY AND PROVIDER, LESS ANY APPLICABLE  
13 CO-PAYMENTS, FOR MEDICAL SCREENING SERVICES RENDERED TO MEET THE  
14 REQUIREMENTS OF THE FEDERAL EMERGENCY MEDICAL TREATMENT AND ACTIVE  
15 LABOR ACT.

16 (D) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, A  
17 PROVIDER MAY NOT BE REQUIRED TO OBTAIN PRIOR AUTHORIZATION OR  
18 APPROVAL FOR PAYMENT FROM A HEALTH MAINTENANCE ORGANIZATION IN  
19 ORDER TO OBTAIN REIMBURSEMENT UNDER SUBSECTION ~~(A) OR (B)~~ (A), (B), OR (C)  
20 OF THIS SECTION.

21 ~~(D)~~ (E) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, A  
22 HOSPITAL EMERGENCY FACILITY OR PROVIDER OR A HEALTH MAINTENANCE  
23 ORGANIZATION THAT HAS REIMBURSED A PROVIDER MAY COLLECT OR ATTEMPT  
24 TO COLLECT PAYMENT FROM A MEMBER OR SUBSCRIBER FOR HEALTH CARE  
25 SERVICES PROVIDED FOR A MEDICAL CONDITION THAT IS DETERMINED NOT TO BE  
26 AN EMERGENCY AS DEFINED IN § 19-701(D) OF THIS SUBTITLE.

27 19-716.

28 Annually, each health maintenance organization shall provide to its members and  
29 make available to the general public, in clear, readable, and concise form:

30 (1) A summary of the most recent financial report that the health  
31 maintenance organization submits to the Commissioner under § 19-717 of this subtitle;

32 (2) A description of the benefit packages available and the nongroup rates  
33 required by the Commissioner;

34 (3) A description of the accessibility and availability of services, including  
35 where and how to obtain them;

36 (4) A STATEMENT OF THE POTENTIAL RESPONSIBILITY OF A MEMBER  
37 FOR PAYMENT FOR SERVICES THE MEMBER SEEKS TO OBTAIN FROM A PROVIDER,  
38 INCLUDING A PHYSICIAN OR HOSPITAL, THAT DOES NOT HAVE A WRITTEN  
39 CONTRACT WITH THE HEALTH MAINTENANCE ORGANIZATION;

40 (5) A DESCRIPTION OF PROCEDURES TO BE FOLLOWED FOR  
41 EMERGENCY SERVICES, INCLUDING:

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1 (I) THE APPROPRIATE USE OF HOSPITAL EMERGENCY FACILITIES;

2 (II) THE APPROPRIATE USE, LOCATION, AND HOURS OF  
3 OPERATION OF ANY URGENT CARE FACILITIES OPERATED BY THE HEALTH  
4 MAINTENANCE ORGANIZATION; AND

5 (III) THE POTENTIAL RESPONSIBILITY OF SUBSCRIBERS AND  
6 ENROLLEES FOR PAYMENT FOR EMERGENCY SERVICES OR NONEMERGENCY  
7 SERVICES RENDERED IN A HOSPITAL EMERGENCY FACILITY;

8 [(4)] (6) A statement that shows, by category, the percentage of members  
9 assisted by public funds;

10 [(5)] (7) The information required to be disclosed by Article 48A, § 703(c)  
11 of the Code; and

12 [(6)] (8) Any other information that the Commissioner or the Department  
13 requires by rule or regulation.

14 SECTION 2. ~~AND BE IT FURTHER ENACTED, That, immediately upon~~  
15 ~~enactment of this Act, the Health Resources Cost Review Commission shall begin to~~  
16 ~~conduct a study and determine the cost to an emergency provider of conducting a medical~~  
17 ~~screening that meets the requirements of the federal Emergency Medical Treatment and~~  
18 ~~Active Labor Act. On or before December 1, 1996, the results of the study shall be~~  
19 ~~presented to the Governor and, in accordance with § 2-1312 of the State Government~~  
20 ~~Article, to the General Assembly.~~

21 SECTION 3. ~~AND BE IT FURTHER ENACTED, That this Act shall take effect~~  
22 ~~October 1, 1996.~~