
By: Delegate Stup

Introduced and read first time: February 2, 1996

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurers and Health Maintenance Organizations - Medical or Surgical**
3 **Procedures - Out-of-Network Referrals**

4 FOR the purpose of requiring certain health insurers and health maintenance
5 organizations to provide reimbursement for a medical or surgical procedure or
6 service performed in a hospital not under contract with the insurer or health
7 maintenance organization if certain physicians certify and recommend a referral to
8 that hospital under certain circumstances; defining a certain term; and generally
9 relating to reimbursement for certain medical or surgical procedures or services
10 performed by a hospital not under contract with the insurer or health maintenance
11 organization under certain circumstances.

12 BY adding to

13 Article 48A - Insurance Code
14 Section 490FF
15 Annotated Code of Maryland
16 (1994 Replacement Volume and 1995 Supplement)

17 BY adding to

18 Article - Health - General
19 Section 19-706(l)
20 Annotated Code of Maryland
21 (1990 Replacement Volume and 1995 Supplement)

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

24 **Article 48A - Insurance Code**

25 490FF.

26 (A) IN THIS SECTION, "AUTHORITATIVE RESOURCE ON THE DISEASE OR
27 MEDICAL CONDITION" MEANS A PHYSICIAN WITH:

28 (1) BOARD CERTIFICATION IN THE PERTINENT OR APPROPRIATE
29 SPECIALITY AREA;

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1 (2) SIGNIFICANT EXPERIENCE IN TREATING PATIENTS WITH THE
2 INSURED'S DISEASE OR MEDICAL CONDITION; OR

3 (3) FACULTY APPOINTMENTS OR AUTHORSHIP OF A SIGNIFICANT BODY
4 OF PEER-REVIEWED CLINICAL LITERATURE IN THE RELEVANT SPECIALITY AREA.

5 (B) AN INSURER OR NONPROFIT HEALTH SERVICE PLAN THAT PROVIDES
6 HOSPITAL, MEDICAL, OR SURGICAL BENEFITS FOR ISSUANCE OR DELIVERY IN THE
7 STATE TO ANY GROUP OR INDIVIDUAL ON AN EXPENSE-INCURRED BASIS SHALL
8 PROVIDE REIMBURSEMENT FOR A MEDICALLY INDICATED MEDICAL OR SURGICAL
9 PROCEDURE OR SERVICE PERFORMED AT A HOSPITAL NOT UNDER CONTRACT
10 WITH THE INSURER OR NONPROFIT HEALTH SERVICE PLAN IF AT LEAST THREE
11 PHYSICIANS WHO ARE GENERALLY RECOGNIZED BY THEIR PEERS TO BE
12 AUTHORITATIVE RESOURCES ON THE INSURED'S DISEASE OR MEDICAL CONDITION
13 CERTIFY IN WRITING THAT:

14 (1) THE HOSPITAL HAS SUPERIOR EXPERTISE AND OUTCOMES IN
15 TREATING THE INSURED'S DISEASE OR MEDICAL CONDITION THAN THE HOSPITAL
16 WITH WHICH THE INSURER OR NONPROFIT HEALTH PLAN CONTRACTS WITH; AND

17 (2) OBJECTIVE CLINICAL AND MEDICAL JUDGMENT INDICATE THAT
18 THE PATIENT BE REFERRED TO THAT HOSPITAL FOR THE PERFORMANCE OF THE
19 MEDICAL OR SURGICAL PROCEDURE OR SERVICE.

20 **Article - Health - General**

21 19-706.

22 (L) THE PROVISIONS OF ARTICLE 48A, § 490FF OF THE CODE SHALL APPLY TO
23 HEALTH MAINTENANCE ORGANIZATIONS.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 1996.