
By: Senators Trotter and Young, Young, and Lawlah

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CHAPTER ____

1 AN ACT concerning

2 Health Insurers - Provider Panels - Participation of Community Health Care Providers

3 FOR the purpose of requiring certain insurance carriers to ensure that a certain
4 percentage of those health care providers who have traditionally provided health
5 care services in the community being served by the carrier are included on the
6 carrier's provider panel under certain circumstances.

7 BY repealing and reenacting, with amendments,
8 Article 48A - Insurance Code
9 Section 490CC
10 Annotated Code of Maryland
11 (1994 Replacement Volume and 1995 Supplement)

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

14 **Article 48A - Insurance Code**

15 490CC.

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

17 (2) (i) "Carrier" means:

- 18 1. An insurer;
- 19 2. A nonprofit health service plan;
- 20 3. A health maintenance organization;

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1 (3) Make efforts to increase the opportunity of a broad range of minority
2 providers to participate in the carrier's provider panel.

3 (d) (1) A provider seeking participation in the provider panel of a carrier shall
4 submit an application to the carrier.

5 (2) (i) After review by a carrier of an application submitted under
6 paragraph (1) of this subsection, subject to the provisions of paragraph (3) of this
7 subsection, the carrier shall accept or reject the provider for participation in the carrier's
8 provider panel.

9 (ii) If the carrier rejects the provider for participation in the carrier's
10 provider panel, the carrier shall send written notification of the rejection to the provider
11 to the address listed on the application.

12 (3) (i) Except as provided in paragraph (4) of this subsection, within 30
13 days after the date of receipt by the carrier of a completed application, a carrier shall give
14 written notice to the provider to the address listed on the application of:

15 1. The carrier's intent to continue to process the provider's
16 application for purposes of obtaining necessary credentialing information; or

17 2. The carrier's rejection of the provider for participation in the
18 carrier's provider panel.

19 (ii) Failure by a carrier to provide the written notification required
20 under subparagraph (i) of this paragraph shall be considered a violation of this article and
21 the carrier is subject to the penalties provided under § 55A of this article.

22 (iii) If a carrier provides written notice to the provider of its intent to
23 continue to process the provider's application for purposes of obtaining the necessary
24 credentialing information under subparagraph (i) of this paragraph, the carrier shall:

25 1. Within 150 days after the date the notice is provided, accept
26 or reject the provider for participation in the carrier's provider panel; and

27 2. Send written notification to the address listed on the
28 application of the provider's acceptance or rejection for participation in the carrier's
29 provider panel.

30 (iv) Failure of a carrier to send the written notification required under
31 subparagraph (iii) of this paragraph shall be considered a violation of this article and the
32 carrier is subject to the provisions and penalties of §§ 55 and 55A of this article.

33 (4) (i) A carrier that receives an incomplete application submitted in
34 accordance with paragraph (1) of this subsection shall return the application within 10
35 days from the date of receipt to the provider to the address listed on the application.

36 (ii) The carrier shall indicate to the provider what information is
37 needed in order to make the application complete.

38 (iii) The provider may return the completed application to the carrier.

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1 (iv) After the carrier receives the completed application, the carrier is
2 subject to the time periods established in paragraph (3) of this subsection.

3 (5) A carrier may charge a reasonable fee for any application that a provider
4 submits to the carrier under this section.

5 (E) IN REVIEWING APPLICATIONS FROM PROVIDERS DESIRING TO
6 PARTICIPATE IN THE CARRIER'S PROVIDER PANEL AND MAKING DETERMINATIONS
7 ON THOSE APPLICATIONS ON WHETHER TO ACCEPT OR DENY A PROVIDER FOR
8 PARTICIPATION, A CARRIER SHALL ENSURE THAT AT LEAST ~~30%~~ 20% OF THE
9 PROVIDERS PARTICIPATING IN ITS PROVIDER PANEL ARE PROVIDERS WHO HAVE
10 TRADITIONALLY PROVIDED HEALTH CARE SERVICES TO THOSE IN THE
11 COMMUNITY BEING SERVED BY THE CARRIER.

12 [(e)] (F) A carrier may not deny an application for participation or terminate
13 participation on its provider panel on the basis of:

14 (1) Gender, race, age, religion, national origin, or a protected category
15 under the Americans with Disabilities Act;

16 (2) The type or number of appeals filed by the provider under the provisions
17 of Title 19, Subtitle 13 of the Health - General Article; or

18 (3) The type or the number of complaints or grievances the provider filed or
19 requested for review under the carrier's internal review system.

20 [(f)] (G) (1) A carrier may not deny an application for participation or
21 terminate participation on its provider panel solely on the basis of the license,
22 certification, or other authorization of the provider to provide services if the carrier
23 provides services within the provider's lawful scope of practice.

24 (2) Notwithstanding the provisions of paragraph (1) of this subsection, a
25 carrier may reject an application for participation or terminate participation on the
26 carrier's provider panel based on the participation on the carrier's provider panel by a
27 sufficient number of similarly qualified providers.

28 (3) A violation of this subsection does not create a new cause of action.

29 [(g)] (H) Each carrier shall establish an internal review system to resolve any
30 grievances initiated by providers that are participating in the carrier's provider panel,
31 including grievances involving the termination of a provider from participation in the
32 carrier's provider panel.

33 [(h)] (I) A carrier may not terminate a provider from participation in the
34 carrier's provider panel, or otherwise penalize a provider, for:

35 (1) Advocating the interest of a patient through the carrier's internal review
36 system; or

37 (2) Filing an appeal under the provisions of Title 19, Subtitle 13 of the
38 Health - General Article.

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1 [(i)] (J) (1) A carrier shall provide to a new member prior to enrollment and to
2 existing enrollees at least once a year:

3 (i) A list of providers in its provider panel; and

4 (ii) Information with respect to providers who are no longer accepting
5 new patients.

6 (2) The information provided under paragraph (1) of this subsection shall
7 be updated at least once a year.

8 (3) The evidence of coverage, policy, or certificate shall:

9 (i) Clearly indicate the office within the Administration that is
10 responsible for receiving and responding to enrollee's complaints concerning carriers; and

11 (ii) Include the telephone number of the office and the process for
12 filing a complaint.

13 [(j)] (K) (1) For a period of at least 90 days from the date of the notice of a
14 primary care provider's termination from the carrier's provider panel for reasons
15 unrelated to fraud, patient abuse, incompetency, or loss of licensure status by the primary
16 care provider, the primary care provider shall render health care services to any of the
17 carrier's enrollees who:

18 (i) Were receiving health care services from the primary care provider
19 prior to the notice of termination; and

20 (ii) Request, after receiving notice of the primary care provider's
21 termination under subsection (b) of this section, to continue receiving health care services
22 from the primary care provider.

23 (2) A carrier shall reimburse the primary care provider under this
24 subsection in accordance with the provider's agreement with the carrier.

25 [(k)] (L) The Commissioner shall:

26 (1) Adopt regulations concerning the application process that carriers shall
27 use to process applications for participation in a carrier's provider panel; and

28 (2) In consultation with the Secretary of Health and Mental Hygiene, adopt
29 strategies that would assist carriers in maximizing the opportunity of a broad range of
30 minority providers to participate in the delivery of health care services.

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

