

BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 162

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “requiring” in line 3 down through “circumstances” in line 11 and substitute “requiring certain carriers to disclose certain information in their marketing materials concerning the reimbursement methodology or methodologies a carrier uses for reimbursing physicians; requiring certain carriers to disclose certain information in a certain manner in their marketing materials concerning the distribution of premium dollars received from enrollees; requiring the Health Care Access and Cost Commission to develop certain definitions; defining certain terms; and generally relating to requiring certain carriers to disclose certain information in a certain manner in their marketing materials under certain circumstances”.

AMENDMENT NO. 2

On page 2, in line 4, strike “OR”; in line 6, after “ADMINISTRATOR” insert:

“; OR

(VI) EXCEPT FOR A MANAGED CARE ORGANIZATION AS DEFINED IN TITLE 15, SUBTITLE 1 OF THE HEALTH - GENERAL ARTICLE, AN ENTITY THAT HAS ORGANIZED A PROVIDER NETWORK FOR THE PURPOSE OF CONTRACTING DIRECTLY WITH A PURCHASER TO PROVIDE HEALTH CARE SERVICES TO INDIVIDUALS OR GROUPS UNDER A CAPITATED OR OTHER RISK-SHARING ARRANGEMENT”;

in line 10, after “PERSON” insert “OR SUBSCRIBER”; strike in their entirety lines 19 through 22, inclusive; and in line 23, strike “(7)” and substitute “(6)”.

AMENDMENT NO. 3

On pages 3 through 5, strike in their entirety the lines beginning with line 1 on page 3 through line 17 on page 5, inclusive, and substitute:

(Over)

“(B) THIS SECTION APPLIES TO A CARRIER THAT PROVIDES HEALTH CARE SERVICES TO ENROLLEES, OR OTHERWISE MAKES HEALTH CARE SERVICES AVAILABLE TO ENROLLEES, THROUGH CONTRACTS WITH PROVIDERS.

(C) (1) EACH CARRIER SHALL IDENTIFY AND DISCLOSE IN LAYMAN’S TERMS IN ITS MARKETING MATERIALS THE REIMBURSEMENT METHODOLOGY OR METHODOLOGIES THE CARRIER USES TO REIMBURSE PHYSICIANS FOR HEALTH CARE SERVICES RENDERED TO ENROLLEES, INCLUDING CAPITATION, CASE RATES, DISCOUNTED FEE-FOR-SERVICE, AND FEE-FOR-SERVICE REIMBURSEMENT METHODOLOGIES.

(2) THE HEALTH CARE ACCESS AND COST COMMISSION SHALL DEVELOP A UNIFORM DEFINITION IN LAYMAN’S TERMS OF EACH REIMBURSEMENT METHODOLOGY REQUIRED TO BE DISCLOSED AND IDENTIFIED BY CARRIERS UNDER PARAGRAPH (1) OF THIS SUBSECTION, INCLUDING A REPRESENTATIVE EXAMPLE OF A TYPICAL CAPITATION ARRANGEMENT BETWEEN A CARRIER AND A PHYSICIAN.

(D) (1) IN ADDITION TO THE REQUIREMENTS OF SUBSECTION (C)(1) OF THIS SECTION, EACH CARRIER SHALL DISCLOSE IN ITS MARKETING MATERIALS THE DISTRIBUTION OF EACH \$100 IT RECEIVES IN PREMIUM DOLLARS FROM ENROLLEES.

(2) THE DISCLOSURE REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE IN THE FORM OF A PIE CHART OR BAR GRAPH WITH DESCRIPTIVE TERMS AND IN LAYMAN’S TERMS THAT IDENTIFIES CONSISTENT WITH THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS’ HEALTH MAINTENANCE ORGANIZATION ANNUAL STATEMENT (“ORANGE FORM”):

(I) THE PROPORTION OF EVERY \$100 IN PREMIUM DOLLARS THAT THE CARRIER USES TO PAY PROVIDERS FOR THE DIRECT PROVISION OF HEALTH CARE SERVICES TO ENROLLEES, INCLUDING WHAT PROPORTION IS FOR DIRECT MEDICAL CARE EXPENSES; AND

(II) THE PROPORTION OF EVERY \$100 IN PREMIUM DOLLARS THAT THE CARRIER USES TO PAY FOR PLAN ADMINISTRATION.”.