

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 265

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “Delegate Donoghue” and substitute “Delegates Donoghue, Love, Kach, V. Mitchell, Kelly, Eckardt, Boston, Barve, Exum, Kirk, Walkup, La Vay, Frank, Pendergrass, Fulton, Morhaim, and Workman”; in line 2, strike “Payments to Providers”, and substitute “Health Care Providers - Retroactive Denials of Reimbursements”; strike beginning with “prohibiting” in line 3 down through “payment;” in line 6, and substitute “restricting the time period during which certain health insurance carriers may retroactively deny reimbursement to health care providers under certain circumstances; requiring certain health insurance carriers to provide a certain statement; prohibiting certain health insurance carriers from retroactively denying reimbursement or attempting to retroactively collect reimbursement already paid to health care providers under certain circumstances; allowing a provider a certain time period in which to submit a claim for reimbursement under certain circumstances; defining certain terms; requiring a certain study;”; in line 7, strike “payment by certain persons” and substitute “retroactive denials of reimbursements”; in the same line, strike “practitioners” and substitute “providers”; and strike in their entirety lines 8 through 19, inclusive, and substitute:

“BY adding to

Article - Insurance

Section 15-1008

Annotated Code of Maryland

(1995 Volume and 1996 Supplement)

(As enacted by Chapter _____ (H.B. 11) of the Acts of the General Assembly of 1997)

BY adding to

Article - Health - General

Section 19-706(n)

Annotated Code of Maryland

(Over)

(1996 Replacement Volume and 1996 Supplement)”.
AMENDMENT NO. 2

On pages 1 and 2, strike in their entirety the lines beginning line 23 on page 1 through line 22 on page 2 and substitute:

“15-1008.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “CARRIER” MEANS:

(I) AN INSURER;

(II) A NONPROFIT HEALTH SERVICE PLAN;

(III) A HEALTH MAINTENANCE ORGANIZATION;

(IV) A DENTAL PLAN ORGANIZATION; OR

(V) ANY OTHER PERSON THAT PROVIDES HEALTH BENEFIT PLANS SUBJECT TO REGULATION BY THE STATE.

(3) “HEALTH CARE PROVIDER” MEANS A PERSON OR ENTITY LICENSED, CERTIFIED, OR OTHERWISE AUTHORIZED UNDER THE HEALTH OCCUPATIONS ARTICLE OR THE HEALTH - GENERAL ARTICLE TO PROVIDE HEALTH CARE SERVICES.

(B) (1) IF A CARRIER RETROACTIVELY DENIES REIMBURSEMENT TO A HEALTH CARE PROVIDER, THE CARRIER:

(I) MAY ONLY RETROACTIVELY DENY REIMBURSEMENT FOR SERVICES SUBJECT TO COORDINATION OF BENEFITS WITH ANOTHER CARRIER, THE MARYLAND MEDICAL ASSISTANCE PROGRAM, OR THE MEDICARE PROGRAM DURING THE 18-MONTH PERIOD AFTER THE DATE THAT THE CARRIER PAID THE CLAIM SUBMITTED BY THE HEALTH CARE PROVIDER; AND

(II) EXCEPT AS PROVIDED IN ITEM (I) OF THIS PARAGRAPH, MAY

ONLY RETROACTIVELY DENY REIMBURSEMENT DURING THE 6-MONTH PERIOD AFTER THE DATE THAT THE CARRIER PAID THE CLAIM SUBMITTED BY THE HEALTH CARE PROVIDER.

(2) (I) A CARRIER THAT RETROACTIVELY DENIES REIMBURSEMENT TO A HEALTH CARE PROVIDER UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL PROVIDE THE HEALTH CARE PROVIDER WITH A WRITTEN STATEMENT SPECIFYING THE BASIS FOR THE RETROACTIVE DENIAL.

(II) IF THE RETROACTIVE DENIAL OF REIMBURSEMENT RESULTS FROM COORDINATION OF BENEFITS, THE WRITTEN STATEMENT SHALL PROVIDE THE NAME AND ADDRESS OF THE ENTITY ACKNOWLEDGING RESPONSIBILITY FOR PAYMENT OF THE DENIED CLAIM.

(C) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A CARRIER THAT DOES NOT COMPLY WITH THE PROVISIONS OF SUBSECTION (B) OF THIS SECTION MAY NOT RETROACTIVELY DENY REIMBURSEMENT OR ATTEMPT IN ANY MANNER TO RETROACTIVELY COLLECT REIMBURSEMENT ALREADY PAID TO A HEALTH CARE PROVIDER BY REDUCING REIMBURSEMENTS CURRENTLY OWED TO THE HEALTH CARE PROVIDER, WITHHOLDING FUTURE REIMBURSEMENT, OR IN ANY OTHER MANNER AFFECTING THE FUTURE REIMBURSEMENT TO THE HEALTH CARE PROVIDER.

(D) THE PROVISIONS OF SUBSECTION (B)(1) OF THIS SECTION DO NOT APPLY IF A CARRIER RETROACTIVELY DENIES REIMBURSEMENT TO A HEALTH CARE PROVIDER BECAUSE THE INFORMATION SUBMITTED TO THE CARRIER WAS FRAUDULENT OR IMPROPERLY CODED.

(E) IF A CARRIER RETROACTIVELY DENIES REIMBURSEMENT FOR SERVICES AS A RESULT OF COORDINATION OF BENEFITS UNDER PROVISIONS OF SUBSECTION (B)(1)(I) OF THIS SECTION, THE HEALTH CARE PROVIDER SHALL HAVE 6 MONTHS FROM THE DATE OF DENIAL, UNLESS A CARRIER PERMITS A LONGER TIME PERIOD, TO SUBMIT A CLAIM FOR REIMBURSEMENT FOR THE SERVICE TO THE CARRIER.

MARYLAND MEDICAL ASSISTANCE PROGRAM, OR MEDICARE PROGRAM RESPONSIBLE FOR PAYMENT.”.

AMENDMENT NO. 3

On pages 2 and 3, strike in their entirety the lines beginning with line 24 on page 2 through line 8 on page 3 and substitute:

“19-706.

(N) THE PROVISIONS OF § 15-1008 OF THE INSURANCE ARTICLE SHALL APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.”.

AMENDMENT NO. 4

On page 3, in line 9, after “2.”, insert “AND BE IT FURTHER ENACTED, That the Maryland Association of Health Maintenance Organizations, Blue Cross and Blue Shield of Maryland (or its successor entity), and the League of Life and Health Insurers shall undertake a study of coordination of benefits, particularly the feasibility of coordinating retroactive denials of reimbursement, so that responsibility for payment of claims subject to coordination of benefits does not affect an individual provider's ability to receive proper payment for services rendered. The study and recommendations from the study shall be reported to the Senate Finance Committee and House Economic Matters Committee on or before November 1, 1997.

SECTION 3.”.