BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 739
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike "Health Care Benefits Complaint and Appeal Process" and substitute "Complaint Process for Adverse Decisions or Grievances"; in lines 3 and 4 and line 5, in each instance, strike "complaint and review" and substitute "grievance"; strike beginning with "requiring" in line 7 down through "process;" in line 9; strike beginning with "written" in line 10 down through "notice" in line 11 and substitute "certain information when the member contacts the carrier concerning an adverse decision"; strike beginning with "requiring" in line 13 down through "form" in line 14 and substitute "requiring the Health Education and Advocacy Unit to refer to the Commissioner a certain member, to transmit certain information to the Commissioner, and to establish a certain toll-free telephone number"; in lines 19 and 31, in each instance, strike "and appeals"; in line 19, after "jurisdiction;" insert "authorizing the Commissioner to order payment under certain circumstances; requiring the Commissioner to advise certain parties of the opportunity for requesting a certain hearing;"; strike beginning with the first "and" in line 20 down through "or" in line 21 and substitute "to"; in line 22, strike "a certain report" and substitute "certain reports"; in line 23, strike the first "the" and substitute "a certain"; in the same line, after "Assembly;" insert "requiring carriers to submit a certain report to the Commissioner;"; in line 24, after "the" insert "improper"; in line 29, after "date;" insert "requiring a certain Maryland Insurance Administration annual report to provide certain information;"; and in line 30, after the second "Act;" insert "providing for the termination of certain provisions of this Act;".

On page 2, in line 13, strike "15-1404" and substitute "15-1405"; in line 20, strike "27-303 and"; and in line 14, strike "Health Care Benefits and Appeal Process" and substitute "Complaint Process for Adverse Decisions or Grievances".

AMENDMENT NO. 2

On page 3, strike beginning with "COMPLAINTS" in line 10 down through "ARTICLE" in line 11 and substitute "ADVERSE DECISIONS OR GRIEVANCE DECISIONS"; in line 12, strike

(Over)

"HEALTH CARE BENEFITS COMPLAINT AND APPEAL PROCESS" and substitute "COMPLAINT PROCESS FOR ADVERSE DECISIONS OR GRIEVANCES"; strike beginning with "HAS" in line 16 down through "ARTICLE" in line 17 and substitute "MEANS A UTILIZATION REVIEW DETERMINATION MADE BY A PRIVATE REVIEW AGENT, A CARRIER, OR A LICENSED OR CERTIFIED PROVIDER ACTING ON BEHALF OF THE CARRIER THAT A PROPOSED OR DELIVERED HEALTH CARE SERVICE:

(1) IS OR WAS NOT NECESSARY, APPROPRIATE, OR EFFICIENT; AND

(2) MAY RESULT IN NONCOVERAGE OF THE HEALTH CARE SERVICE";

in line 20, strike "OR APPEALS"; after line 28 insert:

"(E) "COMPLAINT" MEANS A PROTEST FILED WITH THE COMMISSIONER BY A MEMBER CONCERNING AN ADVERSE DECISION OR GRIEVANCE DECISION BY A CARRIER CONCERNING THE MEMBER.

(F) "GRIEVANCE" MEANS A PROTEST FILED WITH A CARRIER, THROUGH ITS INTERNAL GRIEVANCE PROCESS, BY A MEMBER REGARDING A CARRIER'S ADVERSE DECISION CONCERNING THE MEMBER.";

in line 29, strike "(E)" and substitute "(G)"; and strike in their entirety lines 32 through 36, inclusive, and substitute:

"(H) (1) "MEMBER" MEANS A PERSON ENTITLED TO BENEFITS UNDER A POLICY OR PLAN ISSUED OR DELIVERED IN THE STATE BY A CARRIER.".

AMENDMENT NO. 3

On page 4, strike in their entirety lines 3 through 14, inclusive, and substitute:

"(A) EACH CARRIER SHALL ESTABLISH AN INTERNAL GRIEVANCE PROCESS FOR MEMBERS.

(B)(1) THE INTERNAL GRIEVANCE PROCESS SHALL MEET THE SAME

REQUIREMENTS ESTABLISHED UNDER TITLE 19, SUBTITLE 13 OF THE HEALTH - GENERAL ARTICLE.

(2) IN ADDITION TO THE REQUIREMENTS OF TITLE 19, SUBTITLE 13 OF THE HEALTH - GENERAL ARTICLE, THE INTERNAL GRIEVANCE PROCESS ESTABLISHED BY A CARRIER SHALL:

(I) INCLUDE AN EXPEDITED PROCEDURE FOR USE IN AN EMERGENCY CASE TO RENDER A DECISION WITHIN 24 HOURS;

(II) RESULT IN A FINAL DECISION WITHIN 60 DAYS AFTER A MEMBER FIRST CONTACTS THE CARRIER ABOUT THE ADVERSE DECISION, UNLESS:

1. THE CASE IS AN EMERGENCY CASE UNDER ITEM (I) OF THIS PARAGRAPH; OR

2. THE MEMBER AGREES TO AN EXTENSION; AND

(III) ALLOW A GRIEVANCE TO BE FILED ON BEHALF OF A MEMBER BY A PERSON WHO IS LICENSED OR CERTIFIED TO PRACTICE A HEALTH OCCUPATION IN THE STATE.

(C) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A MEMBER SHALL EXHAUST THE CARRIER'S INTERNAL GRIEVANCE PROCESS PRIOR TO FILING A COMPLAINT WITH THE COMMISSIONER.

(D) A MEMBER MAY TRANSFER A COMPLAINT TO THE COMMISSIONER UPON A DETERMINATION BY THE COMMISSIONER OF GOOD CAUSE.";

in line 15, strike "(B)" and substitute "(E)"; in lines 17, 26, and 35, in each instance, strike "COMPLAINT AND REVIEW" and substitute "GRIEVANCE"; strike in their entirety lines 20 through 23, inclusive, and substitute:

"(F) EXCEPT FOR AN EMERGENCY CASE UNDER SUBSECTION (B)(2)(II) OF THIS SECTION, AT THE TIME THAT A MEMBER CONTACTS THE CARRIER CONCERNING AN ADVERSE DECISION, THE CARRIER SHALL ADVISE THE MEMBER IN WRITING:

(1) ABOUT THE DETAILS OF ITS INTERNAL GRIEVANCE PROCESS;";

in lines 24, 27, 30, and 32, strike "(1)", "(2)", "(3)", and "(4)", respectively, and substitute "(2)", "(3)", "(4)", and "(7)", respectively; in line 25, strike "THE COMPLAINT" and substitute "A GRIEVANCE"; strike beginning with "IS" in line 27 down through "CARRIER" in line 29, and substitute "OFFERS A MEDIATION SERVICE THAT MAY ASSIST THE MEMBER"; in line 30, before "THE" insert "OF"; in line 31, strike "AND"; after line 31 insert:

"(5) THAT THE MEMBER MAY TRANSFER THE COMPLAINT TO THE MARYLAND INSURANCE COMMISSIONER UPON A DETERMINATION BY THE COMMISSIONER OF GOOD CAUSE;

(6) OF THE COMMISSIONER'S ADDRESS, TELEPHONE NUMBER, AND FACSIMILE NUMBER; AND";

in line 35, strike "(D)" and substitute "(G)"; in line 36, strike "ADVERSE" and substitute "GRIEVANCE"; and in line 38, strike "AN ADVERSE" and substitute "A GRIEVANCE".

AMENDMENT NO. 4

On page 5, in line 1, after "CARRIER'S" insert "ADVERSE DECISION AND GRIEVANCE"; in line 4, strike "IS" and substitute "AND GRIEVANCE DECISION ARE"; in line 7, strike "AN APPEAL" and substitute "A COMPLAINT"; in line 16, strike "(E)" and substitute "(H)"; in line 17, strike "(C)" and "(D)", respectively, and substitute "(F)" and "(G)", respectively; in line 21, strike "(F)" and substitute "(I)"; in the same line, after "TO" insert ": (1)"; in line 22, strike the colon; in line 23, strike "(1)"; strike in its entirety line 25 and substitute:

"(2) CONTACT THE HEALTH ADVOCACY UNIT FOR ASSISTANCE WITH AN ADVERSE DECISION.";

after line 25, insert:

"(J) THE HEALTH ADVOCACY UNIT SHALL IMMEDIATELY REFER TO THE COMMISSIONER ANY MEMBER WHO WISHES TO FILE A COMPLAINT WITH THE COMMISSIONER.

(K) IF A MEMBER FILES A COMPLAINT WITH THE COMMISSIONER AFTER THE HEALTH ADVOCACY UNIT HAS ATTEMPTED TO ASSIST THE MEMBER, THE HEALTH ADVOCACY UNIT SHALL IMMEDIATELY TRANSMIT TO THE COMMISSIONER A COPY OF ALL RELEVANT INFORMATION AND DOCUMENTS OBTAINED BY THE HEALTH ADVOCACY UNIT.

(L) THE HEALTH ADVOCACY UNIT SHALL ESTABLISH A TOLL-FREE TELEPHONE NUMBER THAT CAN BE USED BY MEMBERS TO CONTACT THE UNIT.";

strike in their entirety lines 27 through 31, inclusive; in line 32, strike "(2) THE FORM SHALL INCLUDE" and substitute:

"(A) THE COMMISSIONER MAY REQUEST";

in line 34, strike "OR APPEAL"; and in line 36, after "DECISION" insert "OR GRIEVANCE DECISION".

AMENDMENT NO. 5

On page 6, in line 6, after "DECISION" insert "OR GRIEVANCE DECISION"; in line 9, after "ISSUES" insert "RELATED TO ADVERSE DECISIONS OR GRIEVANCE DECISIONS"; after line 11 insert:

"(D) ANY ADVISORY COMMITTEE MEMBER TO WHOM THE COMMISSIONER REFERS A CASE OR IMPARTIAL HEALTH CARE PROFESSIONAL WITH WHOM THE COMMISSIONER CONSULTS SHALL HAVE NO DIRECT FINANCIAL INTEREST IN OR CONNECTION TO THE CASE PENDING BEFORE THE COMMISSIONER.";

in lines 13 and 15, in each instance, strike "AND APPEALS"; in lines 12 and 19, strike "(D)" and

(Over)

"(E)", respectively, and substitute "(E)" and "(F)", respectively; in line 16, strike "AND" and substitute:

"(3) IF THE COMMISSIONER DETERMINES A CARRIER IMPROPERLY DENIED MEDICALLY NECESSARY COVERED BENEFITS, THE COMMISSIONER MAY ORDER THE CARRIER TO MAKE PAYMENT; AND";
in line 17, strike "(3)" and substitute "(4)"; strike beginning with "ANY" in line 17 down through "ARTICLE" in line 18 and substitute "THE OPPORTUNITY AND TIME PERIOD FOR REQUESTING A HEARING TO BE HELD IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE, TO CONTEST THE DECISION OF THE COMMISSIONER ISSUED UNDER PARAGRAPH (2) OF THIS SUBSECTION"; in lines 19 and 20, strike "AND APPEALS"; in lines 20 and 21, strike "THE HEALTH ADVOCACY UNIT OR"; after line 23 insert:

"(A) ON A QUARTERLY BASIS, THE HEALTH ADVOCACY UNIT SHALL SUBMIT A REPORT TO THE COMMISSIONER THAT:

(1) DESCRIBES ACTIVITIES OF THE UNIT ON BEHALF OF THE MEMBERS WHO HAVE PARTICIPATED IN AN INTERNAL GRIEVANCE PROCESS OF A CARRIER UNDER THIS SUBTITLE;

(2) DESCRIBES EFFORTS OF THE UNIT TO MEDIATE IN EACH CASE INVOLVING AN ADVERSE DECISION;

(3) NAMES EACH CARRIER INVOLVED IN EACH CASE DESCRIBED IN THE REPORT;

(4) STATES THE NUMBER AND RESULTS IN EACH CASE CONSIDERED AN EMERGENCY CASE UNDER §15-1402(B)(2)(I) OF THIS SUBTITLE DESCRIBED IN THE REPORT, INCLUDING THE TIME WITHIN WHICH THE GRIEVANCE WAS COMPLETED FOR EACH EMERGENCY CASE; AND

(5) STATES THE NUMBER AND RESULTS IN EACH CASE DESCRIBED IN THE REPORT INCLUDING THE TIME WITHIN WHICH THE GRIEVANCE WAS

COMPLETED FOR EACH CASE.";

in line 24, strike "(A)" and substitute "(B)(1)"; in lines 28 and 33, strike "(B)" and "(C)", respectively, and substitute "(2)" and "(3)", respectively; and after line 36 insert:

"15-1405.

ON A QUARTERLY BASIS, EACH CARRIER SHALL SUBMIT A REPORT TO THE COMMISSIONER THAT DESCRIBES ACTIVITIES OF THE CARRIER UNDER THIS SUBTITLE, INCLUDING:

(1) EFFORTS AT MEDIATION ON ADVERSE DECISIONS;

(2) THE NUMBER AND RESULTS OF EACH CASE THAT IS CONSIDERED AN EMERGENCY CASE UNDER §15-1402(B)(2)(I) OF THIS SUBTITLE, INCLUDING THE TIME WITHIN WHICH THE GRIEVANCE WAS COMPLETED FOR EACH EMERGENCY CASE; AND

(3) THE NUMBER AND RESULTS IN EACH CASE, INCLUDING THE TIME WITHIN WHICH THE CARRIER COMPLETED ITS INTERNAL GRIEVANCE PROCESS FOR EACH CASE.".

On pages 6 and 7, strike in their entirety the lines beginning with line 37 on page 6 through line 17 on page 7, inclusive.

AMENDMENT NO. 6

On page 8, in line 22, before "FAIL" insert "IMPROPERLY"; in line 27, after "to" insert "provisions enacted by Section 1 of this Act regarding: (1)"; in lines 28 and 29, strike ", as enacted by Section 1 of this Act" and substitute "; and (2) funding from the Maryland Insurance Administration for the activities of the Unit required under §§ 15-1402 and 15-1404 of the Insurance Article"; and in line 31, after "Unit" insert ", in conjunction with the affected agencies,".

AMENDMENT NO. 7

On page 9, after line 2 insert:

"SECTION 5. AND BE IT FURTHER ENACTED, That the Maryland Insurance Administration, as part of the annual report required under §15-1404 of the Insurance Article, shall report the number of complaints filed against carriers related to a hospital length of stay or a requirement to have a service performed on an outpatient basis, and the extent to which the complaints are related to a certain practice guideline.

SECTION 6. AND BE IT FURTHER ENACTED, That Section 5 of this Act shall remain effective for a period of 2 years and, at the end of January 1, 2000, with no further action required by the General Assembly, Section 5 of this Act shall be abrogated and of no further force and effect.";

in line 3, strike "5." and substitute "7."; and in line 4, strike "October 1, 1997" and substitute "January 1, 1998".